



Situation Report

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VERIFICATION — The Problems For National Intelligence

Do not think what you want to think until you know what you need to know.

This maxim, honored in British intelligence circles as Crow's Law, is from a classic work on technical intelligence, "The Wizard War," written by the highly respected R.V. Jones, presently professor of Natural Philosophy at the University of Aberdeen in Scotland and, during the last great war, Winston Churchill's Director of Scientific Intelligence.

It is quoted approvingly by an American authority on the technical side of intelligence, Mr. Amrom H. Katz, in a pamphlet entitled "Verification and SALT," which was recently issued by The Heritage Foundation. The paper examines, with lucidity and wit, the delusions and deceptions, the pitfalls and snares which imperil the judgments, not to mention the hopeful expectations, of statesmen and intelligence analysts alike when it comes to measuring the capabilities and gauging the intentions of a resolute adversary.

We commend it. Mr. Katz knows his subject. A former Rand scholar, he had an important role in pioneering the first reconnaissance satellites in the 1960's and from 1973 to 1976 he was an assistant Director of the Arms Control and Disarmament Agency, in charge of its Verification and Analysis Bureau.

Crow's Law, obviously, is a refinement for the special instruction of present-day policy makers of the cautionary wisdom summed up in such venerable aphorisms as "Look Before you Leap" and "Let Not the Wish be Father to the Thought." For many Americans, the verifiability of the terms of the SALT agreement, which is to say Soviet compliance with its constraints, has become the centerpiece of U.S. — Soviet relationships. President Carter, who startled serious students of Soviet realities by proclaiming early in his presidency that Americans were losing their "inordinate fear of communism," this year shook the intelligence community when he assured the American Newspaper Publishers Association, at their annual meeting in New York on April 25, that he is "going to be able to verify a SALT agreement from the moment it is signed."

A fortnight earlier, the First Lady, at the launching of the first huge missile-armed Trident submarine, USS Ohio, and presumably moved by faith alone, told her audience in the shipyard at Groton, Conn., that "when Jimmy signs the SALT Treaty, it will be very much in the best interest of the country and it will be verifiable."

It would be a naive American who accepted these judgments as chiselled in stone. On the contrary, the President's unqualified certification of the competence of the means presently available to us for determining whether the Soviets are being straight in SALT was a deliberate misrepresentation of the technical situation. If only for its reckless improvidence, it deserves to rank in the annals of presidential prophecy with Franklin Roosevelt's promise to the American people in the presidential campaign of 1940 that their sons would not be called up to fight in the war already ablaze in Europe.

We say this in incredulity mixed with dismay. Mr. Carter's guarantee flew in the face of a contrary opinion arrived at meanwhile by his principal intelligence advisor — the Director of the Central Intelligence Agency, Admiral Stanfield Turner. Admiral Turner's commanding position in the intelligence community makes him responsible for the direction and coordination of all the sophisticated surveillance and monitoring apparatus — spatial and terrestrial, technical as well as two-footed — on which the Government depends for national intelligence estimates, and, in particular, the state of the Soviet strategic nuclear forces.

On April 10, in secret testimony before the Senate Select Intelligence Committee, Admiral Turner acknowledged that as a result of our expulsion from two crucially important radar and telemetry-reading stations in Iran, a serious gap had opened up in our monitoring systems. U.S. intelligence will have to wait five years, which is to say into 1984, before the essential means for tracking the development of heavy Soviet nuclear weaponry on the test ranges can be restored to their past effectiveness. That leaves at best a margin of a year before the treaty expires.

River of Doubt

Turner's testimony, though given in a closed hearing, found its way to the front pages on 16 April. He has not denied it. Indeed, at an open press luncheon, four days earlier, he conceded the impossibility of verifying by the technical means presently in use whether the Soviets, if disposed to cheat, are in compliance with the treaty's terms. He supported his doubts with an instructive lecture. The surveillance and sensing equipment in space and around the Soviet frontier enables him merely to *monitor* technical events — to detect and track the properties of what can

be seen or heard. But the ability to say that one can verify whether the ratio of weapons sanctioned by the treaty is being covertly altered by apparatus being developed and stored out of sight and hearing — under the roofs of Soviet laboratories and factories — calls for something more than monitoring can supply by itself. It calls for a subjective judgment, a calculated risk which the Admiral euphemistically describes as a “policy” decision.

Admiral Turner has thus, in his own way, thought through the unthinkable. On the U.S. side, the controlling principle in the SALT negotiations from the start has been the axiom that the terms of the treaty must be verifiable by us. So far as SALT II is concerned, the Admiral blew that condition precedent out of the water.

