



United States Department of State

Washington, D.C. 20520

February 17, 1984

Executive Registry

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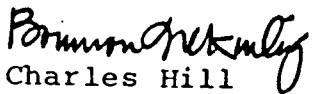
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TO: CIA [redacted] 25X1
 DIA [redacted]
 DOD - Col John Stanford ----- 8405034
 NSA [redacted] 25X1
 FBI - Mr. Edward O'Malley ----- 8405036
 NSC - Mr. Robert Kimmitt ----- 8405037

SUBJECT: State Department Report on Applying the Principles of
 Equivalence and Reciprocity to the Soviet and Soviet
 Bloc Representation in the U.S.

The State Authorization Bill Conference Committee requested that the Department of State submit by March 15, 1984 a report on the above subject to the Committee on Foreign Relations and Select Committee on Intelligence of the Senate and the Committee on Foreign Affairs and Permanent Select Committee on Intelligence of the House of Representatives. The Conference Committee specified that the report should be classified, and should evaluate the advantages and disadvantages of actions that practically can be taken to implement the principles of reciprocity and equivalence and to reduce the harm to the national security caused by the presence in the U.S. of Soviet and Soviet Bloc intelligence personnel acting as official representatives of their countries. The State Department was also asked to include the views of relevant departments and agencies.

In response to this request, the State Department has prepared the attached draft report and solicits your views. The draft has attempted to include the views of the various departments and agencies as expressed in previous reports and assessments on the issues. We would appreciate having written comments/clearance by COB Monday, February 27. Addressees are requested to forward their written comments to Raymond F. Smith or James F. Schumaker, Office of Soviet Union Affairs, Department of State, room 4219. If time considerations dictate, comments may also be phoned in (green phone no. 5292/black phone no. 632-1712).

for 
 Charles Hill
 Executive Secretary

Attachment

Draft Report

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ENSURING RECIPROCITY AND EQUIVALENCE IN THE FUNCTIONING AND OPERATIONS OF OFFICIAL REPRESENTATIVES OF SOVIET AND SOVIET BLOC COUNTRIES IN THE UNITED STATES AND OFFICIAL REPRESENTATIVES OF THE UNITED STATES IN SOVIET AND SOVIET BLOC COUNTRIES*

I. Summary and Conclusions

The purpose of this report is to analyze the functioning and operations of official representatives of Soviet and Soviet Bloc countries in the United States, and official representatives of the United States in Soviet and Soviet Bloc countries with regard to their numbers, status, privileges and immunities, travel, accommodations and facilities. The report also reviews possible legal and administrative measures that might be taken to implement the principles of reciprocity and equivalence** and to reduce the harm to national security caused by the presence in the United States of Soviet and Soviet Bloc intelligence personnel acting as official representatives of their countries, while taking fully into account the foreign policy and national security interests which bear on this subject.

In terms of total numbers, Soviet and Soviet Bloc countries enjoy a substantial numerical advantage in official representatives by virtue of the fact that there are large Soviet and Soviet Bloc contingents at the United Nations in New York for which the United States has nothing comparable in Soviet and Soviet Bloc countries. When considering Embassy and Consular personnel alone, however, rough equivalence exists. The Soviet and Soviet Bloc countries have 561 accredited diplomats and staff in this country (320 Soviet and 241 Soviet Bloc), while we have 537 diplomats and staff in Soviet and Soviet Bloc countries (202 in the Soviet Union and 335 distributed among the Bloc countries).

*The term "Soviet Bloc" is defined for the purposes of this report as all non-Soviet Warsaw Pact Members (NSWP) and Cuba. Periodically, the term "Eastern Europe" will also be used. For the purposes of this paper, the term will be defined narrowly as the NSWP, i.e. Bulgaria, Czechoslovakia, East Germany (GDR), Hungary, Poland and Romania.

**for the purposes of this report, the term "equivalence" will be defined as equality of numbers, and "reciprocity" will be defined as equality of treatment.

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At the United Nations, the Soviet and Soviet Bloc countries have 463 representatives permanently stationed at their Missions to the UN (285 Soviet and 178 Soviet Bloc) and 311 international civil servants working at the UN Secretariat (277 Soviet, 34 Bloc). The United States has over 2,500 persons accredited to or working for the United Nations in New York (110 at our Mission to the UN).

The privileges and immunities possessed by each side are reciprocal.

Likewise, there is a rough reciprocity in travel and accommodations opportunities. Certain restrictions placed by the Soviet Union on our personnel are very difficult to duplicate in an open society. However, the combined efforts of the Office of Soviet Union Affairs and the Office of Foreign Missions (OFM) of the Department of State, in coordination with the appropriate U.S. Government agencies, have succeeded in establishing a measure of reciprocity in the field of travel and accommodations opportunities. As OFM expands its operations, this task should become somewhat easier.

In the area of facilities, the picture is very complicated. In many cases, ownership of property by the United States Government is not allowed by Soviet and Soviet Bloc countries. This problem is especially apparent with regard to the Soviet Union. Because of this and similar situations we face in other areas of the world, OFM has set as one of its first tasks the assertion of U.S. Government control over diplomatic property acquisition, rental, and alteration. In addition, all Soviet and Soviet Bloc property matters are reviewed by the interagency community to ensure that national security interests are fully protected.

During the past ten years, the Soviet and Soviet Bloc official presence worldwide has increased by 50%, to approximately 40,000 diplomats, trade, cultural and news representatives (CIA estimate, includes dependents). The increasing number of Soviet, East European and Cuban official representatives has resulted in an increased security threat to our country, and to our friends and allies, as is witnessed by the increasing rate of expulsions of Soviet and Soviet Bloc officials for espionage (Table III-1). In the United States, there are an average of 4,200 Soviet and Soviet Bloc officials and dependents on permanent assignment (2,600 Soviets, 1,600 Bloc). Over the past decade, the number of known

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and suspected Soviet and Soviet Bloc intelligence officers operating in this country has increased by about 50% (see Table III-2).

A number of legal and administrative actions have been considered at various times by the Administration either to counter the hostile intelligence threat or to establish conditions of equivalence and reciprocity. Some of these have been implemented (see Part IV). A number of other measures have been deferred because the costs in terms of U.S. overseas operations and foreign policy would be greater than the counterintelligence gains. Nine of the most important of these deferred measures are discussed in Part V. In addition, three measures are discussed which we believe merit expeditious consideration. These are proposals to expand the operations of the Office of Foreign Missions, to increase counterintelligence staffing and funding for the FBI, and to increase funding for technical countermeasures.

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II. The Soviet and Soviet Bloc Official Presence in the United States and the U.S. Official Presence in the Soviet Union and Soviet Bloc Countries: their Numbers, Status, Privileges and Immunities, Travel Conditions, Accommodations and Facilities

A. Soviet Union and United States

1. Numbers and Status

The number of United States official personnel in the Soviet Union and Soviet personnel in the United States has remained relatively constant over the past several years. In 1983, there were, on the average, approximately 200 American diplomatic, consular, administrative/technical and service personnel accredited to the Government of the Soviet Union and working at our Embassy in Moscow or Consulate General in Leningrad. In addition, the United States employed an average of 220 Soviet local and third-country personnel to perform non-sensitive tasks at our diplomatic and consular installations.

The Soviet Union had, on the average, some 185 diplomatic and consular personnel and 125 administrative/technical and service personnel accredited to the United States Government and working at their Embassy in Washington, D.C. or Consulate General in San Francisco. The Soviets hire virtually no local American staff (the number is usually around ten), and depend on their administrative/technical and service staff of 125 to perform the functions we normally assign to local and third-country personnel.

At the United Nations, there are normally around 275-300 Soviet diplomats and staff assigned to the three Soviet Missions to the UN (Soviet, Ukrainian, Belorussian), and an additional 275 who work as international civil servants for the UN Secretariat. The United States has over 2,500 personnel accredited to or working for the United Nations in New York.

Beyond the official U.S. and Soviet presence, there are sizeable press, business and exchange contingents present in each country. In recent years, the Soviets have had some 35-40 correspondents and 50-100 representatives of Soviet commercial organizations assigned to the United States, with 2198 exchange visitors coming to the United States in 1983 (this latter figure varies considerably from year to year, depending on the state of U.S.-Soviet relations).

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U.S. correspondents in the Soviet Union usually number from 30-35, and permanently-based business representatives around 20. U.S. correspondents and businessmen are based almost exclusively in Moscow, although at times there have been personnel in Leningrad, Kuybyshev, Nakhodka and other cities. Soviet correspondents and commercial representatives are confined to the New York, Washington D.C. and San Francisco metropolitan areas, with the exception of three Belarus tractor mechanics based at the Belarus plant in Milwaukee, Wisconsin, and one Soviet fisheries representative based in Seattle, Washington at Marine Resources, inc. No centralized records are kept on the number of U.S. exchangeees going to the Soviet Union each year, but the number is estimated to be roughly comparable, i.e. around 2000.

Soviet tourist visits to the U.S. are few, numbering 1000-2000 a year. The U.S. tourism industry estimates that private U.S. visitors to the Soviet Union number considerably more, and are now at an annual level of 35,000-45,000, of which approximately 6,000 trips are for business purposes. These tourism figures represent a decline of about 50% since the mid-1970's.

Tables II-1, 2 and 3 give more precise figures for the U.S. and Soviet official presence for the representative period of February, 1984. Table II-4 gives estimates for changes in the Soviet official presence in the United States over the past thirty years.

