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Spy Case Intensifies Security Questions at C.I.A.

By STEPHEN ENGELBERG
Special to The New York Times

WASHINGTON, Nov. 24 — The arrest of a former Central Intelligence Agency analyst on charges of spying for the Chinese has raised new questions about security at the C.I.A., whose standing in Congress and within the Reagan Administration has been damaged by security breaches and public reverses.

Administration officials said that the analyst, Larry Wu-Tai Chin, had access to relatively low-level classified material in his job at the Foreign Broadcast Information Service, an arm of the C.I.A. But intelligence specialists said the significance of the case was that an employee may have evaded the agency's security procedures — which include regular polygraph, or lie-detector, tests — for three decades.

Additionally, an affidavit filed Saturday by Federal investigators says that Mr. Chin was able to take classified material from his workplace by hiding it in his briefcase and clothing.

William J. Casey, the Director of Central Intelligence, has in recent months been confronted with increasing criticism from Congress and the White House over several well-publicized incidents.

These include a Soviet intelligence officer who defected to the West and then returned to Moscow after holding two news conferences denouncing the agency; a former C.I.A. officer who was charged with spying for the Soviet Union, and a former agency clerk who admitted passing secret information to officials in Ghana.

"There are a lot of strange occurences here that at least show people were not on the ball," an Administration official, who spoke on the condition that he not be identified, said in a recent interview. "Obviously there's great concern. It's not like the agency is not getting a lot of money and support."

Senator Patrick J. Leahy, the Vermont Democrat who is vice chairman of the Senate Select Committee on Intelligence, said the string of public embarrassments is taking its toll on morale at the C.I.A.

"Some in the agency are reeling from it, and are feeling very, very defensive," Mr. Leahy said. "They shouldn't be. The C.I.A. is still the best intelligence service in the world. They should realize that every major intelligence service is going to have some things go wrong. Unfortunately the things that go right aren't made public."

Mr. Leahy, who has previously called for improvements in the agency's security procedures, said that some of the recent cases against C.I.A. employees had been initiated by the agency.

Failed a Polygraph Test

Administration officials say the charges against Sharon M. Scranage, a C.I.A. clerk who pleaded guilty in September to identifying covert agents in Ghana, arose when she failed a routine polygraph test administered by the agency. Additionally, the C.I.A. was also responsible for initiating the investigation of Mr. Chin, officials said.

"Having been one of those who has pushed for improved counterintelligence," Mr. Leahy said, "I am not going to say: 'You beefed it up, you caught some spies, and now I'm going to beat you about the head and shoulders for that.'"

Mr. Leahy said it was too early to speculate on any possible damage Mr. Chin may have caused. Administration officials said that analysts at the Foreign Broadcast Information Service receive reports from the C.I.A. and other agencies. Such documents, Administration officials said, in the hands of hostile intelligence services, could be useful in understanding general trends in the Government's approach to a country.

The reports do not include the identities of covert agents gathering information, the officials said. But they cautioned that in some instances, a careful reading of a document would allow a hostile intelligence service to deduce that a particular piece of data could only have come from one source.

Investigators have not yet specified what sort of security clearances Mr. Chin held, but the Federal Bureau of Investigation did say in a statement Saturday that he was a naturalized American citizen. According to former C.I.A. officials, it is unlikely that a naturalized American citizen would have been granted one of the higher-level security clearances.

Stansfield M. Turner, President Carter's Director of Central Intelligence, said today he believed the agency's security procedures were lax when he took over the post in 1977. He asserted that "considerable improvements" had been made under the Carter Administration, but said, "I wouldn't want to profess I thought it was where it should be."

Mr. Turner said that the recruitment of an information-service employee by a hostile intelligence service was not an especially serious breach of security.

"F.B.I.S. is not the heart of the C.I.A.," he said. "It is pretty largely an unclassified organization. That is why I take a less than cataclysmic view of this."