In the sudden crisis, President Carter responded characteristically. He wheeled up his Defense Secretary, Harold Brown. Dr. Brown is a physicist. Philosophically, he is allied with the Pugwash school of scientists, a fraternity of defense and foreign policy intellectuals who preceded President Nixon and Dr. Kissinger into detente. Dr. Brown, in an earlier stint at the Pentagon, had a hand in conceptualizing McNamara’s Mutual-Assured-Destruction (MAD) doctrine of nuclear strategy, a rapidly foundering concept. Federal service in the negative politics of defense has made him an astute master of the vocabulary of ambiguity.

In response to an order from the Commander-in-Chief, Dr. Brown undertook to bring the Pentagon shore batteries to bear on the Admiral upriver at Langley. On April 17th he issued a formal statement in which he predicted that it will take no more than “about a year” to bring forward electronic monitoring devices comprehensive and reliable enough to provide an adequate verification — a straight yes or a clear no, to the question of whether the Soviets are in compliance or not. But Dr. Brown did agree with Admiral Turner that a full recovery of the capabilities lost in Iran is not likely before 1983 or 1984. What is even more significant, considering the divided counsel prevailing on both banks of the Potomac is that the proponents of SALT, in order to hold ranks among doubters, have been driven to an elastic redefinition of what constitutes adequate verification.

The new standard is a monitoring capability sensitive enough to detect a significant improvement in a Soviet weapon undergoing tests, a finding that, given the pace of technological advance, would only certify an event which had been four or five years in preparation by the time it is recognized.

So, given the shady Soviet performance under SALT I, American prospects under SALT II are murky, to say

the least. Because of this, many wholly respectable and well informed citizens from all segments of our society have come together in opposition to the paper signed in Vienna. SALT I was acceptable to most Americans because new inventions — space machines and various sensing devices — allowed us to look down on and eavesdrop on some secret Soviet happenings.

SALT II, however, introduces qualitative factors amenable to covert alterations of high value to strategy which our entire panoply of remotely placed technical surveillance devices can not possibly detect in development — e.g., the number of warheads in a Soviet ICBM, the true design range of either a cruise missile or of the Backfire bomber, of indeed the number of weapons hidden across the USSR. Cheating here could decisively swing the strategic balance further against us without our monitoring analysts being any the wiser. There is only one way for us to be sure that the Soviets are not cheating. It is for them to open their frontiers on a reciprocal basis to unrestricted inspection, and this they will never do until the shrimps have learned to whistle.

So the question of whether it will take one year or five to raise the level of monitoring is beside the point. As *The Economist* of London pointed out in a telling commentary in its issue of May 12, well before the panic induced at the White House by Admiral Turner’s caveat, the main question is “whether it is right for the Carter Administration to claim that the SALT II Treaty is verifiable when part of it is not.” (our italics).

Yet, in spite of Admiral Turner’s sombre admission on the 10th and Secretary Brown’s equivocal finding on the 17th, the President went ahead before the month of April was out to assure the newspaper publishers, by reputation a hard bitten lot, that the treaty he was making ready to sign could be verified. If there was significant cheating we would catch it.

Machines Are Not Enough

The quality of intelligence is the business of our Fund. If and when the President is called upon some future day to decide whether the Soviet Union is in compliance with the conditions of SALT II, the evidence to which he will have recourse in his hour of soul-testing is not likely to be supplied by a physicist at the Pentagon, a lawyer at Foggy Bottom, or the political scientists in the National Security Council. It will have to come from the intelligence community. Its people run the surveillance systems; they do the ferreting out. They look to technology for evidence of what is in preparation, for example, on the missile test ranges, or in guerrilla battle zones. They look to human intelligence — to what men observe and hear from

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other men — for clues to what the adversary is thinking, for a line on what his true intentions may be.

The peculiar and fateful duties laid upon the intelligence services give sobering relevance to Crow's Law cited at the start of this report. No illusion could be more damaging to the conduct of U.S. high strategy in the dangerous years immediately ahead, when by general agreement the U.S. Minuteman retaliatory force will become vulnerable to a preemptive strike, than for a President to believe the power balance is what he wants it to be. The intelligence community's monitoring functions are no wiser than the machines that collect the evidence. They report only on what is there to be seen or overheard. This is one aspect of the many problems facing us in the collection of national intelligence to which your Fund shall address itself from time to time. Our point here has to do with the relatively narrow issue of verification. For want of will, and out of a timid reluctance to use and reinforce the clandestine services, we have come to depend almost entirely on technology for intelligence in this crucial sector. We let ourselves be persuaded that we are smarter than the Soviets, that we really know how well they are faring in their massive investments in heavy weapons and that they have no way of knowing how much we know about their progress. The two lamentable failures in security and counterintelligence which we shall now examine, from a careful review of the trial proceedings, teach us otherwise.