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TABLE II-1

Comparison of U.S. and Soviet Presence
at Diplomatic and Consular Establishments
in Each Country

Soviet Government Officials and Employees in U.S. (February, 1984)*		U.S. Government Officials and Employees in U.S.S.R. (February, 1984)
Sending State		
Diplomats and staff	320	202
local & third country	7**	220
Working spouses	46	31
TDY'ers	<u>65</u>	<u>103</u>
Totals	438	556

*does not include Soviet personnel at UN (SMUN, UNSEC, UN Tdy'ers)

**There are 1-2 English teachers at the Soviet school, and 3-5 English translators at Soviet Life and other magazines.

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TABLE II-2

U.S. Government Employees
at our Missions in the USSR
as of February, 1984

Moscow

<u>U.S</u>	<u>AECA CONTRACT</u>	<u>PIT*</u>	<u>Soviet & Third- Country Nationals</u>	<u>Construction Personnel</u>	<u>TDY'er</u>
178	24	4	196	59(FBO) 24+(Seabees) 10+(SY)	10-25 depending on season

Leningrad

24	3	-	24		
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Totals

202	27	4	220	93	10-25
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*Part-Time American Employees

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TABLE II-3

Soviet Official Presence - February 3, 1984

	<u>Accredited Diplomats and Employees</u>	<u>Working Wives</u>	<u>Dependents</u>	<u>TDY'ers</u>	<u>Total</u>
Embassy	282	44	496	61	883
ConGen SF	38	2	56	4	100
SMUN	254	11	421	35	721
BMUN	14	0	21	0	35
UMUN	17	1	26	0	44
UNSEC	277	7	368	4	656
38th UNGA	0	0	0	0	0
Trade Orgs	58	0	90(est.)	0	148(est.)
Press	41	0	66	0	107
Orthodox	4	0	4	0	8
Total	<u>985</u>	<u>65</u>	<u>1548</u>	<u>104</u>	<u>2702</u>

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TABLE II-4

Average Soviet Official Presence ** in the United States

	<u>Officials Only</u>	<u>Officials and their dependents</u>
1984	990	2600
1983	960	2580
1982	980	2580
1980	940	2690
1978	990	2570*
1976	1070	2650
1974	920	2390*
1972	800*	2080*
1970	680*	1770*
1968	600*	1560*
1966	520*	1350*
1964	480*	1250*
1962	380*	990*
1960	300	800
1958	300*	750
1956	260*	680*
1954	180*	450
1952	160*	400
1950	140*	350

According to these figures, the Soviet official presence grew, on the average, at about six percent a year during the 1950-1984 period.

*Estimate based on extrapolation. In determining the number of dependents by extrapolation, the number of officials is multiplied by 1.6 (this is the normal ratio between officials and dependents).

**Official Soviet presence is defined to include all Soviet officials of Embassy Washington, D.C., ConGen San Francisco, the Soviet Missions to the UN, Soviet Secretariat employees, newsmen, Trade Representatives, and Orthodox Church representatives. Exchangees, TDY'ers, tourists and recent emigrants are not counted. Entries are rounded off to the nearest ten.

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2. Privileges and Immunities

The privileges and immunities of Soviet officials in the United States and American officials in the Soviet Union are strictly reciprocal with regard to members of diplomatic missions. Soviet officials stationed in New York as representatives to the UN or as UN Secretariat staffers are accorded the same privileges and immunities which apply to all other foreign nationals performing similar functions. The most important point to be made with respect to each of the following categories from the point of view of national security and espionage control is that officials of all the categories, with the exception of UN Secretariat personnel, enjoy full immunity from criminal prosecution.

Embassy Diplomatic Staff: The basis for privileges and immunities of the diplomatic staff of the Soviet and American Embassies is the 1961 Vienna Convention, 23 U.S.T. 3227, specifically Articles 29 through 42. In addition, the privileges and immunities of Soviet Embassy personnel are elaborated in Public Law 95-393, 22 U.S.C. §§ 254a-e, dated September 30, 1978 and entitled "An Act to Complement the Vienna Convention on Diplomatic Relations." This act clarifies the application of the Vienna Convention from the standpoint of U.S. domestic law. Among other things, PL 95-395 provides that "Any action brought against an individual who is entitled to immunity shall be dismissed" upon establishment of that immunity.

Embassy Administrative/Technical and Service Staff: Article 37 of the Vienna Convention limits the immunities of members of the administrative/technical and service staff. However, the United States and the Soviet Union agreed in 1967 to extend full privileges and immunities to all members of the sending state's administrative/technical and service staff. This agreement was later confirmed in an exchange of diplomatic notes which took effect the day that PL 95-395 came into effect. This agreement provides valuable protection to both sides and, particularly in the U.S. case, allows for easier recruitment of candidates to fill administrative/technical and service staff positions.

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Consulate General Staff: A Consular Convention and Protocol, 19 U.S.T. 5018, negotiated by the United States and Soviet Union was signed in Moscow on June 1, 1964. The privileges and immunities enjoyed by Consular personnel are somewhat less than those possessed by Embassy Diplomatic staff. One distinction is that "Consular officers [and employees] shall not be subject to the jurisdiction of the receiving state in matters relating to their official activity." Consular officers and employees "enjoy immunity from the criminal jurisdiction of the receiving state." Dependents of officers and employees do not have even this immunity. In practice, and in order to avoid a cycle of retaliation, both sides have treated sending state Consular personnel and dependents as if they enjoyed full privileges and immunities.

Soviet UN Secretariat Personnel: UNSEC members are granted those immunities and privileges listed in Article V of the Convention on Privileges and Immunities of the United Nations. 21 U.S.T. § 18(a) limits the immunity of UN officials to that "in respect of words spoken or written and all acts performed by them in their official capacity." The International Organizations Immunities Act, 22 U.S.C. § 288d(b), likewise provides Secretariat personnel immunity only for "suit and legal process relating to acts performed by them in their official capacity and falling within their functions as representatives."

Soviet Representatives to the United Nations: Personnel of the three Soviet Missions to the UN (Soviet, Ukrainian, Belorussian) enjoy the privileges enumerated in Article IV of the Convention on Privileges and Immunities of the United Nations, section 11(a) of which provides for "immunity from personal arrest or detention," but does not mention immunity from legal process. Furthermore, Article V, section 25 of the UN Headquarters Agreement, 61 Stat. 341b, states that persons designated to the United Nations by members as resident representatives, as well as members of their staffs approved by the U.S. Government, shall be recognized by the United States as entitled to the same privileges and immunities as the United States accords to the diplomatic envoys accredited to it. This means that most of the personnel at the Soviet UN missions enjoy full immunity from criminal prosecution. That immunity could, however, be limited in the case of certain staff members, whose privileges and immunities are conditioned on United States approval. In general, however, because of existing agreements concerning the UN, the United States has substantially less discretion to control the privileges and immunities of UN personnel and members of UN missions than it does in the bilateral context.

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3. Travel Conditions and Accommodations

In 1941 the Soviet Government instituted strict controls on the travel of all foreigners resident in the U.S.S.R., including American diplomats in Moscow. The US attempted over the next ten years to convince the Soviets that it was not in the interest of either side to maintain these controls. When these attempts proved futile, the US reluctantly and on a reciprocal basis imposed its own travel controls on Soviet diplomats in 1951. In 1955 the system was refined by "closing" a number of areas in the United States to match areas the Soviets had closed to travel by foreigners.

Over the years, the Soviet authorities have decreased the area officially closed to Americans, probably in response to our reciprocal actions. However, they have also refined their procedures for obstructing travel to nominally open areas. One means of obstruction is through the control of the transportation and accommodations reservations process via the Administration for Services to the Diplomatic Corps (UpDK). Because of this, the Office of Foreign Missions (OFM) has levied a requirement on Soviet Embassy, Consulate General and UN Mission officials that they make all domestic travel and accommodations reservations through the OFM Service Bureau.

All travel by Soviet diplomats, journalists and resident businessmen outside a free-movement zone (usually 25 miles from the center of the city in which they reside) must be registered in advance. This policy is in accordance with the express desire of Congress that "it shall be the general policy of the United States to impose restrictions on travel within the United States by citizens of another country only when the government of that country imposes restrictions on travel by the United States citizens within that country." By law the Secretary of State shall "seek the elimination, on a mutual and reciprocal basis, of travel restrictions imposed by [a foreign] government and by the Government of the United States on each other's citizens." (Section 126 of Public Law 95-426, 92 Stat. 972.)

Soviet UN Secretariat personnel are exempt from travel controls, since they are considered under international law to be international civil servants representing the UN, not the Soviet Union. In addition, Soviet tourists are not subject to this travel control system, although the visa issuance process does allow the United States to have notification and, if necessary, full control of their itinerary.

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4. Facilities

Since, according to Soviet law, foreign governments are not normally permitted to own property in the Soviet Union, there has always been a notable discrepancy between the types of facilities available to the Soviets in the U.S. and those we can obtain in the Soviet Union. Of late, steps have been taken by the Office of Foreign Missions and the newly-created State Department Reciprocal Action Committee to remedy this imbalanced situation.

Currently the Soviet Government owns 15 properties in the U.S., which include 8 buildings in the Washington area, 2 in San Francisco, and 5 in New York (two of these are estates on Long Island). In terms of function, 8 primarily serve as office buildings (including the Embassy Chancery and the San Francisco Consulate General, which contain some apartments), 4 are residential properties, and 3 are used as recreational facilities. The Soviets also have a long-term lease on the so-called Mt. Alto complex, site of their future Chancery and residential complex.

During the 1960's and the early 1970's the U.S. and Soviet Governments negotiated a series of reciprocal, bilateral agreements in order to build new Embassy complexes in our respective capitals. The Mt. Alto site was made available to the Soviet Embassy in Washington in return for an area of land in Moscow where we are now constructing a new Embassy complex. According to the exchange of sites agreements of 1969 and 1972, both countries agreed to lease their respective plots rent free for 85 years. All appropriate U.S. Government agencies were consulted before a decision to offer the Mt. Alto property was made.

In addition to our new Embassy complex in Moscow, the U.S.G. has two types of property arrangements in the Soviet Union. The first consists of numerous short-term leases on blocks of apartments, as well as office and warehouse space. Secondly, we have long-term (25 year, renewable) leases on 7 pieces of property, which include the current Chancery and the Consulate General building, 2 residences (Spaso House in Moscow and the Consul General's residence in Leningrad), 2 recreational facilities known as "dachas", and a 10 1/2 acre plot for another dacha.

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During the past year the Soviet Government has sought unsuccessfully to purchase additional property (specifically apartment units) in the U.S. Since January 1983 foreign missions wishing to acquire property either by lease or by purchase have been required to obtain Department of State approval before proceeding. The Office of Foreign Missions, which has responsibility for the review of such requests, considers reciprocity as part of the process. OFM's practice, confirmed by the Reciprocity Policy Committee, has been to impose parallel limits on property acquisition by countries which prohibit or limit acquisition by the U.S. overseas. Thus, recent Soviet proposals to buy property here have been rejected. (Table II-5 provides a list of diplomatic properties either under long-term lease or owned by the Soviets; Table II-6 provides a list of diplomatic properties under long-term lease by the United States in the Soviet Union).

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TABLE II-5

Soviet Diplomatic Property in the United States*Washington D.C.