But Mr. Turner said it was "terrible" that it took three decades to uncover the case. "Whether the data is significant or not," he said, "anyone who is passing information like this should be caught in less than 30 years."

The C.I.A.'s approach to counterintelligence has long been a matter of concern to some critics in Congress. Senator Malcolm Wallop, a Wyoming Republican, has contended that the agency is insufficiently sensitive to the question of whether a double agent has penetrated upper levels of the agency.

The agency has never ruled out the possibility that such an agent had gained access to its secrets, but its officials have given little credence to Mr. Wallop's assertions.

A senior Administration official said that it was almost inevitable that some hostile intelligence service would succeed in penetrating the agency. "It never occurred to me that there weren't spies in the agency," the official said. "We have propounded this myth, and it has been a useful myth, but it's still a myth, that somehow Americans are not vulnerable."

Noting that thousands of intelligence agents direct their efforts against the United States, the official said, "It shouldn't surprise anyone that there are spies within the United States Government."

The issue is an important one for an intelligence service, former C.I.A. officers say, since the recruitment of agents in the field depends on a guarantee that their identities will be kept secret.

This year's round of espionage cases involving C.I.A. employees began with Miss Scranage, who was a clerk in the agency's station in the Ghanaian capital, Accra. She admitted to the authorities that she had given classified information to her Ghanaian lover. Later this year, a Soviet intelligence officer, Vitaly Yurchenko, defected and helped the F.B.I. develop espionage charges against Edward Lee Howard, a former C.I.A. officer who had been dismissed.

According to Administration officials, Mr. Howard had helped Soviet intelligence agents uncover an American agent, A. G. Tolkachev, who had been providing the C.I.A. with sensitive details about Soviet weapons research.

Just this month, Mr. Yurchenko, whose defection had been touted by the C.I.A. as a coup, announced his return to the Soviet Union. The Administration is still trying to determine whether he actually defected and then changed his mind or was a Soviet plant. Some former C.I.A. officials have suggested Mr. Yurchenko's case is part of a pattern of mishandling defectors.

HUTCHINSON NEWS (KS)
14 November 1985

Ex-CIA chief leery of dealings in Nicaragua

By Duane Schrag
The Hutchinson News

The CIA's involvement in Nicaragua is hurting its image and ultimately could hurt the organization, according to the man who ran the agency for four years.

"I am not in favor of what the CIA is doing in Nicaragua myself," the former agency head, Stansfield Turner, said Wednesday during a press conference in Hutchinson.

He said covert action — influencing events without the public knowing it — is really foreign policy, not intelligence. And what is happening in Nicaragua is hardly covert anymore.

"It's the most open, overt, covert action ever known," he said.

Turner was the last speaker in the 1985 Dillon Lecture Series and spoke to an audience of 1,200 people at the Sports Arena.

Turner's government career began in the Navy, culminating in his being named admiral of the Second Fleet and commander-in-chief of NATO's Southern Flank. He took over as director of the CIA at a time when the agency was under fire for its role in such activities as Watergate and covert action in Chile.

"The CIA took a terrible buffeting from the media and the public and it hurt," he said.

He took steps to make the agency more accountable to the public and Congress, which he thinks has strengthened the CIA. Turner called the changes revolutionary. One was the creation of a congressional committee that reviews CIA activities.

"Over the long run, we can't have good intelligence in our country unless we have some accountability," he said.

Turner used the recent leak of sensitive information as an example. President Reagan was outraged when the Washington Post published an article alleging that he signed an order that involved a plot to assassinate Libyan leader Moammar Khadafy.

"It leaks because it's a very controversial activity," he said in response to a question about the leak. "That's the price we pay for having oversight. Some people think the price is too high. I don't."

Our democracy, combined with our superior technology, gives us the edge in the espionage battle, he said. He stressed the importance of democracy in intelligence.

"It's on our side because we have the better ideology," he said. "Democracy must balance secrecy."