The Unfaithful Watchman

To the extent the Kampiles case carries a moral, it is this: a national intelligence service that lacks a vigilant counterintelligence and security service may wake up one morning and find that the trusted Watchman has made off with the family jewels.

William Peter Kampiles served as a junior Watch Officer at the Operations Center of the Central Intelligence Agency at Langley, Virginia, a twenty-minute drive from the White House. He was only 23

years old when he went to work there and he lasted barely eight months. Hired in March, 1977, he quit in November, after being put on notice that he would be fired unless he shaped up fast. Brief as the association was, it was long enough* for him to commit an act of treason which, quite apart from the immense damage done to the nation's ability to monitor Soviet military capabilities, has cast a deeply disturbing shadow over the CIA's conduct of its own affairs.

Kampiles's crime was to steal from the Agency's file a technical manual describing the characteristics and performance, as well as the limitations, of a secret reconnaissance satellite known as the KH-11. About three months after stealing the document, he sold it in Athens, Greece, to a Soviet agent for \$3,000, hardly more than small beer money, considering the dollar's decline, not to mention the purchaser's horseback opinion that it ought to be worth as much as \$200,000 to his principals back in Moscow.

In truth, it was a beggar's price for the keys to an invention that cost the U.S. taxpayer hundreds of millions of dollars to develop and which had gone into operation only a year or two before. There's no telling what the betrayal of its unique properties may cost us all in the long run. The U.S. attorney for the prosecution, David T. Ready, said of the pilfered secret, "This may be one of the greatest losses ever sustained by U.S. intelligence."

The members of our Fund understand why. For some three decades we Americans have been drawn into an immensely complicated and deadly technical game of wits with the Soviets. The contest began in a serious way in August 1949 when, to the surprise of the most influential American scientists, the Air Force collected in the winds blowing off the Siberian tundras the debris which proved that the Soviet Union had emerged otherwise in secret as a rival nuclear power. The pace of the duel quickened in the 1950's as our rudimentary surveillance systems, starting with the U-2 and moving on into the photographic satellites in polar orbit, began to pick up the first sobering clues of the



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massive Soviet tests aimed at fitting the new nuclear warheads into their new missile and bomber technologies for intercontinental warfare. On our side, the necessity all the while, made acute by the rising threat, has been to pierce the shadows cloaking a closed society sworn to destroy us and to be ready to fend off a possibly catastrophic attack prepared in secrecy. On their's, it has been to hide the scope and weight of a vast military investment that has never stopped, in the service of a strategy we can only surmise.

The CIA's Deputy Director for Research and Technology, Dr. Leslie C. Dirks, has described the KH-11 as "a photographic satellite" that is a key element in "an extremely advanced" system, "drawing on the highest U.S. technology." Its most revolutionary advance lies in its capability to transmit *instantaneously* to ground stations in friendly countries good pictures taken high in space of *things* and *events* in otherwise inaccessible areas. The pioneering photographic satellites that served our intelligence analysts and policy makers so well through the 1960's, by enabling them to look down on the military gear the Russians were testing and deploying inside their frontiers took pictures on film which was parachuted in canisters down to planes circling a drop zone near Hawaii. The interval between photographing the targets and the delivery of the developed film to the interpreters in Washington could be days, even weeks. Then with the advent of the KH-11 system, introducing an electronic data conversion technique, time was telescoped. A picture of whatever is down there that we should know about, behind frontiers we cannot penetrate, can be had, when weather and sun favor, almost with the speed of light.

Certain aspects of the KH-11 system remain classified. But from what has already been published it is obvious that the invention was itself an integral element of a still more elaborate and highly sophisticated communications and sensing system utilizing space craft in geostationary orbit 22,300 miles above the earth.

These systems gave us the upper hand, while the secret lasted, in the battle of the wits with the Soviet missile forces. The KH-11 system, as Dr. Dirks testified at Kampiles's trial, was and remains a principal means for monitoring secret military capabilities across the whole range of strategic weaponry. It is and remains on that account an essential tool in verifying Soviet compliance with the terms of the SALT agreements. But now that the Soviets have the manual, they know how the system works. They know how well and how quickly it responds to remote control, the quality of the pictures, how they are passed on through the American intelligence channels and, alas, how the system can be foxed or nullified. To lose this powerful hole card, at an hour when the margins of political influence and military power are everywhere narrowing against us, is bad enough. But the manner of losing it is hardly less disconcerting, revealing as it does the sorry decline in the professional standards of the intelligence service itself, and the shocking lapse in discipline in the ranks.