Soviet Chancery 1125 16th St., N.W.	(Owned)
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Soviet Ambassador's Residence 1115 16th St., N.W.	(Owned)
--	---------

Soviet Apartment Complex 2645 Tunlaw Rd., N.W. (Mt. Alto Site)	(Leased)
--	----------

Site of Future Chancery 2650 Wisconsin Avenue, N.W. (Mt. Alto site)	(Leased)
---	----------

Soviet apartment building 3875 Tunlaw Road	(owned)
---	---------

Soviet Military Attache Office 2552 Belmont Rd.	(owned)
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Soviet Information Office 1706 18th St., N.W.	(owned)
--	---------

Soviet Consular Office 1825 Phelps Place, N.W.	(owned)
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Trade Representation of the U.S.S.R. 2001 Connecticut Avenue, N.W.	(owned)
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Soviet "Dacha" Pioneer Pt. Centreville, Md.	(owned)
---	---------

San Francisco, Ca.

Soviet Consulate General 2790 Green Street	(owned)
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Soviet Consul General's Residence (owned)
2820 Broadway

New York City

Soviet Mission to the UN (co-located (owned)
with Ukrainian and Byelorussian Missions)
136 E. 67th Street

Soviet Apartment Complex (owned)
355 West 255th Street
Riverdale, Bronx

Soviet Consulate Buildings (former NYAP) (owned)
9-11 E. 67th Street

Killenworth Estate (owned)
Glen Cove
Long Island

Miller Estate (owned)
Upper Brookville
Long Island

*Individual diplomatic residences are not included in this list. Facilities for Soviet Commercial organizations (Amtorg, Belarus, Sovfracht, Intourist), joint ventures (Marine Resources, US-USSR Trade and Economic Council) and journalists are also not included.

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TABLE II-6

Properties Under Long-Term Lease Agreements
by the United States in the Soviet Union*

Moscow

Current Chancery
19, 21, 23 Ulitsa Chaikovskogo

Ambassador's Residence - Spaso House
10 Ulitsa Spasopeskovskaya

Recreational Property - Dacha
(guest house, cabin, caretaker's residence)
Tarasovka

Site of New Embassy Complex
Konyushkovskaya Blvd.

Site of Second Recreational Property - Dacha
Serebryanniy Bor
(terms of agreement being negotiated)

Leningrad

Consulate General Building
15 Petra Lavrova

Residence of the Consul General
4 Grodnensky Pereulok

Recreational Property - Dacha
Zelenogorsk

*Twelve blocs of apartment housing, the U.S. Commercial Office, the F.B.O. Office, the Embassy Warehouse and other facilities (including offices of US business firms and journalists) are not included on this list since they are under short-term leases.

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B. Soviet Bloc Countries and the United States

1. Numbers and Status

The seven Soviet Bloc countries currently have 241 accredited diplomats and staff in this country, while we have 335 American diplomats and staff in Soviet Bloc countries. At the United Nations, the Soviet Bloc countries have 178 representatives permanently stationed at their Missions to the UN and 34 international civil servants working at the UN Secretariat. A more complete breakdown of the Bloc official presence is available at Table II-7. Table II-8 gives a breakdown of the U.S. official presence in Bloc countries.

Under the terms of the 1977 agreement to establish interests sections in the respective capitals, 20 Cubans are permitted to staff CUBINT in Washington and 20 Americans may staff USINT in Havana.

Except for Cuba, there are no formal numerical limitations on the number of Bloc personnel that can be assigned to official establishments in the U.S. There is, however, a rough equivalency of numbers, especially considering that, like the Soviets, the Soviet Bloc missions use their own nationals for technical, administrative and service positions, whereas we employ local employees (not included in the totals in table II-8).

The Bloc countries also have 185 persons permanently assigned to the United States primarily as business representatives of Eastern European state-owned enterprises or as the staff of government commercial offices. The largest group comes from Poland, which has 90 persons permanently assigned to the United States. Temporary business visitors from Eastern Europe numbered some 3,800 in FY 1983. The average stay of such business visitors is less than one month. There are currently 14 Eastern European correspondents permanently assigned to the U.S. and the U.N. There are two Cuban correspondents accredited to the U.N.

The United States also hosts a large number of exchange visitors from Eastern Europe. In FY 1983 approximately 1650 exchange visitor visas were issued to scientists and scholars to come to the U.S. from Eastern Europe. The average exchange visitor remains in the U.S. from 6-12 months. Poland continues to be the source of the largest number of Eastern European exchange visitors (863 in FY 1983).

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No figures are available on the number of short-term U.S. business and scientific visitors to Eastern Europe and Cuba but it is safe to say that this number is only a small fraction of the traffic coming to the U.S. There are 14 U.S. correspondents stationed in Eastern Europe (all in Warsaw) and 11 U.S. businessmen. There are no resident U.S. correspondents or businessmen in Cuba.

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TABLE II-7

EASTERN EUROPEAN
OFFICIAL AND NON-OFFICIAL PRESENCE
IN THE U.S.*

<u>Country</u>	<u>Embassy/Consulate</u>	<u>U.N. Mission</u>	<u>U.N. Secretariat</u>	<u>Other+</u>
BULGARIA	24	25	1	12
CUBA	20	47	1	2
CZECHOSLOVAKIA	30	23	3	26
EAST GERMANY	34	31	7	15
HUNGARY	32	22	4	18
POLAND	80	17	13	90
ROMANIA	21	13	5	22

* Includes only persons permanently assigned to the U.S. or the U.N.

+ This category includes primarily representatives of state-owned enterprises and foreign government commercial representatives in the U.S. who do not have diplomatic status. Students and researchers are not included.

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TABLE II-8

OFFICIAL U.S. PRESENCE
IN SOVIET-BLOC

<u>Country</u>	<u>Number of Americans</u>
Bulgaria	56
Cuba	20
Czechoslovakia	37
East Germany	41
Hungary	41
Poland	84
Romania	56

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2. Privileges and Immunities

Privileges and immunities of Soviet Bloc diplomats and embassy technical/administrative and service staff are defined by the Vienna Convention on Diplomatic Relations, 23 U.S.T. 3227, and as such are similar to those discussed in section II.A.2. above. Privileges and immunities of consular staff are addressed by a series of bilateral agreements with Poland, 24 U.S.T. 1231, Hungary, 24 U.S.T. 1141, the GDR, T.I.A.S. no. 10061, Bulgaria, 26 U.S.T. 687, and Romania, 24 U.S.T. 1317. Consular relations in the case of Poland, Romania and Czechoslovakia are also governed by the Vienna Convention on Consular Relations, 21 U.S.T. 77.

The immunity provided by these consular bilateral agreements with the Eastern European states in general is dramatically greater than that under the Vienna Convention on Consular Relations or most other consular bilaterals. This affords our consular personnel in these states the maximum level of protection. As a consequence, however, consular officers and employees (except Polish consular employees) from the Eastern European states enjoy immunity from criminal prosecution.

Soviet Bloc staff members of the UN Secretariat and members of Soviet Bloc missions at the UN are covered by the provisions of the Convention on Privileges and Immunities of the United Nations cited in section II.A.2. as applying to Soviet personnel

Eastern Europeans assigned to the U.S. offices of state-owned enterprises do not enjoy any privileges and immunities. They are subject to the civil and criminal jurisdiction of the United States. The United States has trade agreements with Hungary (Agreement on Trade Relations Between the United States of America and the Hungarian People's Republic, 29 U.S.T. 2711, signed March 17, 1978 and entered into force July 7, 1978) and with Romania (Agreement on Trade Relations Between the United States of America and the Socialist Republic of Romania, 26 U.S.T. 2305, signed April 24, 1975 and entered into force August 3, 1975). Both agreements oblige the signatories to receive and facilitate the activities of business representatives of the other side.

The United States has informed Bloc countries that staff members of commercial offices, although classified as foreign

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government officials, do not have diplomatic status. However, the U.S. has accorded diplomatic status to the head of each office. In most cases these individuals are employees of the sending state's Foreign Trade Ministry. The United States does not have an identical category of persons assigned to any of the Soviet Bloc countries. There is no Cuban government trade office in the U.S.

3. Travel Conditions and Accommodations

Eastern European officials, including those accredited to the U.N., are not restricted with regard to their travel in the U.S. They do not need to notify the Department of State of their travel plans, nor is their access to various parts of the country restricted. This lack of restrictions on travel is based on reciprocity. Our officials are accorded similar treatment in all the Eastern European countries.

With respect to Cuba, no geographic travel restrictions have been imposed by either government, with the exception that Cuban officials at the U.N. are required to provide advance notification for any travel more than 25 miles from New York City. Our officials in Cuba must make all hotel reservations through a central official travel agency and all public transportation arrangements must be made through offices of the Cuban Government. On the basis of reciprocity, we require that CUBINT personnel make reservations and obtain tickets through the Department's Office of Foreign Missions.

4. Facilities

Of the Soviet Bloc missions in the U.S., only the Cuban Interests Section is required to obtain housing through the Office of Foreign Missions (OFM). This requirement is to reciprocate for a similar arrangement in Cuba where a central government agency dispenses all housing to foreign diplomats, including USINT personnel. The Department of State enforces reciprocity when foreign governments seek to acquire property in the United States. There are ongoing negotiations with the GDR, Czechoslovakia and Bulgaria regarding property acquisitions in the U.S. in return for reciprocal acquisitions by our missions in those countries. Leasing of housing for our embassy personnel in Eastern Europe is easiest in Poland and Hungary, where, in many cases, it is possible to make private arrangements which are then certified by the host governments.

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In the GDR, Romania and Bulgaria, all embassy housing must be obtained through government diplomatic service agencies. The Czech government has, on occasion, permitted our embassy to make private arrangements for housing. All Eastern European missions must obtain OFM approval before signing leases or settlement agreements on property.

The following listing of Soviet Bloc owned and leased property in the United States (Table II-9) and U.S.-owned and leased property in the Soviet Bloc countries (Table II-10) is not exhaustive, particularly for U.S.-owned and leased property in Eastern Europe. The U.S. owns or has long-term leases on many additional properties (primarily residential) in Poland and Hungary. This listing does show the major properties, however, and the Foreign Buildings Office (FBO) of the Department of State maintains a complete listing of all U.S.-owned and leased property in these countries.

