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# Experts Begin Task Of Assessing Damage

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FBI agents track a former Navy communications specialist as he drops a bagful of classified documents at a rural Montgomery County roadside, setting off a total of four arrests in what authorities describe as the biggest and most damaging spy ring in decades.

A top-ranking KGB official apparently defects to the United States and, in a stunning turn-about, redefects to the Soviets—but not before providing information leading to espionage charges against a former CIA officer and a retired employe of the super-secret National Security Agency.

In a whirlwind week of espionage arrests, FBI agents apprehend the NSA employe, a Navy intelligence analyst and his wife in connection with an alleged Israeli spy plot and a 30-year CIA veteran on charges of funneling volumes of secret documents to the Chinese.

This was the year that the murky cloak-and-dagger world of espionage came blazing out of the shadows and onto the front page. Eleven persons were charged with spying: the four current and former Navy men

implicated in the Walker family spy ring; CIA employe Sharon Scranage and her former Ghanaian lover; Edward L. Howard, a former CIA officer fingered by defector Vitaly Yurchenko and now a fugitive from justice; and the four Americans arrested last month on charges of spying for three countries.

And the roster of 1985 espionage cases may not yet be closed: FBI Director William H. Webster said in a television interview last week that agents "have opened a substantial number of cases based on very useful information" supplied by Yurchenko.

Five of those arrested this year have been convicted or pleaded guilty to espionage charges: three of the four Walker case defendants, John Anthony Walker Jr.; his brother, retired Navy Lieutenant Commander Arthur James Walker; and John Walker's son, Navy Seaman Michael Lance Walker; and the two arrested on charges of spying for Ghana, Scranage and her ex-lover, Michael Agbotui Soussoudis.

And nine persons arrested last year were found guilty. Northrop Corp. engineer Thomas P.

Cavanagh received a sentence of life in prison for trying to sell Stealth bomber blueprints to FBI agents masquerading as Soviet operatives. Soviet emigres Svetlana Ogorodnikova and her husband, Nikolai Ogorodnikov, pleaded guilty to conspiring to commit espionage with FBI counterintelligence specialist Richard W. Miller, the first FBI agent ever charged with espionage. Miller's trial ended in a hung jury last month, and he is awaiting retrial.

In perhaps the most controversial of the espionage cases, Navy intelligence analyst Samuel Loring Morison, convicted of giving classified photographs to a British magazine, *Jane's Defence Weekly*, was sentenced last week to two years in prison. Morison's conviction, roundly criticized by civil libertarians who charged that it would chill public disclosure of important information, was the first under the Espionage Act for leaking classified material to the media.

"The threat is certainly increasing . . .," President Reagan warned in a radio address Nov. 30 spurred by the recent spate of espionage arrests. "The free world is today confronted with some of the most sophisticated, best orchestrated efforts of theft and espionage in modern history."

The problem of espionage "certainly has come to the front this year," said Sen. William V. Roth (R-Del.), a member of the Senate Intelligence Committee. "It's like a movie serial: Every week there's a new chapter."

The year 1985 has been a remarkable one not simply for the volume of spy cases—in fact, the total number of arrests was higher last year—but also for the gravity and time span of the alleged espionage

activities uncovered. John Walker, for example, admitted he had been spying for the Soviets since 1968. His friend and Navy colleague, former Senior Chief Radioman Jerry Alfred Whitworth, is awaiting trial next month on charges of giving Walker classified information, including "key cards"

and "key lists" that the Soviets could use to decipher Navy codes.

Chief of Naval Operations Adm. James D. Watkins said during the summer that the Walker ring enabled the Soviets to break the code on some of the Navy's most secret messages to the fleet in the 1960s, possibly reducing the U.S. lead in antisubmarine warfare.

He said the Navy will spend millions of dollars to change the secret coding gear believed compromised and that it could be faced with the need to modify submarine, ship and airplane tactics in warfare to offset the presumed loss of secrets to the Soviets. Authorities are still assessing the nature and extent of the damage caused by the Walker ring.

