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has appropriated \$39 billion dollars less than the President has requested in his total budgets—but we have not always appropriated money for the programs he wanted to support, and we have often appropriated money for programs he wanted to cut down or do away with.

Last year the Congress established a new budget process, through which we will set our own budget ceilings early in each year, and will consider each spending bill within the framework of a budget resolution which Congress must pass. This is the first official year of that budget process. We will all know more about how well our new system will work at the end of this year.

However, the key to federal spending problems—and the key to most of our other problems, too—is not the total amount spent or even the squabbles we have over what we should spend our money for. The real key lies in something much more serious: how do our tax revenues match up to our spending? Our federal revenues from tax dollars have quadrupled over the last twenty years, but the percentage which comes from corporate income taxes has gone steadily down while the percentage which comes from individual income taxes and from social security taxes has gone steadily up.

When unemployment began to rise dramatically during the current recession, revenues went down of course. Men and women who are not working don't pay taxes. Expenditures for unemployment insurance and welfare went up in direct proportion—so that the deficit grew. The cost to the federal government for every one percent of unemployment is estimated to be about \$13 billion in tax receipts not collected and about \$5 billion in spending for unemployment and welfare.

Or we can think about this problem another way. If we had had an unemployment rate of three percent in the years since 1970 instead of the rate we did have, we would have had a surplus instead of a deficit in every year except 1975—and the deficit that year would have been much less than it was.

The real answer to our economic problems in government and in the private economy is the same: jobs. That is why I believe that we must continue to support job programs and career education programs. We must find the right way to put people to work at a decent wage. That will mean, as it always has in the past, that our whole economic picture is healthy. Without jobs, no amount of economic tinkering, and no amount of rhetoric from the Administration is going to work.

When we put people to work, they produce the things we need, they can afford to care for their families, and they can afford to pay for things which they expect government to do for all of us.

Once that happens, I believe we will stop hearing the accusations of overspending by the Congress—and we will be back on the road to a common sense approach to our representative government. I hope that will begin to happen this year.

## THE KGB IN PARIS

Mr. HELMS. Mr. President, the operations of the Soviet secret services—KGB—in the West have grown rapidly in recent years. According to a report in a French magazine, there are more than 600,000 KGB operatives in the nations of the free world and more than 20,000 in France alone. Our antisubversion agencies have attempted to bring the threatening presence of Soviet intelligence and subversive agencies to the attention of our public, but the real danger is not understood or

The report to which I referred, which appeared in a recent issue of the magazine Paris Match on July 7, 1976, makes very informative reading. The article describes in detail several of the routes through which the KGB has worked in France to implant its agents into the business and governmental affairs of the nation. The report concludes with the frightening comparison between the direction which the KGB is taking in France today and the events in Prague in 1968. Perhaps we should also consider whether there is anything to prevent the KGB's arrogant actions in France from being duplicated in the United States.

Mr. President, I ask unanimous consent that a translation of this article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

## THE KGB IN PARIS

The most powerful and skillful of all intelligence services of the world made the French capital its headquarters for Western Europe and Africa. The Soviet representation in France is employing 241 agents positively identified by the special police forces. This is what is known today about the Russian intelligence set-up in our country:

Two iron gates protect its mystery. Similar to the doors of a gigantic safe, they bar access to mysterious quarters in this huge quadrangle of concrete, built in "colossal" style, which is the new Soviet embassy in Paris, on Boulevard Lannes, between Porte Dauphine and Porte d'Auteuil. In reality, while we have there an embassy, at the same time it is also a fortress protecting some of the most up-to-date spying techniques. Spying in the James Bond style "made in the U.S.S.R.," it is provided with an interception center for the purpose of catching both local emissions as well as hertzian radio waves. In the reception rooms a secret device permits photographing of the visitors as well as the taping of their conversation even when it is in a low voice.