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TABLE II-9

Soviet Bloc Owned and Leased Property in the United StatesWashington, D.C. Area

Bulgarian Embassy Chancery 1621 22nd Street, N.W.	(owned)
Bulgarian Ambassador's Residence 3516 Rittenhouse Street, N.W.	(owned)
Cuban Interests Section (Chancery) 2630 - 16th Street, N.W.	(owned)
Cuban Chancery Annex 2639 - 16th Street, N.W.	(owned)
Czechoslovak Embassy Chancery 3900 Linnean Avenue, N.W.	(owned)
Czechoslovak Chancery Annex 4828 Linnean Avenue, N.W.	(owned)
Czechoslovak Ambassador's Residence 2612 Tilden Street, N.W.	(owned)
German Democratic Republic Chancery 1717 Massachusetts Avenue, N.W.	(leased)
GDR Chief of Mission's Residence 7608 Rossdhu Court Chevy Chase, Maryland 20015	(owned)
GDR Embassy Apartment 1515 Ridge Road Arlington, Virginia 22202	(owned)
Hungarian Embassy Chancery 3910 Shoemaker Street, N.W.	(owned)
Hungarian Chief of Mission's Residence 2950 Linnean Avenue, N.W.	(owned)

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Polish Embassy Chancery 2640 16th Street, N.W.	(owned)
Polish Embassy Chancery Annex 2224 Wyoming Avenue, N.W.	(owned)
Polish Embassy Chief of Mission's Residence 3101 Albemarle Street, N.W.	(owned)
Polish Embassy Apartments 2900 Tilden Street, N.W. (4 apartments)	(owned)
Romanian Embassy Chancery 1607 23rd Street, N.W.	(owned)
Romanian Embassy Chancery Annex 1601 23rd Street, N.W.	(owned)
Romanian Chief of Mission's Residence 2236 Massachusetts Avenue, N.W.	(owned)
<u>New York City</u>	
Bulgarian Commercial Office 121 East 62nd Street	(owned)
Bulgarian U.N. Mission 11 East 84th Street	(owned)
Bulgarian Tourist Office 161 E. 86th Street, 2nd Floor	(leased)
Cuban U.N. Mission 315 Lexington Avenue	(owned)
Czechoslovak Commercial Office 292 Madison Avenue, 18th Floor	(leased)
Czechoslovak U.N. Mission 1109-1111 Madison Avenue	(owned)
German Democratic Republic U.N. Mission 58 Park Avenue	(owned)
Hungarian Consulate General 8 East 75th Street	(leased)

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Hungarian Commercial Office (leased)
150 E. 58th Street, 33rd Floor

Hungarian U.N. Mission (owned)
10 E. 75th Street

Polish Government (owned)
233 Madison Avenue (3 apartments)

Polish Consulate General (owned)
233 Madison Avenue

Polish Commercial Office (leased)
47th & 2nd Avenue, 17th Floor

Polish U.N. Mission (owned)
9 East 66th Street

Romanian Commercial Office (owned)
200 East 38th Street

Romanian U.N. Mission (owned)
573-577 Third Avenue

Chicago

Polish Consulate General (owned)
1530 N. Lake Shore Dr.

Polish Government Apartments (owned)
1525 Astor Street (4 apartments)

Polish Commercial Office (leased)
333 E. Ontario St., 39th floor

Hungarian Commercial Office (leased)
130 E. Randolph St.

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TABLE II-10U.S. Government Owned and Leased Property in the Soviet-Bloc*Bulgaria

Ambassador's Residence (owned)
 Georgi G. Dezh, No. 18
 Sofia

Embassy Chancery (leased)+
 1 Al Stamboliyski Blvd.
 Sofia

Cuba

Interests Section Bldg. (owned)
 Calle Calzada Y M. Vedado
 Havana

Embassy Residence (owned)
 Calle 150 No. 2115
 Country Club P.
 Havana

Building Site (leased)
 Calle Calzada Y M. Vedado
 Havana

Czechoslovakia

Embassy Chancery (owned)
 Trziste 15
 Prague

Ambassador's Residence (owned)
 Wintrova 3
 Prague

Deputy Chief of Mission's Residence (owned)
 Majakowskeho 13
 Prague

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Staff Apartment Building (owned)
 Majakowskeho 11
 Prague

Consulate Office Building (owned)
 Hviezdoslavovo Namesti 9
 Bratislava

German Democratic Republic

Building Site (owned)
 Brandenburger Tor
 East Berlin

Embassy Chancery (short-term lease)
 4-5 Neustaedtischekirchstrasse
 East Berlin

Ambassador's Residence (short-term lease)
 14-17 Nordenstrasse
 East Berlin

Deputy Chief of Mission's Residence (short-term lease)
 93 Platanenstrasse
 East Berlin

Hungary

Embassy Chancery (owned)
 Szabadsag Ter 12
 Budapest

Embassy Office Building (owned)
 Vigyszó F U 3
 Budapest

Embassy Office Building (owned)
 Vigyszó F U 5
 Budapest

Embassy Office Building (owned)
 Zrinyi U 4
 Budapest

Public Affairs Officer's Residence (owned)
 Zugligeti UT 91
 Budapest

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Ambassador's Residence (owned)
 Zugligeti UT 93
 Budapest

Staff Apartments (owned)
 Nepstadion UT 105
 Budapest

Staff Apartments (owned)
 Szechenyi Rakpart 12-B
 Budapest

Warehouse (owned)
 Tancsics Mihaly U 9
 Budapest

Deputy Chief of Mission's Residence (owned)
 Bimbo UT 151-153
 Budapest

Poland

Embassy Chancery (owned)
 Ujazdowskie, 31
 Warsaw

Ambassador's Residence (owned)
 6 Zawrat Warsaw Idzikowskiego
 Warsaw

Staff Apartments (owned)
 Piekna 14A-B
 Warsaw

Apartment Building (leased)
 Mianowskiego 8
 Warsaw

Apartment Building (leased)
 Mianowskiego 16
 Warsaw

Apartment Building (leased)
 Mochnackiego 11
 Warsaw

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Deputy Chief of Mission's Residence Dabrowskiego 48 Warsaw	(leased)
Army Attache's Residence Niepodleglosci 106 Warsaw	(leased)
Air Force Attache's Residence Olimpijska 39 Warsaw	(leased)
Agricultural Attache's Residence Pytlasinskiego 13 Warsaw	(owned)
Public Affairs Officer's Residence Dabrowskiego 65 Warsaw	(leased)
Cultural Affairs Officer's Residence Rozana 43 Warsaw	(leased)
Consulate Office Building Stolarska 9 Krakow	(short-term lease)
Consul's Residence Cisowa 5 Krakow	(short-term lease)
Consulate Office Building Chopina 4 Poznan	(owned)
Consul's Residence Chopina 1 Poznan	(owned)
Consulate Staff Apartment 31-33 Grodziska Poznan	(leased)
<u>Romania</u>	
Embassy Chancery	(leased)

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9 Str Tudor Archezi
Bucharest

Embassy Office Building (leased)
7 Str Tudor Arghezi
Bucharest

Ambassador's Residence (leased)
21 Sos Kiseleff
Bucharest

* Short-term leased property is not included, except as noted.

+ The lease expired on September 30, 1983 and we are currently discussing with the Government of Bulgaria arrangements for the construction of new embassy chanceries in each others' capitals.

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III. The Hostile Intelligence Threat

A. The Soviet and Soviet Bloc Intelligence Threat

During the past ten years, the Soviet and Soviet Bloc official presence worldwide has increased by 50%, to approximately 40,000 diplomats, trade, cultural and news representatives (CIA estimate, includes dependents). The increasing number of Soviet, East European and Cuban official representatives has resulted in an increased security threat to our country, and to our friends and allies, as is witnessed by the increasing rate of expulsions of Soviet and Soviet Bloc officials for espionage (Table III-1). In the United States, there are an average of 4,200 Soviet and Soviet Bloc officials and dependents on permanent assignment (2,600 Soviets, 1,600 Bloc). Over the past decade, the number of known and suspected Soviet and Soviet Bloc intelligence officers operating in this country has increased by about 50% (see Table III-2). From the counterintelligence agencies' perspective, increased resources alone, which are recognized as finite, cannot fully enable them to counter the threat. At the same time, a substantial increase in such resources would contribute to the overall effort, particularly since foreign policy considerations require a balanced approach to the overall problem.

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Table III-1

EXPULSIONS OF SOVIET OFFICIALS 1981-83

<u>Region</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>
Africa	2	*	1
Asia/Pacific	6	7	41
Europe	*	23	82
Middle East	9	*	*
Western Hemisphere	10	19	11
Total	<u>27</u>	<u>49</u>	<u>135</u>

*No expulsions publicly announced

Note: Because many governments prefer not to publicize such expulsion actions, the total number of expellees is higher than the public record would indicate.

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Table III-2

SOVIET, WARSAW PACT AND CUBAN
KNOWN OR SUSPECTED INTELLIGENCE OFFICERS
IN THE UNITED STATES

<u>Country</u>	<u>1982</u>	<u>1978</u>	<u>1974</u>
Bulgaria	24	14	8
Czechoslovakia	50	43	36
Hungary	26	28	18
Poland	61	72	44
Romania	34	34	20
GDR	49	14	0
total Eur	<u>244</u>	<u>205</u>	<u>126</u>
Cuba	26	38	13
USSR	361	289	284
total SovBloc	<u>631</u>	<u>532</u>	<u>423</u>

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B. Present FBI Measures to Counter the Hostile Intelligence Threat

Given the limited resources on hand, the FBI has concentrated on known or suspected intelligence agents whose activities, principally in the technology transfer field have damaged and will continue to prove damaging to our interests. In addition, the FBI and the other agencies in the Intelligence Community have embarked on an ambitious program to coordinate their data and information on this hostile intelligence threat. Human and technical analytical resources are being increased and the bureaucratic organizational framework streamlined to handle the problem.

C. U.S. Experience with Expulsions of Soviet Officials

Over the past three decades, most U.S. PNG actions have been based on evidence of espionage -- in contrast to Soviet PNG actions against our diplomatic personnel, which have often been retaliatory in nature. The Soviets have proven less likely to retaliate when the U.S. PNG action has been based on hard evidence, and when the case is not publicized. In response to an intelligence-related expulsion, the Soviets sometimes PNG non-intelligence U.S. personnel whom they dislike for other reasons. The Soviets also retaliate when we expel someone from their UN missions, though we contend there should be no linkage between our missions in the USSR and the Soviet UN missions in New York. Our general practice in such cases has been to counterretaliate by expelling someone from the Soviet Embassy in Washington.

D. Mass Expulsions of Soviets

The U.S. has never ordered a mass expulsion of Soviets. Since World War II, the total number of individual expulsions on both sides has amounted to less than 150 (see tables III-3,4 and 5). It is difficult to know what the Soviet reaction would be to a mass expulsion. The British, Belgians, Canadians and French did expel Soviets en masse in 1971, 1971, 1978 and 1983, respectively. When the British expelled 105 Soviets in 1971, five British diplomats were expelled and thirteen officials, businessmen and academics were refused permission to return to the USSR. A "visa war" ensued, and the net result was that the KGB Residency in the UK was decimated, while the British Foreign Office's analogue to the State Department's Office of Intelligence and Research was banned for several years from serving in the

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USSR. In the Belgian case, 32 Soviets, or one-quarter of the total Soviet diplomatic presence, were expelled. There was no retaliation. In the Canadian case, 11 of 64 Soviet diplomats in Ottawa were expelled. Again, there was no retaliation. Likewise, when the French expelled 47 Soviet officials on April 5, 1983, there was no retaliation. In third world countries, such as Indonesia, there have also been mass expulsions of Soviets. In most cases, there has been no retaliation, presumably because Third World missions in Moscow are tiny and counterexpulsions would eliminate them altogether. Recent PNG actions by the British and the United States have met with one-for-one retaliation.