Larry Wu-Tai Chin, the former CIA analyst arrested Nov. 22, is accused of spying for the Chinese since 1952 or before. Sources familiar with the investigation said last week that Chin is believed to have been a "plant" who received intelligence training from the Chinese Communists even before he started working for the U.S. government Army Liaison Office in 1943.

"This year we've had more serious cases in terms of what people were actually able to do, not just attempting to do," said L. Britt Snider, the Defense Department's Director of Counterintelligence and Security Policy.

Should Americans feel relieved that arrests are being made in such cases or worried about the damage that may have been done and the prospect of even more espionage that has gone undetected?

"We should look at it both ways," said intelligence expert Roy Godson. "'Good, we're catching some,' and 'God, is this the tip of the iceberg?'"

Said Snider, "There's not an iceberg out there . . . . The degree of it, though dismaying, may not be as widespread as these cases, particularly this recent spate all coming at the same time, would lead you to believe."

"When you consider the numbers of peo-

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ple who have access and the numbers of documents, the instances [of espionage] are relatively small," he noted.

Phillip D. Parker, deputy assistant director for operations of the FBI's Intelligence Division, said, "I think there's good reason to feel good that the FBI with the cooperation of other agencies and the American people in general are working together to solve the problem . . . I don't believe that we have reached the point that the average person should lose sleep over [espionage]. The FBI may be losing sleep, but that's part of our job."

Lincoln Faurer, who headed the NSA from 1981 until his retirement last spring, said, "The recent spate of spy cases does not suggest that we are grossly inadequate" in counterintelligence. "It may, in fact, suggest the opposite."

But a senior intelligence official, pointing to the length of time that the Walker spy ring and Chin allegedly operated, said the eventual ability to arrest them "isn't exactly a counterintelligence success."

FBI officials and others have described the spy of the 1980s as a new breed motivated more by greed than by ideology. But the current crop of cases points up the strange blend of motives—political beliefs, love of intrigue, job dissatisfaction or alienation, as well as money—that may drive a person to engage in espionage.

For example, friends have described Navy intelligence analyst Jonathan Jay Pollard, charged with passing classified documents to the Israelis, as an ardent Zionist fascinated by the world of intelligence. They said Pollard bragged from his college days about being a member of the Mossad, the Israeli intelligence service.

Chin, who sources said is believed to have received more than \$1 million from the Chinese, was "indoctrinated . . . on the aims of the Chinese Communist Party" by a "Dr. Wang" more than 40 years ago, according to an FBI affidavit.

Former CIA officer Edward L. Howard, who fled his home outside Santa Fe, N.M.,

while under FBI surveillance, allegedly passed information to the KGB after being fired by the agency when he acknowledged in a 1983 polygraph test that he was using drugs.

"There are still mixed motives," Godson said. "It's easier for us not to have to confront the problems of loyalty" posed by someone who would spy for ideological reasons. "If it's just greediness, it's easier to manage with things like a polygraph, examining people's financial records."

The Defense Department's Snider said he believes that there is a "need to study the psychological motivations" that lead people to spy, with the aim of developing tests or other tools to "give us some better feel for people's attitudinal changes."

The year has also been unusual for the number of countries that were the alleged beneficiaries of espionage.

In the past, the vast majority of espionage prosecutions in the United States involved Soviet or Soviet Bloc countries. This year's cases include the first arrest on charges of spying for China, as well as espionage charges involving Israel, one of the United States' closest allies, and Ghana, whose relationship with the United States is generally friendly.

"As the events of recent days have made clear, many nations spy on the United States," Reagan said in his radio speech last weekend. The United States, he vowed, "will not hesitate to root out and prosecute the spies of any nation. We'll let the chips fall where they may."