At a time when the police or rather the D.S.T. (Surveillance du Territoire or Territorial Supervision) is uncovering or dismantling every day or almost every day networks of spies or terrorist supporters, one is tempted to believe that this simile of a concrete fortress, the Soviet Embassy well worthy of the Maginot line, will become the top secret and mysterious general headquarters of a formidable intelligence establishment. The heads of the majority of these networks still remain unknown.

Modern espionage can be compared to a screen with a multitude of folds, behind which there is always someone who pulls all the strings, a foreign power whose aim is to organize intelligence gathering by individuals, teams or interposed networks. This is good war-making. This practice has a tradition since our world began—since Philip "the Fair", Richelieu, Metternich or Talleyrand. Today, however, intelligence gathering has become more than a handicraft for diplomats or counter-intelligence officers. It is now a quasi-industrial enterprise with a sales office, studying and ensuring penetration into a "market" which is the environment of the adversary.

The Russians have always been champions in this field. It seems however that this time with their new Embassy in Paris they want to build their enterprise to dimensions unequalled in the past where techniques and gadgets employed as well as the personnel covering their tracks. The press has recently accused a certain Henri Curiel, a staunch

of being the head of a network of supporters of terrorists. However the D.S.T. was never successful in the face of his denials, in bringing proof sufficient to incriminate him.

Until present days, the U.S.S.R. Embassy was in the building of the former Embassy of Imperial Russia, a town mansion at 79 Rue de Valenciennes, not long ago the residence of the Duke of the Orlans. The staff of this Embassy comprises 143 persons. If one considers what is accepted in a so-called normal embassy, one could assume the presence of one spy, or, at least, one double agent, one intelligence agent, for every 100 employees. Experience, however, proves that in Soviet embassies, conversely there are, say, 99 intelligence agents and only one authentic officer of the Ministry of Foreign Affairs per 100 employees. It is even being said that the Ambassador is not necessarily the most important person in a Soviet embassy abroad, but sometimes it is his chauffeur or the door-keeper. This would be the important member of the State Security Committee (KGB).

Actually the personnel who are entrusted with the interests of a power such as the Soviet Union in France are of particular importance. The Russians are not stingy. At the present time the employees who are representing the Soviet Union number 225. This is a record number which includes not only the career diplomats and the presumptive ones of the U.S.S.R. Embassy, but also the employees of the connected services such as the Consulate General (14 Place Malesherbes) which numbers 19 members, the Military Mission (131 Rue de Longchamp) with its 22 employees, the Commercial Mission (49 Rue de la Painsandrie)—95 strong, the Consulate in Marseille whose temporary staff comprises 22 people, the TASS Agency with its 25 journalists and not counting the Soviet Information Office (Rue de Proby), professors on exchange programs, Soviet students, and others. The French offices have noticed that the number of these exchange professors, visitors or occasional officials has recently increased considerably. Applications for visas for Soviet nationals number into hundreds for periods of staff which vary considerably. As a matter of fact, Soviet diplomats and officials on their post of duty abroad come and go as they please. They vanish without leaving anyone know about it. They cross our border at a date which is at great variance with the real date of their departure and the official announcement which is made by their superiors, often in a very casual way. Actually the Embassy of the U.S.S.R. is securing the residence permits (carte de séjour) of the person in question only a long time after the departure. Or, conversely, the same Embassy surrenders carefully the mentioned document while its recipient remains in France for some time, eluding all control, since it is assumed that he has departed. The importance of this type of abuse should be put in proper perspective if one realizes that these incidents numbered over 100 in 1973 and doubled during 1975 alone.

In that connection, the question should be asked—why not impose on all Soviet citizens leaving the French territory the obligation to surrender their residence permits at the point of crossing our frontier. It seems that in view of being unable to answer this question, the French diplomacy has reasons which are unknown to the D.S.T. Actually a distinction must be made between those officials who belong to the Soviet diplomatic services and therefore are persona grata enjoying diplomatic immunity and those who operate in the export-import field, or those who visit our country as engineers, students, exchange scholars, and others. It is the number of these exchange scholars which at this moment is increasing by leaps and bounds. In short the total of all Soviet representatives in France, including the Embassy, actually surpasses 800 persons.