Espionage Without Sweat

There is no need here for a full retelling of Kampiles's treachery. A rather full account appears in the June issue of *The Reader's Digest*, under the title: "CIA in Crisis: The Kampiles Case." The particularities

which concern us are those that bear on the reliability of the intelligence services, their vigilance, and their self-discipline. Three questions loom large:

Why was Kampiles hired at all?

Why was he placed so soon in a sensitive post where he could put so much in jeopardy?

Why was the CIA unable to discover the breach in security?

Save for the monstrous defect of character that was observed too late, William Kampiles was an altogether ordinary young man. Son of an immigrant steel worker, he grew up on Chicago's South side. His father died when he was ten and the mother, a hard-working, stouthearted soul, took a job in the cafeteria of the Ford Assembly plant. She supported the son through high school into college. He took his degree in political science, with good marks, at the University of Indiana. A CIA recruiter interviewed him there in his senior year and while waiting for the call from the CIA he accepted a job with a hospital supply company in St. Louis. The invitation to join the Agency finally came toward the end of winter. He quit his job, and in March 1977 reported for work at the headquarters in Langley. His salary was \$11,500, about a third less than he was earning in private industry, but he entertained romantic visions of a career of derring-do in the cloak-and-dagger world.

His first and only job in intelligence was in the Watch Office, on the seventh floor of the great building standing in a clearing in the Virginia woods. The Watch Office is the collection center of the Agency's world-wide intelligence traffic. It is manned around the clock. Kampiles during his shift shared a desk with three other junior Watch officers. Their job was to scan the incoming messages for intelligence urgent enough to demand fast handling by the higher command.

Kampiles disliked the changing shifts, the paper-pushing, and was impatient for a prompt transfer to the livelier distant marches of the clandestine craft. His duty officers rated his work unsatisfactory and Kampiles, realizing that he was marked for the axe, quit.

That would have ended the otherwise impalpable impact of William Kampiles on the fortunes of the CIA but for two parting actions by him.

One was to snatch a blank ID (or identification) card before leaving the premises. On it he imposed his photograph and forged a counter-signature identifying him as a bona fide CIA employee. The expiration date was farsightedly projected five years ahead, to 1982.

His other act was to pilfer the KH-11 manual. This top secret document was usually kept, for the convenience of some three-score officers who constituted the round-the-clock watch, in a cabinet above the Xerox machine, along with other reference works. A total of 350 manuals had been distributed among various intelligence agencies, on a need-to-know basis. Four were allocated to the CIA, Numbers 153-156. The first was destroyed because it was superseded by the last three, issued in December, 1979. No. 154 and No. 156 were stored in the safe of the Senior Watch officer. No. 155 was the one Kampiles took.

One afternoon or evening, as Kampiles finished his day's stint, he slipped the manual under the sport jacket he wore to work and carried it through the security gate unchallenged.

A Man Named Michael

During his last days at the Agency, in late November, Kampiles kept the manual hidden in a dresser drawer in his flat nearby. When he left for Chicago to stay with his mother while he looked for another job, he took it with him. And when he flew to Athens from New York on February 19th, having meanwhile landed a job with the Bristol-Myers Company, the manual was in his baggage, but with the Top Secret classification now scissored off the pages. Three days later, on the 22nd, he sold it to a GRU agent, a certain Michael Zavala, who was attached to the Soviet Embassy there under military attache cover. Michael gave Kampiles \$3,000 in \$10 and \$20 bills as an advance on future packets of information. Within the fortnight, Kampiles was back in the United States to report for work at his new job.

At the headquarters of his earlier employer, the absence of the manual was not discovered until August 17, some six months after it had been rushed by the Soviet Embassy's daily courier to Moscow.

In the course of divulging his treachery, Kampiles told four different tales of his encounter with Michael in Athens.

The first version he tried on a Greek acquaintance in government, a woman named Tess Thamakas, who worked for the U.S. Information Agency. At a chance encounter with her, he told of flying to Athens to look for a job with an American company there, and of finding himself seated next to a Russian who arranged introductions for him at the Soviet Embassy — introductions which offered, he implied, promising avenues for intelligence work on behalf of his former employer. Miss Thamakas passed on the story to a mutual friend, George E. Joannides, a senior CIA officer who had befriended Kampiles at Langley. His curiosity aroused, Joannides asked her to have Kampiles call on him when next in Washington.