It would seem that the more important a country is, the larger its mission in the USSR, and the worse relations are with the USSR, the greater the tendency is on the part of the Soviets to retaliate for expulsions of their personnel. In addition, in the case of the U.S., the Soviet obsession with being considered our "equal" probably spurs them to greater retaliations.

Historically, the Soviets have expelled two of our personnel for every three that we have expelled. During the decade of the 1970's, very few Americans were expelled from the Soviet Union as a proportion of Soviet officials expelled from the U.S. However, in recent times, the Soviets are retaliating on a virtual one-for-one basis. We can expect, therefore, that any mass expulsion of Soviet personnel from the U.S. in this period of relatively poor relations will be met with a strong reaction from the Soviets, in contrast to its behavior vis-a-vis other countries, and toward us in other times.

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Table III-3

Soviet Officials PNG'd from U.S. *

Anatoliy Ye. Skripko	Attache, Embassy	Expelled 1983
Yuriy P. Leonov	Assistant Air Attaché, Embassy	Expelled 1983
Yevgeniy N. Barmyantsev	Assistant Military Attaché, Embassy	Expelled 1983
Aleksandr N. Mikheyev	TDY'er, SMUN	Expelled 1983
Vasiliy Ivanovich Chitov	Military Attache, Embassy	Expelled 1982
Yuriy N. Marakhovskiy	2nd Secretary, Embassy	Expelled 1981
Nikolay I. Alenochkin	Minister Counselor, UN	Expelled 1981
Mikhail G. Parfentyev	Military Office	Expionage 1980
Albert Bobikov	TASS, Washington	Expionage 1980
Yuriy A. Kuvarzin	Attache, SMUN	Expelled 1980
Victor P. Tyutin	Press Officer, Embassy	Expionage 1980
Vitaliy L. Kuzin	AMTORG, NYC	Expelled 1980
Vladimir V. Popov	3rd Secretary, Embassy	Left US 1980
Anatoliy A. Sidorkin	3rd Secretary, SMUN	Expionage 1980
Aleksandr A. Kukhar	2nd Secretary, Embassy	Expelled 1979
Vladimir Borozdenkov	Attache, UN	Left US 1978
Rudolf P. Chernyayev	Counselor, Embassy	Retaliatory 1978
Valdik A. Enger	Personnel Officer UN	Convicted 1978
Yevgeniy P. Karpov	Assistant to Undersecretary General	Convicted 1978
Victor Avdyunin	2nd Secretary, UN	Expelled 1977
Vladimir I. Bubnov	Employee, Trade Rep.	Expelled 1977
Yuriy Lisin	1st Secretary, UN	Left US 1977
	2nd Secretary, Embassy	Expelled 1977

*This total includes Soviets who were publicly PNG'd, those who were quietly asked to leave, and those who were caught "engaging in activities in compatible with their diplomatic status" and left before there were told to leave. It also includes those persons who left the country and were refused re-entry for intelligence or retaliatory reasons. Cases underlined are not public knowledge.

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Enriko A. Dzhashi
Vladimir Ilich Alekseyev
Svyatoslav A. Stepanov
 Eduard B. Charchyan
 Abdulhakalik H. Gadzhiyev
 Petros A. Petrosyan
 Aleksandr A. Yakovlev
 Anatoliy V. Andreyev
Viktor A. Chernyshev
Mikhail I. Merzlyakov
Valery I. Yefremov
Valery I. Markelov
 Igor A. Ivanov
 Vladimir P. Zaytsev
Leonid N. Zhegalov
Yevgeniy Ye. Yelshin
Boris M. Orekhov
Yuriy P. Vetrov
Aleksandr V. Tikhomirov
Aleksandr Druzhinin
Vladislav P. Ivanov
Viktor V. Kopytin
Nikolai F. Popov
 Igor L. Andreyev
 Anatoloy T. Kireyev
 Valentin A. Revin
 Aleksei R. Malinin
 Vladimir A. Grusha
 Aleksandr K. Guryanov
 Nikolai F. Turkin
 Boris F. Gladkov
 Rostislav E. Shapovalov
 Boris V. Karpovich
 Stefan M. Kirsanov
 Vladimir P. Grechanin
 Aleksandr V. Udalov

Employee, Intourist
 TASS, Washington
 Counselor, UN
 3rd Secretary, UN
 3rd Secretary, UN
 Delegate, UN
 Employee, UN
 Employee, UN
 1st Secretary, Embassy
 Translator, UN
 Employee, UN
 Translator, UN
 AMTORG, NYC
 Attache, Embassy
 TASS, Washington
 Employee, UN
 Correspondent, Pravda NYC
 Employee, UN
 Translator, UN
 Counselor, UN
 2nd Secretary, UN
 TASS correspondent
 1st Secretary, Embassy
 Counselor, UN
 Counselor, UN
 3rd Secretary, Embassy
 Employee, Commercial office
 1st Secretary, UN
 Attache, UN
 3rd Secretary, UN
 Advisor, Military Staff Committee
 2nd Secretary, UN
 Counselor, Embassy
 1st Secretary, Embassy
 Assistant Military Attache
 Assistant Air Attache

Visa not renewed 1977
 Retaliatory 1977
 Visa withdrawn 1976
 Publicly Exposed 1975
 Publicly Exposed 1975
 Publicly Exposed 1975
 Exposed 1975
 Left UN 1975
 Expelled 1973
 Expelled 1972
 Re-entry visa cancelled 1972
 Expelled 1972
 Jailed 1963 - Departed 1971
 Left UN 1971
 Reciprocity 1970
 Espionage 1970
 Espionage 1970
 Left US 1970
 Expelled 1970
 Visa denied 1969
 Re-entry visa cancelled 1969
 Intelligence activities 1969
 Re-entry visa cancelled 1969
 Expelled 1969
 Refused Re-entry 1967
 Expelled 1966
 Expelled 1966
 Expelled 1957
 Expelled 1956
 Expelled 1956
 Expelled 1956
 Expelled 1956
 Expelled 1965
 Expelled 1965
 Expelled 1964
 Expelled 1964

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Vasiliy V. Zadvinsky	Military Attache	Expelled 1964
Ivan D. Yegorov	Employee, UN	Arrested & Expelled 1963
Aleksei I. Galkin	1st Secretary, UN	Left US 1963
Petr E. Maslennikov	1st Secretary, UN	Left US 1963
Gleb A. Pavlov	Attache, UN	Expelled 1963
Yuri A. Romashin	3rd Secretary, UN	Expelled 1963
Vladimir I. Olenev	Employee, UN	Expelled 1963
Gennadiy G. Sevastyanov	Attache, Embassy	Expelled 1963
Vladimir V. Klokov	3rd Secretary, UN	Expelled 1963
Yevgeni M. Prokhorov	2nd Secretary, UN	Re-entry denied 1962
Ivan Y. Vyrodov	3rd Secretary, UN	Expelled 1962
Igor Y. Melekh	Employee, UN	Expelled 1961
Petr Y. Yezhov	3rd Secretary, Embassy	Expelled 1960
Valentin M. Ivanov	1st Secretary, Embassy	Expelled 1960
Kirill S. Doronkin	Employee, UN	Expelled 1960
Vadim A. Kirilyuk	Political Affairs Officer, UN	Exposed 1959
Evgeni A. Zaostrovstsev	2nd Secretary, Embassy	Expelled 1959
Nikolai I. Kurochkin	3rd Secretary, Embassy	Recalled 1959
Yuri P. Krylov	Assistant Military Attache	Expelled 1958
Vasili M. Molev	Chauffeur, maintenance clerk	Expelled 1957
Gennadi F. Mashkantsev	Employee, Embassy	Expelled 1957
Viktor I. Petrov	Translator, UN	Expelled 1957
Konstantin P. Yekimov	2nd Secretary, UN	Expelled 1956
Vladimir P. Mikheyev	Employee, Military Office	Expelled 1956
Ivan A. Bubchikov	Assistant Military Attache	Left US 1956
Maksim G. Martynov	U.N. Military Staff Committee	Expelled 1956
Aleksandr P. Kovalev	2nd Secretary, UN	Expelled 1955
Igor A. Amosov	Assistant Naval Attache	Expelled 1954
Leonid I. Pivnev	Assistant Air Attache	Expelled 1954
Yuri V. Novikov	2nd Secretary, Embassy	Expelled 1954
Nikolai S. Skvortsov	Employee, UN	Expelled 1953
Valentin A. Gubitchev	Employee, UN	Dismissed 1952
Yakov I. Lomakin	Consul General	Expelled 1950
Nikolai G. Redin	Military Naval Lt.	Expelled 1948
Konstantin P. Ryzhkov	Assistant Naval Attache	Expelled 1946

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Table III-4

Soviet Officials PNG'd From The U.S.: 1946-1983*

1983	4
1982	1
1981	2
1980	7
1979	1
1978	4
1977	6
1976	3
1975	3
1974	0
1973	1
1972	3
1971	2
1970	5
1969	4
1968	0
1967	2
1966	2
1965	2
1964	3
1963	7
1962	3
1961	1
1960	2
1959	3
1958	1
1957	4
1956	8
1955	1
1954	3
1953	1
1952	1
1951	0
1950	1
1949	0
1948	1
1947	0
1946	2
Total	<u>94</u>

*This total includes Soviets who were publicly PNG'd, those who were quietly asked to leave, and those who were caught "engaging in activities incompatible with their diplomatic status" but left before they could be told to leave. It also includes persons who left the U.S. and were refused reentry for intelligence or retaliatory reasons. 25 of the PNG cases since 1967, including 6 of the 7 1980 cases, are not yet public knowledge.