Government officials and intelligence experts offer a variety of explanations for the addition of countries to this year's catalogue of espionage charges. Some say it is a mere blip in a field that is dominated by the Soviets and their allies.

Some attribute it to increased funding for counterintelligence during the last several years. "In times of constrained counterintelligence resources, your focus is going to be primarily the main target," said a former FBI counterintelligence official. "If you have more resources, maybe you have the opportunity to take a close look at others."

Another reason may be the increased tendency in recent years to prosecute espionage cases rather than try to "turn" agents, feed them false information, or handle the cases through diplomatic channels. Between 1966 and 1975, there were no federal espionage prosecutions, according to a Congressional Research Service study. From 1975 to 1980, Reagan said in his speech, 13 people were arrested for espionage. From 1981 through this year, 34 were charged with spying, 25 in the past two years.

One U.S. intelligence official said that a more aggressive prosecutorial climate contributed to the decisions to make arrests in some of the cases this year. In the Soussoudis case, for example, the Justice Department overcame what sources said were State Department qualms and took the bold legal step of asserting its authority to prosecute Soussoudis, a Ghanaian national and first cousin of Ghana's leader, Flight Lt. Jerry Rawlings, for acts committed in Ghana.

U.S. District Court Judge Albert V. Bryan Jr. in Alexandria said U.S. espionage laws are broad enough to cover acts committed by non-U.S. citizens outside the United States. Soussoudis later pleaded no contest to two charges of receiving classified information from Scranage and was given a 20-year sentence. The sentence was suspended as part of an agreement in which he was exchanged for eight Ghanaians accused of spying for the United States.

In the only other case in which the United States has sought to prosecute a foreigner for espionage committed outside this country, East German Alfred Zehe pleaded guilty this year to eight counts of espionage and was traded to the Soviet Bloc in a spy swap in June.

Israeli parliament member and former ambassador Simcha Dinitz said that "if cases like [the Pollard case] would have happened in the past, it would always be dealt with in a very discreet manner, away from the public eye."

But current and former intelligence officials said that the allegations against Chin and Pollard might have been brought in a less prosecution-oriented climate. "If somebody had brought me a case on any country that was nice and neat and clean . . . we used it," said a former FBI counterintelligence official.

The Pollard case, said the FBI's Parker, "was so blatant that the only option there was prosecution." He said that "no matter who we find corrupting our citizens or violating our laws we will investigate fully. It makes no difference who it is."

The Chin arrest represents the first prosecution on charges of spying for the Chinese, although sources said evidence of such activity has been uncovered in the past.

Some intelligence officials said they believe that the Chinese have been less aggressive in their espionage activities in the United States for fear of upsetting the im-

proved relationship between the two countries.

But Parker said he believes the threat of espionage by the Chinese is "pretty close" to the magnitude of that posed by the Soviets. He said that while the Chinese are "a little lower" in terms of the number of active intelligence agents believed to be operating in the United States, the Chinese have a far greater number of people in the country as students—an estimated 15,000, according to a Chinese Embassy spokesman—and for other nondiplomatic purposes.

"If each one of these is given a small task, it's much easier, less obtrusive for them to gather what that want"—both material freely available and classified information, Parker said.

While the number of arrests is one measure, as Reagan said, of "impressive results" in combatting intelligence, the cases also have pointed up serious lapses in security.

John Walker, for example, held "top secret" clearance from 1965 until his retirement in 1976, but he was never reinvestigated, as regulations require. Only a belated tip from his former wife alerted authorities to his alleged activities.

His son, Michael Walker, received interim "secret" clearance in 1983 after a scanty

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check of his service record and police and medical records; through an administrative oversight, his superiors failed to order a full-fledged investigation for "secret" clearance, and his transfer orders to the USS Nimitz incorrectly noted that he had been checked.

Retired NSA employe Ronald William Pelton, who held a high-level clearance for "special compartmented information relating to signals intelligence," had severe financial problems while at the agency and filed for bankruptcy shortly after retiring in July 1979.