During his four years as head of the CIA, Turner admitted he never did find himself trapped in a Swiss chalet with a mysterious blonde.

"Being the chief of intelligence really isn't much like being Double Agent James Bond 007," Turner said.

But intelligence is an exciting profession, he added.

By Larry Caldwell

Stansfield Turner emphasizes a point during his lecture at the Hutchinson Sports Arena Wednesday. Turner headed the CIA for four years.

WALL STREET JOURNAL
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INTERNATIONAL

Congress to Study CIA Handling Of KGB Official's Re-Defection

WASHINGTON—Members of the House and Senate Intelligence committees say their panels plan to conduct lengthy investigations of the Central Intelligence Agency's handling of the surprise re-defection of Vitaly Yurchenko, a former KGB official.

CIA officials held a round of briefings with lawmakers yesterday explaining that Mr. Yurchenko, former deputy chief of the KGB's North American desk, was in this city's crowded Georgetown area Saturday evening to have dinner with CIA agents at a small French restaurant, Au Pied de Cochon. He excused himself and then apparently walked or was taken a few blocks up the street to the newly built Soviet compound.

This article was prepared by John J. Fialka, David Shribman and Robert S. Greenberger.

"You've either got a defector who was allowed to just walk away under circumstances I can't accept or you have a double agent planted on the U.S.," said Sen. Patrick Leahy (D., Vt.), vice chairman of the Senate Select Committee on Intelligence. "No matter what, something is wrong."

Vitaly Yurchenko

Senatecommittee members were told that, before the dinner, Mr. Yurchenko appeared to be depressed. There was some speculation that the depression may have been related to Mr. Yurchenko's relationship with a woman who reportedly lives in Canada.

CIA officials indicated during the briefings that they were still unsure whether Mr. Yurchenko voluntarily went to the Soviets or whether he was, somehow, recaptured by Soviet agents waiting for him in the busy Saturday night crowd.

Meanwhile, U.S. officials debriefed Mr. Yurchenko one more time at the State Department last evening and determined he had decided to leave the U.S. under his own free will and that he did not appear to be drugged. Mr. Yurchenko left the State Department in a jubilant mood, holding his hands above his head prize-fighter fashion for waiting television crews. Asked whether he was going to return to Russia, he said: "Yes, home."

CIA Screening Process

Senate committee members said one of the facets of the strange Yurchenko case that they want to examine closely is how the CIA determined that he was a credible defector in the first place. "It's safe to say we're going to want some of the specifics of the screening process," said one Senate committee member, referring to psychological tests and lie-detector examinations that the CIA says it used on Mr. Yurchenko.

The CIA's debriefing of Mr. Yurchenko, who had an overview of the heavily compartmentalized KGB operations in North America, had been expected to take more than a year, according to Reagan administration sources. Periodically, information taken from Yurchenko debriefings was served up at closed hearings to Intelligence Committee members as proof that the CIA was getting an unprecedented windfall of new spy information.

Yesterday, several congressmen said they had been suspicious all along about Mr. Yurchenko's testimony. "We're not experienced in this. We're laymen," said Sen. William Cohen (R., Maine) "but something struck us as not being right. They (the CIA) reassured us, but there were lingering doubts."

'Everybody Was Skeptical'

"Everybody was skeptical," said Sen. Leahy. "The stuff seemed either we were awfully, awfully lucky or he (Mr. Yurchenko) was too good to be true. Now it turns out it was too good to be true. The feeling here is that the CIA was had, and not only the Congress, but the White House had better ask some very serious questions."

"It's not a goof-up, it's not a great tragedy. It's like someone giving you a bag of candy and taking half of it back," said Senate Intelligence Committee Chairman David Durenberger (R., Minn.).

And not everything Mr. Yurchenko gave his interrogators turned out to be candy. While his ability to reveal Edward L. Howard—a former CIA agent who allegedly gave the Soviets secrets about U.S. operations in Moscow—was touted on Capitol Hill, the Howard case wasn't particularly sweet for the CIA.