A few days later, Kampiles turned up in the Capital. That same afternoon, on April 28, he went out to the CIA headquarters for a talk with Joannides. The two men sat on a stone bench outside the building, near the statue of Nathan Hale, and the traveller spun a second tale to deceive his friend. By this second account, Kampiles, soon after arriving in Athens, yielded to impulse late one evening while on a lonely stroll and, on hearing sounds of festivities turned into a compound which proved to be the garden of the Soviet Embassy.

He was made welcome in due course by a Soviet officer named Michael, who, after Kampiles introduced himself as an economic analyst with the CIA, suggested they move on to a cafe for a nightcap. Michael's interest heightened after Kampiles flashed his ID card and in a later meeting he handed over \$3,000 with the understanding that Kampiles would return to Greece during the summer with valuable information. In this version, Kampiles wanted his friend and former colleague to believe that the contact put him in a splendid position to serve the CIA by offering himself as a vehicle for feeding disinformation into the KGB.

Counterintelligence being then outside's Joannides' jurisdiction (he was attached to the office of the Legislative Counsel) he telephoned an officer in the Soviet division and asked him to come to meet Kampiles. The colleague begged off. He was busy; he gave the further excuse that a new Executive Order promulgated by President Carter required that all

from trafficking with U.S. citizens in a matter involving espionage. Joannides pressed him to hear Kampiles story, having no reason to doubt it, and the man upstairs finally agreed that Kampiles should put it all in a letter.

The Unopened Letter

Kampiles returned to Chicago. In late May or early June, the promised letter came to Joannides's hand. He was ailing then, having undergone heart surgery during the winter, the letter was not opened until late July. There was little new in it — only that Kampiles had had five meetings with the man named Michael, that he had been promised a lot of money, and that he was to rendezvous with Michael in Athens in June under a prearranged code.

Joannides passed the letter on. Now the CIA's Security office came alive. On instructions from that quarter, Joannides called Kampiles and asked him to come to Washington for a talk before returning to Athens. Two days later, on August 13, Kampiles checked in at the Holiday Inn in Georgetown. Next morning, he was picked up by two CIA officers. They drove him to the Twin Bridges Marriott Hotel where they were joined by two FBI officers, one of whom was Donald E. Stuke, a senior counterintelligence supervisor. Kampiles tested a third version.

In their first interrogation, Kampiles held pretty much to the story he had told Joannides: that he had given nothing to Michael and the \$3,000 was only a tender for future services. Stuke was sure he was lying, and told him so: Soviet intelligence never paid out so much money unless they got something valuable in exchange. Kampiles agreed to submit to a polygraph test. On the second morning, August 15, he was taken to the FBI Field Office for the test. Failing, he broke down and finally told yet another story — the one that led to his conviction.

The fourth story was that he went to the Soviet Embassy directly on his arrival in Athens. He informed a security guard that he was an American with valuable information to give. The man named Michael presented himself. At a nearby cafe, after identifying himself as a CIA officer, Kampiles gave the Russian the first three or four pages of the manual. These carried the table of contents, a summary of capabilities of the system, and a sketch of the satellite itself. At their second meeting, the Russian got the rest of the manual; at their third, Kampiles received the \$3,000 with the promise of more: and at the fourth he made a deal at the rate of \$10,000 per contact, to return to Athens every three months or so with intelligence about CIA operations, its personnel, and also U.S. military developments in general.

The FBI let Kampiles return home. At the CIA, a nervous and increasingly embarrassing search for manual Number 155 revealed that it was no longer in the Watch Office and no one had missed it. Worse still, a search throughout the intelligence community established that a total of 13 manuals were missing, and the custodians could not account for their evanishment.

Now the net closed on William Kampiles. He was arrested in Munster, Indiana, and tried at Hammond nearby, on charges of espionage. On November 17, 1978, the jury found him guilty. He was sentenced to forty years in jail. The case is now pending appeal. As the intelligence

community maintains a silence about them that is less dignified than it is pained.

While The Company Slept

As in the Kampiles case, the TRW case involved the treasonable sale to Soviet intelligence of high technology on order for the CIA-managed satellite reconnaissance systems. The particular theft which the government chose to prosecute was a design for an advanced signals satellite, but that invention was only one element in the nexus of inventions upon which the American intelligence community, and ultimately, the President are almost entirely dependent for warning and instruction about Soviet might in being and in the making. An important difference between the two cases is that whereas in the former the failure of security occurred inside a Federal agency, in the latter it was a public corporation of towering prestige that dozed while its high security walk-in vault was rifled methodically for nearly two years of secrets that belonged to the nation.