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Table III-5

AMERICANS PNG'D FROM THE USSR 1976 - 1983

<u>Date</u>	<u>Name</u>	<u>Soviet Reason and Evidence</u>
September 12, 1983	Lon D. Augustenborg Second Secretary Leningrad Consulate	Allegedly caught in espionage activity.
June 4, 1983	Louis C. Thomas Attaché, Adm. Sect. Moscow Embassy	Allegedly caught in espionage activity.
March 10, 1983	Richard Osborne First Secretary Moscow Embassy	Allegedly caught in espionage activity.
August 24, 1981	Peter Bogatyr Third Secretary Moscow Embassy	Allegedly caught in espionage activity.
January 2, 1978	Donald Kursch Third Secretary Commercial Office	Allegedly collected political, economic, and defense information and attempted to instill in Soviet citizens a spirit of hostility toward the U.S.S.R. <u>Real Reason:</u> Retaliation for U.S. PNG of Avdyunin, Commercial Officer in Washington.
September 1977	Vincent Crockett (and wife Becky) Secretary - Archivist Moscow Embassy	Allegedly caught in espionage activity.
July 1977	Martha Peterson Vice Consul Moscow Embassy	Allegedly caught in espionage activity.

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November 18, 1976	Marshall Brement Political-Counselor Moscow Embassy	Accused of repeatedly attempting to obtain secret political and defense information from Soviet citizens. <u>Real Reason:</u> Retaliation for U.S. PNG of Stepanov, a counselor in the Soviet Mission to the U.N. engaged in intelligence activity.
June 1976	Edwin Kelly Vice Consul Leningrad	Allegedly caught in espionage activity.

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TABLE III-6

EXPULSIONS AND ARRESTS OF SOVIET BLOC OFFICIALS IN THE U.S.
AND EXPULSIONS OF AMERICAN DIPLOMATS FROM SOVIET BLOC
COUNTRIES SINCE 1981

1983 1 Bulgarian Commercial Representative (Penyu Kostadinov) arrested for espionage.
1983 1 GDR university exchange professor (Alfred Zeher) arrested for espionage
1982 1 U.S. diplomat withdrawn from Czechoslovakia under pressure
1982 1 Czechoslovak diplomat PNG'd from the U.S. in retaliation for above
1982 2 U.S. diplomats PNG'd from Poland
1982 2 Polish diplomats PNG'd from the U.S. in retaliation for above
1981 1 Polish Businessman (Marian Zacharski) arrested for espionage, sentenced to life imprisonment.

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IV. The Role of the Department of State in Enforcing Reciprocity and Responding to the Intelligence Threat

A. Travel Restrictions

Except for Soviet citizen officers and employees of the United Nations Secretariat, the United States receives at least some advance information on the travel of every Soviet citizen in the United States. In the case of ordinary Soviets who visit relatives in the U.S., this notification consists of the name, address and telephone number of their U.S. relatives, along with a request to notify INS if they intend to travel more than 25 miles from their destination. Although there is no enforcement provision, this information does provide the FBI with a starting point for any investigation it may care to institute about the circumstances of a particular visit.

Depending on the purpose of their visit, certain aliens from Soviet and Soviet Bloc countries are designated "SPLEX" or "BUSVIS." Virtually all Soviet visitors are either diplomatic, SPLEX or BUSVIS except for private citizens visiting relatives. (In Eastern Europe, only those visitors who enter the U.S. for particular scientific or technical purposes are classified as SPLEX.) Once a Soviet SPLEX or BUSVIS visitor has entered the U.S., he is expected to adhere to his approved itinerary. Any deviations must be approved in advance by the Department of State. In the case of exchange visitors on long-term stays, all travel outside the area of residence must be approved by the Department.

The Department of State pays particular attention to the travel of resident Soviets (except for UN Secretariat employees, who are exempt from travel controls). Advance notification of all travel is required 24 or 48 hours in advance depending on destination. The Department reserves the right to disapprove any Soviet travel. This right is exercised, normally in response to Soviet denials of analogous American travel in the USSR, but when necessary for reasons of national security as well. The Office of Soviet Union Affairs, which carries out this program, stays in close contact with the FBI and in almost all instances acts favorably on FBI requests to approve or deny particular travel requests.

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B. The Office of Foreign Missions (OFM)

The Office of Foreign Missions is the monopoly supplier of travel services to the Soviet Embassy, the Soviet Consulate General in San Francisco, and the three Soviet missions to the United Nations. As such it books and issues tickets for all commercial transportation taken by their staff members, and books and processes payments for all commercial accommodations utilized by staff members. In addition to providing an extremely important tool in our efforts to enforce reciprocity and expand travel opportunities for American diplomats in the USSR, OFM's travel services provide significant counterintelligence benefits. In many instances, it provides more advance notice of impending travel than is obtained from the formal travel notifications. It gives the FBI advance information on precisely which hotels (or even rooms) and flights Soviets will be utilizing, enhancing surveillance opportunities. It provides the military services with the opportunity to review all Soviet travel and to schedule sensitive activities accordingly. And through OFM's routine contacts with American hosts, it provides the FBI with quicker, more accurate and cheaper information on what Soviet travelers may be up to and who they will be seeing. OFM provides similar services to the Cubans.

C. Visa Ceilings

The United States has unilaterally imposed on the Soviet Union a limit of 320 permanently assigned personnel at their diplomatic and consular establishments in the United States, with a subceiling of 41 in San Francisco. This ceiling is monitored and enforced by the State Department and is implemented in such a fashion as to ensure that there are no more than the authorized number of staff members in the U.S. at any one time. Visas are authorized only after openings have been created by the departure of other staff members, or the Soviets have identified an individual who will leave shortly after the arrival of the new person. The Soviets are normally 5-15 persons beneath the ceiling at any one time since all Soviets are counted as "present" from the time their visas are authorized until they have permanently left the U.S. Since the Soviets are reluctant to tell us who is replacing whom, this ensures gaps rather than overlaps in their staffing.

The Department keeps a comprehensive list of Soviet officials present in the U.S., using visa issuance, Immigration Service arrival/departure information and official registrations and deregistrations by Soviet missions with the Department and the

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United Nations. In addition, the Department's lists are periodically compared to the FBI lists in order to ensure the greater accuracy of both. As a result, we have a high degree of confidence in our figures on the Soviet presence.

D. Visa Applications Control

All visa applications worldwide are checked through the Department of State's Visa Lookout System (AVLOS). Both the Department and the FBI can enter into this computer-based index the names of suspected intelligence officers, terrorists or other persons whose applications should be carefully considered by Washington agencies before visas are issued or denied. Since the FBI will not, as a matter of policy, provide the Department of State with lists of known or suspected intelligence officers for inclusion in AVLOS or for any other purpose, the visa lookout is of limited utility in screening applications by Soviet or Soviet Bloc diplomats. If a name is included in AVLOS, a full review of national security considerations is made before issuing visas to identified or suspected hostile intelligence officers. The FBI is normally provided with at least a full working week's notice before our Embassy or Consulate issues visas to Soviet or Soviet Bloc diplomats. Thus, the FBI can conduct its own internal checks and in appropriate cases can request the Department to suspend issuance of the visa.

In the case of diplomats and staff members designated for bilateral missions, the Department of State can decline to accept them as diplomats accredited to the U.S., and they would not be admissible in the diplomatic visa categories (A-1 and A-2). We do not, however, have a blanket policy of refusing admission in the A-1 and A-2 categories to all hostile intelligence officers. Each case is examined on its merits, and denials of visas in the A-1 category are very rare in practice. Visas or accreditation can be denied in certain circumstances, however, such as in cases where persons have been expelled previously from the US or allied countries for hostile intelligence activities.

Officials coming to the United States in the international organization category (G-1, G-2 and G-4) for assignments to U.N. missions or with the U.N. Secretariat are admitted to the U.S. in accordance with our obligations under the United Nations Headquarters Agreement. When there is significant incriminating evidence that these officials are affiliated with hostile intelligence services and that they have engaged, or probably would during their visits in the U.S. engage in activities prejudicial to the national security, they will be denied visas.

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In the case of exchange (SPLEX) and commercial visitors (BUSVIS) on short-term trips to the U.S., a detailed advance itinerary is required for visa issuance. This itinerary is furnished automatically to the FBI and CIA. In all cases involving Soviets, and SPLEX cases involving Eastern Europeans, the Department of State verifies the itinerary with the prospective sponsors or hosts. At the same time, inquiries are made as to the precise nature of the business to be transacted or the exchange program to be carried out. One of the major points of inquiry is whether sensitive technology or other goods or information subject to export licensing is involved. If necessary, visa issuance is suspended and the case is referred to the Committee on Exchanges (COMEX), an interagency group headed by the CIA which issues a final recommendation in such cases. If necessary, visas can be refused.

The Department monitors the presence of temporarily assigned personnel to the extent possible by limiting their stays to finite periods. All extensions of stay for SPLEX, Soviet BUSVIS and diplomatic personnel require the concurrence of the Department. Such requests for extension are examined using the same criteria as apply to original applications.

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V. Advantages and Disadvantages of Additional Administrative and Legal Actions Which Might Be Taken To Implement Reciprocity and Counter the Hostile Intelligence Threat

Discussed below are 12 possible administrative and legal actions which have been considered at various times by the Administration for possible implementation either to counter the hostile intelligence threat or to establish conditions of equivalence and reciprocity. Most of the actions discussed below have been deferred by the Administration due to the significant problems which their implementation would cause U.S. overseas operations and foreign policy. However, we believe that three of these suggested actions (numbers 10, 11 and 12) merit expeditious consideration.

1. Reduce Ceiling on Soviet Embassy and Consulate General Personnel

At present the Soviet Embassy and Consulate General are limited to a total of 320 accredited diplomats and staff. A reduction in the ceiling could range from cuts of a few percent (perhaps 25-35 persons) to a reduction which would bring the total accredited strength of the Soviet Missions down to that of our own -- this would mean cutting the ceiling by over 100.

PROS: A reduction in the ceiling would diminish the pool of potential Soviet agents and therefore make the counterintelligence work of the FBI more easy. It would also create havoc in the Soviet Embassy and Consulate General, and could disrupt their intelligence operations for months, if not longer. To the extent that the ceiling was lowered, there would be greater numerical equality in accredited personnel, provided the Soviets did not retaliate.