One problem was that Mr. Howard apparently was given advance warning about CIA and Federal Bureau of Investigation interest in him and managed to escape arrest. Another was that Mr. Howard had been fired from the CIA in 1983 in a manner that had reportedly left him so angry that he threatened to disclose U.S. secrets to Moscow. A third problem was that Mr. Howard was given sensitive information on U.S. spies in Moscow during what should have been a two-year period of probation and basic training in intelligence.

Adm. Stansfield Turner, director of the CIA during the Carter administration, said he changed an old CIA rule that required agency officials to minimize firings and to simply move agents who had "gone sour" to less sensitive positions until their problems could be addressed. The change, according to Adm. Turner, was made to decrease the danger of moles, or high-level enemy agents within the agency.

Adm. Turner said he wonders how a trainee like Mr. Howard could have acquired sensitive information in the first place. "There's something screwy about that," he said.

The White House still seemed to be in a state of shock over the surprise re-defection of Mr. Yurchenko, but an administration spokesman insisted it would have little effect on this month's summit meeting in Geneva.

The Yurchenko matter was discussed during the White House's morning briefing, "but only as another item," one aide noted. The aide said he didn't expect the incident to spill over into domestic politics, adding: "The American public believes you can't trust the Russians from here to the door anyway. This just underscores that."

CHRISTIAN SCIENCE MONITOR
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Summit: in search of mutual benefit

By Stansfield Turner

IN his speech to the United Nations on Oct. 24, President Reagan proposed that he and Mikhail Gorbachev talk at the coming summit about five areas where the United States has legitimate grievances about Soviet behavior: Afghanistan, Cambodia, Angola, Ethiopia, and Nicaragua. The President, we had assumed, was looking for a way to score points in the public-relations campaign leading up to the summit. Whatever the President's motives, we can only hope that he doesn't expect to make any progress in these areas in two days at Geneva.

Mr. Gorbachev is bound to see this move by the President as an effort to play the summit as one would play in a zero-sum game, that is, a game in which one side wins and the other loses. Considering all that Reagan has said about Nicaragua, it is difficult for Gorbachev to believe that the President has in mind agreeing to any significant residual Soviet role or influence there. It appears that the President is attempting to win in all five regions by easing the Soviet Union out of all these countries; for Mr. Gorbachev such developments certainly would be losses.

The US should concentrate on areas where its interests and those of the USSR do not compete directly. . . . where both could benefit from agreement.

Although these regional issues must be tackled one day, in the reopening of serious discussions with the Soviet Union the US should concentrate on areas where US interests and those of the Soviet Union do not compete so directly. Why not first look for areas where we could *both* benefit from reaching agreement? At least three nonzero-sum games could be played.

The most obvious is arms control, where both are interested in reducing costs and increasing stability. Here the two leaders could move quickly by agreeing to an easily verifiable ban against the testing of ballistic missiles. Such an agreement would signal that neither leader was interested in continuing to develop the capability for a surprise nuclear strike at the other.

Another area of mutual interest is the inhibiting of nuclear proliferation. Neither the US nor the USSR has any reason for wanting Libya — or even Argentina, Brazil, Pakistan, or South Africa — to get the bomb. Reagan and Gorbachev could easily agree at Geneva to form a joint commission to pool intelligence about which countries are developing nuclear weapons and how. Each nation would, of course, have a few pieces of intelligence that could not be shared lest doing so would expose a source. Still, just the fact that the world knew that such exchanges were taking place would be an inhibiting factor and could open the door to more complex arrangements later. At first, simple and straightforward agreement could be built around the interests the two countries share in curbing international terrorism.