There is another point of difference, all the more regrettable. No clear moral emerges in the TRW case. If anything, the loose standards of security which prevailed inside the presumably "secure" area of TRW suggests a bland amorality in the attitude of corporate executives toward technological secrets of the government — an attitude which calls, in our judgment, for soul-searching in the board rooms. For the lapse from grace was shocking in its magnitude and duration. Harsh as this judgment may seem, it may still fall short of a full measure, because it has lately been disclosed that the particular act of espionage at TRW which the Government elected to try was only the tip of a veritable iceberg of treasonable pilfering.

The traitor at TRW, like Kampiles at the CIA headquarters, was a youth devoid of promise, and of wavering character. Christopher John Boyce was 23 years old when arrested in January 1976 for stealing top secret papers and conspiring to sell them to the Soviet Union. He had been a \$140 dollar-a-week confidential clerk at TRW for two years; his job was to operate an enciphering teletype channel between the TRW headquarters at Redondo Beach, California, near Los Angeles and the CIA Headquarters at Langley. TRW is, of course, the acronym of the huge Thompson Ramo Wooldridge Corporation, an advanced technology organization whose senior executives, among other brilliant accomplishments, brought along the great ICBM weapon systems for the Air Force. It had a major role from the beginning in developing and perfecting the technologies utilized by the advanced reconnaissance satellites put up by the CIA and the Pentagon. So the information which young Boyce decoded and encoded day in and day out in 1975-76 was of the highest importance. In his case, as in Kampiles's, one is left baffled by why one so young and so unstable was ever cleared for information so sensitive. For Boyce smoked pot, drank more than he should, and consorted with disreputable companions, among whom was a 27 year old footloose itinerant carpenter and occasional drug peddler of many aliases. The second man's real name was Andrew Daulton Lee. He served as Boyce's courier, bagman and confederate in the prolonged transactions with the KGB purchasers in Mexico City.

Kampiles gave himself away but the Boyce-Lee conspiracy

careless. On January 6, 1976, Lee was arrested outside the Soviet Embassy in Mexico City by Mexican security police who had seen him flip a packet over the Embassy wall. He had bungled or missed a contact with his Soviet handler the day before. At headquarters he was asked to empty his pockets; among his possessions was a long white envelope containing 20 strips of microfilm of some 280 documents. On examination, the film was found to show many different diagrams, each bearing a top secret classification, of an advanced covert satellite communications system. Pyramider was its code-name. TRW had submitted a study for the project to the CIA in 1973 pursuant to a contract.

The Mexican police held Lee in jail for ten days, then escorted him to the U.S. border for deportation. The FBI was waiting for him there. His arrest ended a simple, brashly massive operation for rifling national secrets that went on undisturbed and unsuspected for nearly two years from April 1975 until he came a cropper. For the exposure of the conspiracy we Americans are indeed indebted to the Mexican government, and in particular to the vigilance of two of its officers, named in the trial, Mr. Miguel Nazar, Deputy Director of Federal Security in Mexico City and Major Renaldo Lopez Malvaez who, with their colleagues were responsible for the downfall of Lee. But for their astute police work, the Soviet plundering of TRW's top secret treasures might be unknown to this day.

"It Started Off Slowly . . ."

Lee talked. On the same day the FBI seized him at the border, other FBI agents in Los Angeles picked up Boyce, who had quit his job a few days earlier. He talked too. He was the one in the conspiracy who selected the desirable documents in the TRW vault, photographed them in microfilm either on the premises or at his apartment, and delivered the film to Lee who smuggled it to Mexico City. There the film was passed at various rendezvous to a Soviet agent named Boris A. Grishin. He paid Lee off — a niggardly \$70,000 during the operation, and Lee on his return gave an even more niggardly \$15,000 share to Boyce.

Boyce was tried first, on April 12, 1977, in the U.S. District Court of California, in Los Angeles. The charge against him numbered 11 counts of espionage and conspiracy with Lee and the man named Boris to transmit to a foreign power documents affecting the national security. The trial lasted 16 days. On April 28, the jury found Boyce guilty on 8 counts. He was sentenced to 40 years imprisonment.