CONS: A reduction of the ceiling would inevitably bring Soviet retaliation. Historically, the Soviets have expelled approximately two persons for every three we have expelled, although more recently they have been retaliating on a one-for-one basis. It is possible that the Soviets might be deterred from retaliating if we made clear to them that we were prepared to counterretaliate on a one-for-one basis for every official of ours they expelled from the Soviet Union, and to lower the 320 ceiling permanently by that amount (as the British did in 1971). Also, our chances of avoiding retaliation would definitely improve if we were able to use a substantial espionage "bust" as a pretext (as

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the Norwegians did recently in the Treholt case). However, the result of this strategy cannot be predicted with certainty, and it could lead to a self-reinforcing cycle of retaliation. Depending on the severity of the Soviet retaliation, our Embassy and Consulate General staffs could be reduced below 100 persons. In the end, the U.S. presence in the Soviet Union would be reduced by a much more significant percentage, since we would leave intact the large Soviet UN representation in New York (which is for all practical purposes untouchable unless we are willing to violate several international agreements -- see #2 below). The ability of our Embassy and Consulate General to gather political, economic and intelligence information would be severely reduced, if not eliminated, while the Soviets would be able to shift many of the functions now performed by their Embassy to their UN missions. In addition, the ability of the Embassy and Consulate General to conduct even basic functions, such as protection of citizens, administrative and logistical support for visitors, and government-to-government communications could be impeded. A major reduction in the ceiling would also result in a chilling of our overall relations with the Soviets and could have lasting effects on our ability to conduct negotiations. It would reinforce the current trend in Soviet leadership circles to view U.S.-Soviet relations as unsalvageable for the foreseeable future and could lead to increasing irrationality in Soviet behavior toward the United States.

2. Reduce the Size of the Soviet Missions to the United Nations.

At present the three Soviet missions to the United Nations have a strength of 277 diplomats and employees. Proposals to cut this total might range from a few percent (25-30 persons) to a cut which would equalize the total strength of the Soviet missions with that of the United States mission to the United Nations (USUN), i.e. around 110 persons. Since USUN relies heavily on local New York personnel for non-sensitive services, and since there is a large pool of professionals in Washington, D.C. upon which it draws regularly to temporarily augment its staff, the permanent USUN staff is relatively small. By contrast, the Soviet missions rely on their own personnel for non-sensitive service tasks, and do not have an available pool of personnel nearby to draw upon. Their permanent staff is thus somewhat larger. The United States has never engaged in a mass expulsion of Soviet UN personnel. However, the United States has established its right to exclude individuals (In 1953, the United States reached an understanding with the Secretary-General whereby the United States would move to exclude individuals when there is clear and convincing evidence that the individual is coming to the United

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States for purposes outside the scope of his United Nations activities and prejudicial to the national security).

PROS: A reduction in numbers would diminish the pool of potential Soviet agents and therefore make the counterintelligence work of the FBI more easy. It would also hamper the ability of the Soviet missions to conduct intelligence activities.

CONS: As in the case of reductions in the 320 ceiling (see #1 above), the Soviets would be likely to retaliate directly against our diplomatic establishments in the Soviet Union. Beyond the disadvantages cited in #1 above, the establishment of numerical limits on the Soviet UN missions might also be challenged by the United Nations. Pursuant to Sections 11 and 13 of the Headquarters Agreement and Articles IV and V of the Convention on Privileges and Immunities of the United Nations, the United States is obligated to permit the members of the Soviet missions to enter the United States to perform their UN-related functions. The size of a member State's mission to the United Nations is therefore a matter within the discretion of each individual member State, and the United States as host government does not enjoy vis-a-vis UN missions the right we enjoy as a bilateral receiving State to impose arbitrary numerical limits on foreign embassies. If the Soviet UN missions were clearly much larger than the size required for them to carry out their legitimate UN functions, we could in all probability impose limits without major adverse reaction from other UN members. However, Soviet numbers are currently judged to be within a reasonable range, in view of their extensive UN activities, and an attempt to limit their numbers would be viewed as a serious violation of the UN Charter and the Headquarters Agreement. This could in turn raise the possibility of international legal action against the United States, since Article IX, section 21 of the Headquarters Agreement provides a mechanism for resolving such disputes through arbitration or an ICJ advisory opinion.

3. Limit the Number of Soviet United Nations Secretariat Personnel

During 1983, approximately 275 Soviet citizens worked at the United Nations Secretariat in New York as either professional or clerical personnel, in comparison to approximately 1800 United States citizens in similar positions and another 800 in UN Special Programs.

PROS: A reduction in numbers of UN Secretariat personnel could materially aid U.S. counterintelligence efforts since these Soviet citizens, by virtue of their status as international civil servants, are exempt from the travel controls placed on other Soviet officials in this country.

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CONS: Beyond the disadvantages enumerated in #1 and #2 above, limiting the number of Soviet UN Secretariat officials would be viewed by the UN as direct interference in its internal workings. We would likely be challenged legally, either through arbitration or an International Court of Justice opinion request. We would receive little or no support on this issue from our allies, and we would stand an excellent chance of losing any legal battle. We would then be faced with the politically unpalatable choice of continuing to enforce a measure found to be unjustified under international law, or to give in. In addition, the UN might decide to place limits on U.S. personnel, who constitute by far the largest group working at UN Headquarters in New York.

4. Equalize the Number of Soviet Journalists in the United States and American Journalists in the U.S.S.R..

There are 41 Soviet journalists on assignment in the United States. The number of U.S. journalists in the Soviet Union has ranged between 30 and 35 in recent years.

PROS: A reduction in Soviet journalists in this country by 6-11 persons would be of minor counterintelligence benefit to the FBI. It would also hamper Soviet operations.

CONS: The presence of U.S. correspondents in a closed society like the U.S.S.R. is far more valuable to us than the presence of Soviet correspondents is to the Soviet Union. Although reducing the Soviet media presence would slightly lower the hostile intelligence threat, the Soviets could be expected to retaliate against our correspondents in the Soviet Union either through harassment or selective revocation of accreditation. Unless our correspondents were already in favor of establishing ceilings on journalists -- which they have not been in the past -- or unless there were major espionage arrests involving Soviet journalists in the United States, the U.S.G. would be viewed as the cause of the problem and come in for criticism from the U.S. media.

5. Reduce the Number of Accredited Soviet Commercial Representatives in the United States

In historical terms, the present number of Soviet commercial representatives is relatively low. In 1980, there were 99. We reduced the ceiling on Soviet commercial representation in 1981 from 99 to 72, as a Poland-related sanction. In September of

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1983, the closure of U.S. Aeroflot offices reduced the total number still further. There are 58 Soviet Commercial representatives still in the United States. There are some 30 U.S. firms represented in the U.S.S.R. by permanently-assigned U.S. employees, 20 of whom are permanently based in the U.S.S.R..

PROS: A further reduction in Soviet Commercial representatives would provide a minor counterintelligence benefit.

CONS: Reducing the number of Soviet Commercial representatives to a level of approximate equality with that of U.S. Commercial representatives in the U.S.S.R. would seriously limit the ability of the remaining Soviet Commercial representatives to conduct their legitimate business with U.S. firms and would probably cause these firms to lose export sales. Reductions on such a scale, and in the absence of a suitable pretext, would invite one-for-one retaliation that would ultimately be more damaging to us than the Soviets since we start from a smaller base. U.S. Commercial representatives in the U.S.S.R. are valuable not just to facilitate trade. They also provide the U.S.G. with valuable intelligence since they can sometimes travel to areas in the Soviet Union which are inaccessible to U.S.G. employees. In addition, U.S. businessmen would blame the U.S.G. if the Soviets responded to our additional controls on Soviet economic organizations here by throwing out U.S. businessmen resident in Moscow.

6. Reduce the Eastern European Official Representation in the U.S.

There are 568 non-Soviet Warsaw Pact diplomats, officials and commercial representatives resident in the United States. The largest representative group is from Poland, which has 300 officials in this country. Bulgaria, Czechoslovakia, the German Democratic Republic, Hungary and Romania have between 50 and 75 each.

PROS: Reducing the Eastern European official representation in the United States could have significant counterintelligence benefits. Eastern European representatives are not governed by travel restrictions, unlike their Soviet counterparts. Eastern European intelligence services also cooperate very closely in many cases with the KGB, as the Zacharski case clearly demonstrates.

CONS: At present, the United States has more diplomats in many of the non-Soviet Warsaw Pact Countries than those countries do in the United States, even when UN representatives are figured as part of the Eastern European total. A reduction in Eastern

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European numbers could lead to numerically larger reductions in American staffing in East European countries, and to the establishment of ceilings on the number of official Americans permitted in those countries. The U.S. relies much more heavily on its official representatives in Eastern Europe for information about those closed societies than Eastern European countries rely on their official representatives here for information on the U.S. We would therefore risk losing disproportionately in any reciprocal reduction of personnel.

7. Impose Travel Controls on Eastern European and Cuban Officials and Diplomats.

At present, only Cuban UN Mission personnel are subject to geographic travel restrictions. Like the Soviets, they are required to notify the U.S.G. if they plan to travel more than 25 miles outside the New York City area. Eastern European UN personnel are not subject to travel controls, nor are Cuban and Eastern European Embassy and Consulate General personnel. There are no travel controls on U.S. personnel in Eastern European countries. Therefore, the establishment of controls on Eastern European officials here should be evaluated solely in terms of its counterintelligence benefits and potential intelligence losses, since it would not be necessary to establish such controls to create conditions of reciprocity. In Cuba, U.S. diplomats are required to make their travel arrangements through official Cuban agencies, and in response we require Cuban diplomats to arrange their travel through the Office of Foreign Missions. However, there are no geographic travel controls in place for American diplomats in Cuba. We have previously approved the establishment of travel controls on CUBINT personnel in Washington, D.C., but have held off implementation pending the results of a request to the Cubans to take back Mariel refugees excludable under the U.S. law.

PROS: Establishing travel controls on all Eastern European and Cuban diplomats and officials would provide counterintelligence benefits, although it is generally recognized that travel controls historically have been more effective as measures to enforce reciprocity than to deter espionage activities. Travel controls would, however, provide an additional obstacle for hostile intelligence officers to overcome.

CONS: In the Eastern European case, the establishment of travel controls would probably result in a net loss for the U.S. Eastern European countries would reciprocate by establishing

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equally stringent controls on our officials, and the ability of a society that is already closed to clamp down further on the movements of our diplomats and intelligence-gatherers is infinitely greater than ours in an open society. Travel controls would cripple our ability to report on events in a country like Poland, where so much of what is going on takes place in areas outside the capital. In the case of the GDR, restrictions on the travel of GDR diplomats in the U.S. could lead to retaliation by the GDR which might involve our travel rights in Berlin. It is in our interest to keep our Embassy out of matters involving Allied rights in Berlin. Travel restrictions would also have an adverse impact on the morale of our people in Eastern Europe, who would find it extremely difficult to travel to Western Europe or West Berlin by automobile as most of them do periodically now.

In the Cuban case, the imposition of a travel notification requirement on the Cubans would lead to adverse effects on our intelligence collection when Cuba reciprocated.

8. Establish Limits on the Number of Soviet Embassy and Consulate General Personnel with Diplomatic Accreditation to Ensure Equivalence with the Number of Americans Having Such Accreditation in the Soviet Union.