According to an FBI affidavit, he started spying with a trip to the Soviet Embassy in Washington in January 1980 and on two trips to Vienna stayed in the Soviet ambassador's apartment—all of which apparently went undetected until Yurchenko provided clues that led to Pelton's arrest.

As a CIA employe for more than 30 years, Chin should have been subject to periodic polygraph tests as part of standard agency procedure—and either was not polygraphed or managed to elude detection.

**T**he CIA was alerted to Scranage's activities when she was polygraphed during a routine debriefing upon her return from Ghana. But the test came only after the CIA ordered Scranage to stop seeing Soussoudis and then failed to make certain that she had followed those instructions—a move that some, including Rep. Patricia Schroeder (D-Colo.), have called a blunder.

And friends of Jonathan Pollard, who held a top secret clearance for his work in an antiterrorist unit at the Naval Investigative Service, say they would have alerted au-

thorities to his eccentricities and claims of intelligence ties had they been contacted during the clearance process.

"There may be things in his personality that could have come out had we talked to the right people," the Defense Department's Snider conceded.

But the flip side of the year's seemingly unceasing flow of spy scandals has been a heightened awareness of espionage. According to Defense Department officials, the case against Pollard was triggered when colleagues at the Naval Investigative Service noticed that he was seeking access to and copying more documents than his job seemed to require.

This year, said Sen. Patrick J. Leahy (D-Vt.), vice chairman of the Select Committee on Intelligence, has "been a big eye-opener to a lot of people" and has convinced them that the problem of spying "is not 1950s right-wing fantasy. It's real, and it's going to be real in good times and bad, during detente or non-detente.

"A lot of people don't like to think the threat is real," Leahy added. "If anything convinces them, it should be this year."

## 1985: THE YEAR OF THE SPY

### Arthur James Walker, 51



Walker, a retired Navy lieutenant commander, was arrested May 29 at his home in Virginia Beach. He said his younger brother, John Walker, enlisted him in the espionage ring in 1980, and he admitted giving John Walker two confidential documents from VSE Corp., a Chesapeake, Va., defense contractor where he worked as an engineer. He was convicted Aug. 9 of seven counts of espionage and sentenced Nov. 12 to life in prison and fined \$250,000.

### Jerry Alfred Whitworth, 46



A retired Navy senior chief radioman and close friend of John Walker, Whitworth was arrested June 3 at his Davis, Calif., mobile home. He is awaiting trial Jan. 13 on charges of receiving \$332,000 from John Walker in return for giving him Navy secrets, including "key cards" and "key lists" that the Soviets could use to decipher codes. As part of his plea arrangement, John Walker agreed to testify against Whitworth.

### John Anthony Walker Jr., 48



Walker, a Norfolk private detective and retired Navy communications specialist, was arrested in a Rockville motel May 20, hours after he dropped a bagful of classified documents for his Soviet contact at a rural roadside in Poolesville. The FBI had Walker under surveillance after receiving a tip from his ex-wife that he may have

been a spy. Accused of masterminding the biggest espionage ring in three decades, Walker pleaded guilty on Oct. 28 to spying for the Soviets since 1968. He is to be sentenced to life in prison.

### Michael Lance Walker, 23



Walker, a Navy seaman, was arrested May 22 aboard the aircraft carrier USS Nimitz in Haifa, Israel. The son of John Walker, he said his father recruited him to spy, and he admitted giving his father stacks of classified documents from the Oceana Naval Air Station in Virginia Beach, Va., and the Nimitz. Under the terms of a plea

agreement, John Walker agreed to divulge details of his espionage activity in exchange for a more lenient sentence of 25 years for Michael Walker, who also pleaded guilty to espionage.