Boyce was hardly contrite. In the explanation offered to account for his grave offense, as in those presented in Kampiles's behalf, the word "disenchantment" occurs. Kampiles was "disenchanted" because his ambitions were thwarted. Boyce's "disenchantment" was with the American system. The Government had done many bad things: it had betrayed his youthful idealism. While in jail awaiting sentence, Boyce had passed a note to another inmate boasting that he still worked for the KGB and that his allegiance lay with that institution. Further of interest was his admission that he had quit his job at TRW on the urging of his Soviet handler, Boris, who may have feared that he might be overstaying his leave. Boris advised him to return to a university, and take a degree in either Soviet or Chinese philosophy. This would qualify him for a post in the State Department where his usefulness to the KGB would be enhanced.

Lee, a petty crook rather than an ideologue, was let off in a separate trial with a sentence of only six years because he gave evidence against his co-conspirator.

For us, the officers of your Fund, the transcripts of the two trials make absorbing reading not only because of the revelations of the incredible porosity of the security procedures at TRW and the vulnerability corporation's linkages with the CIA, but even more because of the far more damning evidence which the Government hid from the public gaze and indeed from Congress itself. The basic facts are these:

Boyce went to work for TRW early in 1974. He was the son of one former FBI agent and the nephew of another, so the family roots looked sound. He had earlier fallen under the influence of Lee, who was four years older than he, at high school. There was drinking and pot-smoking at Lee's place and at a party there, not long after Boyce went to work at TRW, he boasted of the vast amount of classified information scattered about the vault, ready for the taking. Property of that quality ought to fetch a lot of money from the Soviets, he suggested. In his subsequent confession to the FBI, Boyce said that Lee became "excited." A compact was struck; Boyce would steal the papers, and Lee would find a Soviet buyer in Mexico, where he had connections.

"It started off slowly," Boyce told the FBI. "And it got rolling and it got bigger and bigger all the time." Boris in Mexico City, the KGB man with whom Lee established contact, suggested that Boyce use a Minox camera to photograph the documents. A tiny roll of film or two would be easier to smuggle across the border than bulky documents. Boyce claimed that control over classified material in the supposedly restricted vault was all but non-existent: he had no difficulty taking out papers to photograph them at his flat or, for that matter, photographing them in the vault. By his recollection, he photographed "thousands" of classified papers of many different categories. Compared to the total value of the information passed in these continuing transactions to the Soviets from TRW's overflowing cornucopia of secrets, the betrayal of the Pyramider proposal was of relatively little significance. The booty was delivered in microfilm to Boris by Lee in the course of perhaps as many as a dozen trips to Mexico City. Boyce himself, having come to distrust Lee, in the summer of 1975 made a separate excursion to Mexico City, to meet Boris, deliver some film that he had withheld from Lee, and to open a separate channel of his own to the KGB. As a bonus, Boyce even supplied Boris with the critical key list necessary to set up the KW-7 teletype channel to the CIA which he operated, as well as the key cards to the scrambling devices used in the KG-13 security voice communications system. These systems were in constant use between CIA and TRW. With the keys Boyce supplied, the Soviet eavesdroppers had the information just about as fast as our people did.

The Secret Inside The Secret

The photographs of the TRW study of the Pyramider system was Boyce's last piece of work for the KGB before he quit. It was, moreover, the act of espionage for which he was specifically tried. Pyramider was a scheme, then still in suspense, for expanding the usefulness of the combination of signals satellites maintained by us in high geostationary orbit over Asia by adapting the satellites to serve as the transmission

links for instant communications with our secret agents in foreign lands.

The far greater crime was the sale to the KGB of the "thousands" of other top secret documents which the government chose not to declassify for the trial. So massive was the despoiting that the government was loath to acknowledge its scale, not from fear of exposing secrets to the Soviets — they already had them — but because the sheer magnitude of the breach in national security was unparalleled. On the face of it, the TRW case has the look of a sleeping scandal. For us, one of the most reprehensible revelations of the whole squalid treachery was the disclosure in the trial that the fingerprints of Lee, a petty con man who had no connection with TRW, were discovered all over the KG-13 devices in the supposedly "secure" top secret walk-in vault accessible by rule and logic only to authorized individuals.

The bulk of the iceberg has lately lifted a bit more clearly into view. From obviously well authenticated reports in *The New York Times*, *Aviation Week*, and *The Washington Post*, it has become increasingly clear that the Soviets knew about or had surmised the function of the KH-11 satellite even before Kampiles's treachery. They appear also to have learned that the space system of which it was a part was monitoring the telemetry signals of their test rockets. RHYOLITE is the code name given to our signals satellites, and ARGUS to a still more advanced system proposed several years ago to supersede it. Both systems, though under the highest national security classifications, have recently been described in the press, and the speculation, never denied, is that their names and functions were among the secrets betrayed by Boyce and Lee.