At present, there are 202 American diplomats and officials working at our Embassy in Moscow and Consulate General in Leningrad who are accredited to the Government of the Soviet Union and who possess either full or partial diplomatic privileges and immunities. There are 320 Soviet diplomats and officials working at their Embassy in Washington, D.C. and Consulate General in San Francisco who possess either full or partial diplomatic privileges and immunities. The reason why the Soviets have more accredited officials is that they do not rely on locally-hired employees, as we do, to perform non-sensitive tasks around their installations (basic maintenance, painting, driving, moving, gardening, carpentry, etc.), and employ Soviet citizens instead. If a 202 diplomatic accreditation limit were implemented, 110 lower-level personnel would have to give up their privileges and immunities.

PROS: Limiting each side to 202 accredited diplomats and officials would establish equivalence in the area of privileges and immunities. Although the Soviets would still have a numerical advantage of 110 officials, those 110 would not possess immunity and would be criminally liable for any infractions of the law which they committed (such as espionage). This, in turn,

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could deter the Soviets from using these persons in conducting intelligence operations and therefore simplify the counterintelligence work of the FBI.

CONS: By raising the issue of privileges and immunities in this way, we would be opening the door for a Soviet reconsideration of their treatment of those Americans in the Soviet Union who do not possess full immunities but in practice are treated as if they do. In particular it would draw attention to the privileges and immunities of Consulate General personnel, which are somewhat less extensive than those possessed by Embassy personnel. The dependents of consular officers and employees, who do not have the immunity from criminal prosecution enjoyed by consular officers and employees themselves, could well be put at risk. Second, if we decided to strip Soviet staffers of their privileges and immunities -- or failed to grant them to newly-arrived staffers -- we would violate an agreement in effect between the United States and Soviet Union since 1967 which provides for full diplomatic immunity for administrative, technical and support personnel of the Embassy and their families. Third, such an action could lead to a cycle of retaliatory expulsions or Soviet unwillingness to accredit all of our personnel, either of which would be disastrous to our operations in the Soviet Union. Finally, lack of privileges and immunities would not necessarily deter active espionage activities. If we arrested a Soviet employee for espionage who did not have immunity, the Soviets would very likely pick up one of the many Americans in Moscow not possessing immunity (businessmen, students, or even Consulate General family members) and in effect hold them hostage, as they did following the arrest of Chernyayev and Enger in 1978.

9. Establish Equivalence between the Number of U.S. Diplomats and Officials Working at our Embassy in Moscow and Consulate General in Leningrad and the Number of Soviet Diplomats and Officials Working at their Embassy in Washington, D.C. and Consulate General in San Francisco by Replacing our Soviet Local Employees with Americans.

In 1983, there were, on the average, approximately 200 American diplomatic, consular, administrative/technical and service personnel accredited to the Government of the Soviet Union and working at our Embassy in Moscow or Consulate General in Leningrad. In addition, the United States employed an average of 190 Soviet local and 30 third-country personnel to perform non-sensitive tasks at our diplomatic and consular installations. At the present time, the U.S.G. is planning the

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replacement of four Soviet employees (telephone operators) and has under consideration the replacement of a number of other Soviet employees in technically-demanding positions whose replacement would lead to greater operational efficiency for the Embassy.

The Soviet Union had, on the average, some 185 diplomatic and consular personnel and 125 administrative/technical and service personnel accredited to the United States Government and working at their Embassy in Washington, D.C. or Consulate General in San Francisco. The Soviets hire virtually no local American staff (the number is usually around ten), and depend on their administrative/technical and service staff of 130 to perform the functions we normally assign to local and third-country personnel.

PROS: Eliminating 190-odd Soviet employees would enable their replacement by a comparable number of Americans who would be more efficient and productive, and some of whom could be allotted intelligence-gathering tasks. Soviet counterintelligence activities against our Embassy and Consulate General personnel would be complicated considerably, since they would no longer have a substantial complement of Soviet employees in place to inform on American activities and personnel. Equivalence would be firmly established, with the United States having at least as many accredited diplomats and officials in Moscow and Leningrad as the Soviet Union had in Washington, D.C. and San Francisco, and perhaps even a numerical advantage of 100 or more.

CONS: If all Soviet personnel were replaced, this means that approximately 190 Soviet employees would be fired. Fewer Americans would be required to perform routine maintenance work now done by Soviet employees because American productivity is much greater. However, in order to replace local employees performing more complicated clerical or service functions involving contact with the Soviet society, American substitutes would have to speak excellent Russian to perform their functions but at the same time be willing to perform low-level clerical or other service tasks. Our experience has shown that even the best Soviet local employees require years to acquire the necessary skills to obtain essential services for the Embassy and Consulate General, due to the closed and highly bureaucratic nature of Soviet society. This means that their American replacements would have to be willing to sign on for unusually lengthy tours of duty simply to allow them time to become as proficient as their Soviet predecessors. There would also have to be a much longer overlap than usual with their successors. Complicating this picture still further is the fact that additional

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administrative and service personnel would be needed to take care of the new American workers, since we do not now take responsibility for maintaining the housing and families of our Soviet local employees. Recruitment for these new American positions, even the simple maintenance functions, would be extremely difficult. Because of this, it is probable that at least as many new Americans would have to be hired as Soviets fired to maintain our same level of activity, and perhaps more. This would cost the United States several million dollars a year extra in salary and administrative expenses.

Beyond these considerations, there is some doubt that the replacement of Soviet local employees by Americans would necessarily lead to conditions of greater security for Embassy operations. In the area of technical security, there would be no improvement in conditions because Soviet personnel are already banned from areas of the Embassy and Consulate General in which classified work takes place. These classified areas are under 24-hour Marine guard, and can only be entered by Soviet citizens if they are under escort by cleared American personnel. In the area of personnel security, there is some concern that the replacement of Soviet local employees by Americans might in some cases actually degrade security conditions. Because of the unskilled nature of the jobs which many new American employees would perform, it is likely that these Americans would be younger, less well-educated, and less well-trained than the present American complement in Moscow and Leningrad. They would be far more susceptible to Soviet compromise operations, and it would take only one such success by the Soviets to do irreparable damage to Embassy security.

Finally, there is the question of whether the Soviets would allow us to replace 190 local employees with 150-200 Americans. They could deny us this ability by restricting housing or visa issuance, or by declaring a 320 ceiling similar to the one which we have declared for them. In any case, it is likely that the overall capabilities of our missions in the U.S.S.R. would be substantially diminished.

10. Expand the Operations of the Office of Foreign Missions

The Office of Foreign Missions is continuing to survey the practices of foreign governments with regard to our diplomats and officials, and is moving on a number of fronts to ensure that the principle of reciprocity is observed in our relations with all countries. With regard to Soviet and Soviet Bloc countries, the Office of Foreign Missions has established a Travel Service

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Bureau to perform the same functions for Soviet and Cuban diplomats as travel service bureaus in those countries perform for our diplomats. In addition, OFM has notified the diplomatic community that in the future all property changes and acquisitions by diplomatic missions will have to receive the prior permission of the Department of State. OFM is also considering the possibility of requiring divestiture of property and reciprocal pricing in property leasing for certain Soviet and Soviet Bloc countries and other countries in which there are problems in this regard, and the provision of additional types of services to members of the diplomatic community where reciprocity considerations indicate that such services should be provided.

PROS: Expanding the operations of OFM provides the U.S.G. with excellent leverage in ensuring that our diplomats and officials in Soviet and Soviet Bloc countries are afforded fair treatment, or at the very least equal treatment to that afforded Soviet and Soviet Bloc diplomats in this country. In addition to its primary role of ensuring reciprocity of treatment, the expansion of OFM's service and other functions will also create additional counterintelligence opportunities which can be exploited by the FBI and other agencies concerned with counterintelligence matters.

CONS: OFM, as currently funded and staffed, can handle any projected extension of travel and real estate services, including control of individual apartment leasing. Expansion of OFM operations to new types of services would require additional funding.

11. Increase the Counterintelligence Capabilities of the Federal Bureau of Investigation.

According to most authoritative estimates, 30-40% of Soviet and Soviet Bloc diplomatic and official personnel are engaged primarily in overt or covert intelligence-gathering or intelligence support activities for their countries. This means that, despite recent increases in FBI counterintelligence staffing, there are still probably more Soviet and Soviet Bloc intelligence personnel resident in Washington, D.C., New York City, San Francisco and Chicago than can be adequately dealt with by U.S. counterintelligence personnel. This is in marked contrast to the situation in the Soviet Union and Soviet Bloc countries, where tens of thousands of counterintelligence personnel are mobilized to monitor and impede the activities of a relatively small number of foreign intelligence operatives.

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PROS: Increasing the FBI's counterintelligence capabilities is advantageous because the Soviets and their allies are less likely to retaliate directly for actions we take which result from catching intelligence officers red-handed. Additional staffing and funding for surveillance of Soviet and Soviet Bloc activities has its practical limits, which may have already been reached. However, increased resources for sophisticated and effective counterintelligence operations aimed at recruiting Soviet and Soviet Bloc personnel, and increased interagency information sharing to pick the most likely targets, may provide in the long term for greater counterintelligence capacity and protection of national security.

CONS: Increasing the U.S. counterintelligence capability could be extremely costly. Even if vastly augmented resources are put behind the counterintelligence effort, that effort will have practical limits due to the differences between our political system and the Soviet and Soviet Bloc political systems, which give our adversaries a natural advantage in intelligence work. Increasing the U.S. counterintelligence capability should be seen, therefore, not as the solution to the problem posed by the hostile intelligence presence, but as a necessary part of that solution.

12. Increase Funding for Technical Measures to Counter the Hostile Intelligence Threat.

The Intelligence Community is considering a number of possible technical measures aimed at countering the hostile intelligence threat. The intelligence community is also examining a number of areas in which technical security can be improved and will be forwarding funding requests for new projects in this field to Congress. Areas under examination include Soviet SIGINT capabilities and measures to enhance protective security (particularly the security of US diplomatic installations abroad, personnel security, industrial security, computer security and communications security).

PROS: Since such measures are purely defensive and technical in nature, they will be unlikely to produce the political fallout that other actions (notably actions 1-9) might cause. Furthermore, they are absolutely necessary, if the United States is to keep abreast of and surpass when possible the very active Soviet research program in these areas.

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CONS: Some of these programs, particularly measures aimed at upgrading Embassy security, will be extremely costly. If the security upgrades are effective, the Soviets will undoubtedly redouble their own efforts to penetrate our technical security, which in turn will lead to further defensive expenditures on our part.

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