### Sharon Marie Scranage, 30



Scranage, a low-level clerk for the CIA in Ghana, was charged July 11 with espionage. Scranage's answers during a routine polygraph test after her return from Ghana sparked a CIA investigation, and Scranage later admitted to the FBI that she had given Michael A. Soussoudis, a Ghanaian and her former lover, the names of CIA employes and informants in Ghana. Scranage, of King George, Va., pleaded guilty to three counts. She was sentenced on Nov. 25 to five years in prison.

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**Michael A. Soussoudis, 39**

Soussoudis was arrested July 10 during a visit to the United States and charged with espionage based on information given to the FBI by Sharon Scranage. Lawyers for Soussoudis, a first cousin of Ghanaian leader Flight Lt Jerry Rawlings, argued that U.S. courts had no power to try Soussoudis for acts in Ghana, but a federal judge ruled otherwise. On Nov. 25, Soussoudis received a 20-year sentence after pleading no contest to receiving classified information. His sentence was suspended on the condition that he leave the United States within 24 hours and in exchange for the release from Ghanaian jails of eight men who allegedly worked for the CIA.

**Samuel Loring Morison, 40**

Morison, of Crofton, Md., a former Navy intelligence analyst, was convicted Oct. 17 of giving the British military journal, *Jane's Defence Weekly*, three secret photographs of a Soviet aircraft carrier under construction. The pictures were taken by a U.S. spy satellite. Morison, who worked at the Naval Intelligence Support Center in Suitland, is the first person convicted of leaking classified information to the press. He was sentenced Dec. 4 to two years in prison, and is free on bond pending appeal.

**Jonathan Jay Pollard, 31**

Pollard, a civilian intelligence analyst with the Naval Investigative Service in Suitland, was arrested outside the Israeli Embassy and charged with espionage on Nov. 21. According to FBI affidavits, Pollard, who lived near Dupont Circle in Washington, has acknowledged passing secret documents on national defense to an agent of a foreign government, later identified as Israel. Pollard, who held a top-secret clearance and sifted through information about terrorist activities, had worked for the Navy since 1979. Pollard is being held without bond.

**Anne L. Henderson-Pollard, 25**

The wife of Pollard, Henderson-Pollard was arrested Nov. 22 and charged with possessing unauthorized classified information. According to an FBI affidavit, Henderson-Pollard delivered a suitcase containing classified documents to another person while Pollard was being questioned by federal agents on Nov. 18. The affidavit says she said something had happened to her husband and the contents of the suitcase "had to be destroyed." Henderson-Pollard worked on a free-lance basis for CommCore, a New York public relations firm.

**Larry Wu-Tai Chin, 63**

Chin, a retired midlevel analyst for the Central Intelligence Agency, is charged with spying for China for more than 30 years. Chin, who was arrested Nov. 23, had worked for the agency's Foreign Broadcast Information Service, which translates classified documents for other branches of the CIA. Chin was born in Peking and became a U.S. citizen in 1965. After retiring, Chin, an Alexandria resident, worked as a consultant for the CIA until his arrest.

**Edward L. Howard, 33**

Howard, a former CIA employe who was fired from the agency in 1983 for alleged occasional drug use, was charged by the FBI on Sept. 23 with selling U.S. intelligence secrets to Soviet KGB officials in Austria a year ago. Howard fled from his home near Santa Fe, N.M., on Sept. 21. He is believed to have left the United States. Howard was one of two alleged Soviet spies named by Soviet defector Vitaly Yurchenko, who has returned to the Soviet Union.

**Ronald William Pelton, 44**

Pelton was arrested Nov. 25 in Annapolis and charged with selling information to the Soviets. According to an FBI affidavit, Pelton, a communications specialist for the super-secret National Security Agency from 1965 to 1979, admitted contacting the Soviets in January 1980, a year after leaving NSA and four months after filing for bankruptcy. Pelton was the second alleged Soviet spy identified by Yurchenko. Pelton was living on a houseboat in Annapolis and working as a yacht salesman at the time of his arrest. He is accused of selling information about a U.S. intelligence collection project targeted at the Soviets.