The Harsh Lesson

We shall be frank. Certain aspects of the costly and technically marvellous systems compromised by Messrs. Kampiles, Boyce and Lee remain classified and in discussing them we shall remain within the boundaries of the public record. But fatuous things have been said by those who pooh-poohed the indispensable function of counterintelligence and none was more so than a judgment tossed off by a former Director of the CIA, William E. Colby. In an interview which he gave *U.S. News and World Report* a year ago, he claimed that the KGB had fallen on hard times. Ideological defectors to its cause were scarce; the Soviets were being driven to pay for the West's secrets. "The Soviets have offered some guy \$5,000 or \$15,000 for secrets," he said. "They'll get odds and ends that way, but they won't get very much."

Boyce seems to have been moved by disillusionment with American ways, Kampiles by a yearning for adventure and fame, and Lee by plain greed. But the KGB got the technological treasure at bargain prices, and its high time that the Administration and the Congress address itself to the urgent responsibility of reinstating a resolute corps of professional security and intelligence officers. They should be scrupulously trained for the task of defending the national secrets against the plunderings of a resourceful and attentive adversary.

There is a harsh lesson for us here. It is that the scattering to the winds of the talents and accumulated experience of the nearly 1000 CIA officers from the clandestine service who were forced out at the start of

the present Administration has left a gap in the intelligence system that could well foster a Pearl Harbor.

One Gigantic Fabric of Lies

The Soviet Foreign Minister Andrei Gromyko undertook to drive home a different kind of lesson the other day. He warned us in brutal language reminiscent of the Khrushchev years that the United States Senate, should it dare to alter the document signed at Vienna, would do so on peril. Few statesmen can be as well drilled as Comrade Gromyko is on the importance of verification where nuclear weapons are concerned. It was he who came to the United States in October 1962 to assure President Kennedy that the Soviet Union was putting no offensive missiles into Cuba. The Soviet Union knew what our U-2 could do. They had shot down the pilot Powers more than two years before. They had seen the film. Khrushchev and the other members of the Politburo would never have risked instructing Gromyko to tell a bare-faced lie unless they were sure, on the strength of their own intelligence, that we had made no serious effort to verify the arrival in Cuba of the weapons even then being rushed into operational status. U.S. intelligence had in fact been laggard because a "policy" judgment of the kind in which we have lately been instructed by Admiral Turner — a judgement reached by President Kennedy's highest advisors — had concluded that the Politburo would not have dared to attempt so significant an alternation in the power balance in the Western Hemisphere.

Let us hark back to Crow's Law. Through that dangerous autumn of 1962, the wishful thinking around the President held stubbornly to the notion that the Soviets would not deploy the equivalent of strategic nuclear weapons into Cuba: they would be restrained from doing so out of fear of massive retaliation by us.

That terribly mistaken judgement was upset in the nick of time only because President Kennedy made a reluctant decision to send the U-2's over Cuba to obtain hard intelligence — what he needed to know according to Crow's Law, as Commander-In-Chief, not what his own people wanted him to think as a politician of peaceful co-existence.

As we ponder the history of the so-called Cuba missile crisis of seventeen years ago, it is important to remember that two of the senior Soviet officials in the grand deception played out their roles as if they were actors in a phantasmagoria intended to emplace Soviet nuclear power at our threshold in the Caribbean. Nikita Khrushchev has long since left the stage but Gromyko, somewhat aged, but elevated in authority to the Politburo, remains on the stage to play a leading part in the second act, called SALT. Gromyko was not the only Soviet personage of exalted rank to lie to the President. Ambassador Dobrynin, still with us, still a favorite of our detente-minded policy shapers was also the Soviet Ambassador here during the missile crisis. Again and again, by the account of the President's brother, the late Robert Kennedy, Dobrynin assured him on explicit instructions from Khrushchev in Moscow that the USSR was not placing offensive nuclear weapons in Cuba and "under no circumstances" would it do so. When the President's brother summed up the behaviour of Gromyko, Dobrynin and the leadership in Moscow in his book about the crisis "Thirteen Days", he all but cried out in wrath "It had been all lies, one gigantic fabric of lies." These same masters of deception are now pressing us to accept in the SALT agreement conditions which the Director of Central Intelligence has told Congress cannot be adequately verified.

The continuity of Soviet foreign policy is self-evident. Are we prepared to invite another colossal act of deception by these practiced hands which have not lost their cunning?



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