Recent events in Beirut have likely brought home to Gorbachev that the USSR, as well the US, is vulnerable to terrorists. Perhaps the silver lining in this Beirut cloud is that the kidnapping of Soviet citizens may increase his willingness to collaborate against terrorism. Reagan and Gorbachev could agree to create an "International Airport Inspection Agency." The agency's function would be to send teams of inspectors to check security procedures in international airports. The inspectors would attempt to board airliners with concealed weapons. If they succeeded at an airport more than once in a 30-day period, the airport would be considered insecure. That would trigger an obligation on the part of member countries to prohibit their airlines from using the airport for the next 30 days.

It's important that the criterion for penalizing an airport would be absolutely objective — either the inspectors got aboard an aircraft with a weapon or they did not. Since the member nations would have pledged to adhere to the results of the inspection, they could ward off pressures to make exceptions when the airports of their friends were ruled unsafe. The threat of having airports placed out of bounds for 30 days would create pressure on nations to curb international terrorism.

In none of these examples of nonzero-sum arrangements would either the US or the USSR be placing anything at risk if the program failed. Both have so many nuclear weapons in excess of need that a moratorium on testing one brand of them, ballistic missiles, could hardly denude us, even if we subsequently had to start production and testing. Because neither nation wants anyone to join the nuclear club, giving away information about proliferation wouldn't hurt us, even if it did no good.

The President has committed himself to exploring the five tough zero-sum situations he laid before the UN. Let's hope he also makes a major effort in areas where the mutual benefit is so clear that Gorbachev will be hard pressed not to agree. If we can open the door a little in the nonzero-sum areas, it will be easier to slip in the tough zero-sum ones at a second summit.

Stansfield Turner, author of "Secrecy and Democracy — The CIA in Transition," was director of central intelligence from 1977 to 1981.

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STANSFIELD TURNER

Guest columnist

Go for public interest, not what feels good

McLEAN, Va. — Should the government have settled its espionage charges against John and Michael Walker with a plea bargain rather than a conviction? The benefit of the plea bargain is that John Walker has promised to talk. The value of this lies in four areas:

■ Walker's testimony will help the government convict the sole remaining accused accomplice who has not yet come to trial, Jerry Whitworth.

■ Not having to take these two Walkers through the court process reduces the risk of having to disclose more secrets in order to gain a conviction.

■ Walker's description of his contacts with Soviet intelligence from beginning to end can be valuable in helping defeat Soviet spying in the future.

■ Knowing in some detail just what information this spy ring gave away will help assess where we stand.

In all four areas, much will depend on how clean Walker comes and how good his memory is. Our people will attempt to corroborate what he says through informers, defectors, and all manner of intelligence techniques. Walker knows that if he does not measure up well, that word will get to his and his son's parole boards.

On the other side, there are three disadvantages:

■ The deterrent impact on others not to follow in Walker's footsteps is lessened by the evidence that, in even as traitorous a business as spying against your country, the government may accede to giving less than maximum punishment.

■ There will also be the lesser public psychic satisfaction when criminals do not receive the punishment they deserve.

■ And, closely related, some would contend that leniency in this case simply reinforces a widespread tendency to leniency in our entire judicial system.

Stansfield Turner, former director of central intelligence, wrote Secrecy and Democracy: The CIA in Transition.

The arguments on both sides are reasonable ones. In my view, the scale tilts markedly on the side of the plea bargain.

The potential gains for our intelligence outweigh the added deterrent from giving longer sentences. The possibility of a minimum of eight to 10 years in jail before parole must be a considerable deterrent, and the Walkers have no guarantee that they will serve only the minimum time. Any added protection that our country could gain for its codes and submarines outweighs the psychic satisfaction of seeing more punishment meted out. And, we should not fail to act in the country's best interest in this case because the judicial system is faulty in others.

Reasonable people will disagree. What is important is that the citizen make up his mind based on as objective an evaluation of the pluses and minuses as possible. There is no fixed rule that maximum punishment is always the best answer for our society, even when the crime is heinous. To reject what logic tells us is in our best interest in favor of a purely emotional response would be unfortunate, indeed.