

FBI REVIEW COMPLETED

FEDERAL BUREAU OF INVESTIGATION



SECRETS , SPIES
AND CITIZENS

- What spies want
- How they get it
- What you can do

MAY , 1978

FOREWORD

On the eve of World War II, the President called on all citizens to report to the FBI information relating to possible espionage and sabotage. Since that time, increasing responsibilities have been placed on the FBI to safeguard the Nation's security. The FBI is responsible for the detection and prevention of espionage, sabotage, and other clandestine intelligence activities within the United States, by or on behalf of foreign powers, through such lawful foreign counterintelligence operations as are necessary. Today, just as in the perilous period of wartime, the relatively small contingent of FBI counterintelligence professionals is heavily dependent on an enlightened and supportive citizenry. It is hoped that this pamphlet serves to heighten awareness of the dangers and what citizens can do, especially among those Americans who have access to classified and unclassified strategic information of value to a hostile power.

SCENES FROM A NOVEL?

An Armenian immigrant named Kogian had achieved a level of success and security which exemplified the "American dream." He lived in a comfortable suburban neighborhood, was well established and held a challenging and well-paying job with a firm which did classified research for the Pentagon.

Into this setting walked a gregarious, appealing gentleman named Sayadian who said he was a distant relative from Armenia and worked for the Armenian Benevolent Association. Enthused to meet someone who reminded him of roots in his far-off, native land, Kogian became fast friends with his newly arrived "cousin." Kogian admired the work Sayadian was doing for the Armenian Association, and Sayadian in turn expressed great admiration for the important work Kogian was doing for the United States.

Kogian was a dedicated employee who often extended his workday by bringing home current work projects. The projects dealt with sensitive, defense-related topics and required the use of classified documents. One night Kogian was surprised to discover that Sayadian was surreptitiously photographing the sensitive documents. He was appalled when his "cousin" informed him that he was, in reality, a Soviet agent, and that the photographs were intended for the use of the Soviet Intelligence Service, the KGB.

Kogian expressed dismay with Sayadian's treachery, and attempted to extricate himself from the potentially disastrous situation. Sayadian appealed to Kogian's sense of Armenian patriotism. Even though Armenia was part of the USSR, Sayadian argued, it was still Armenia. Finally, a dose of mild intimidation and an appeal to Kogian's greed--\$1,000 in cash--silenced his protest.

Unfortunately for the "cousin" and his dupe, their venture into espionage was short-lived. They were arrested soon thereafter and both were sentenced to prison terms. The end result for the pathetic Kogian was more than a mere prison term. It also meant an aborted career, humiliation, a stained record, and a life in ruins.

About the same time, across the Atlantic, another story was unfolding. Harry Benton, a young U. S. Government employee traveling in Eastern Europe, stopped for a drink in a stylish bar. He was bored, lonely, and, being 6,000 miles from his wife, longed for female companionship. To his surprise and delight, he was joined by a dark-haired, sensuous Russian beauty named Natasha.

The exchange of idle banter and the flow of vodka created a spirit of mutual empathy which led the young man to venture the proposition, "I suppose it's quite obvious that this American would like to make love to you." She replied quickly, perhaps too quickly, "Alright, then we shall."

The sultry Russian proceeded to escort the U. S. Government employee to her apartment, where the American was treated to an evening of pleasure.

Little did naive Harry suspect that the lovely Natasha was a KGB agent. Little did he know that his dalliance with Natasha was being filmed and recorded by agents of the KGB. Little did the young man realize that he had foolishly gotten involved in a classic, compromising situation which left him vulnerable to a blackmail attempt by the KGB.

Luckily, Harry Benton blunted the threat of any KGB coercion by revealing the full details of his foolish escapade to the appropriate Federal authorities upon his return to Washington, D. C.

Meanwhile, elsewhere in the Nation's capital, another American was about to become ensnared by the maneuverings of a hostile intelligence service. Jack Wilson, an earnest young college student had achieved his fondest ambition. He had received an appointment to work as a staff member on Capitol Hill. This gave him the opportunity to serve his country--he had strong patriotic feelings--and to learn a great deal about government. It also gave him the opportunity to meet and converse with interesting people.

One such interesting person was a "reporter" from a Warsaw Pact country. Upon their meeting at a reception held at the Soviet Embassy, the reporter regaled the impressionable young man with attention. He told Jack that, as a reporter, he was very much interested in the student's impressions of American political affairs. The reporter continued to foster the budding friendship in future meetings. The aide was flattered that an important figure from a great European state would find a lowly staff member, such as himself, worthy of companionship. Jack's ego was further boosted when the reporter requested him to prepare articles for his "newspaper." The articles consisted of profiles of Congressmen, analyses of political trends in the United States, and other such topics. Eventually, the reporter also began to request official reports and documents for use by his newspaper, explaining that his editors liked documentation. Eager to please his impressive acquaintance, the young man was only too willing to comply.

Alas, the "reporter" was not a reporter. He was a resourceful and wily KGB agent. The aide's "newspaper articles" were not meant for any Moscow Gazette. They were meant for the eyes of Soviet intelligence officers. Thus, ironically, far from helping his own country, the young American became an unknowing tool of a hostile intelligence service.

Are these passages from a John LeCarre' or Ian Fleming novel? Are they scenes from a spy movie or TV thriller? No, the situations described actually occurred in the very recent past, although the names of the individuals involved have been fictionalized. They illustrate some tactics used by hostile intelligence services to entrap people who have access, or even possible access, to classified and unclassified strategic information. They exemplify the unceasing efforts of hostile nations to acquire, through whatever means necessary, America's vital knowledge.

THE INTERNATIONAL SCENE

The decade of the 1970's has witnessed a distinct decrease in international tensions. But, although world tensions have diminished, this does not mean that America can now neglect its national defenses. For many reasons, the international scene remains a dangerous place for the United States. Numerous countries throughout the world, due to ideology, economic interests and other considerations, have foreign policy objectives which run counter to or pose a threat to the interests of the United States.

Stark evidence that the international environment is still threatening to American interests is afforded by the fact that, despite a lessening of international tensions, espionage activities directed against the United States have not declined in the past decade. In fact, since the number of known or suspected hostile intelligence personnel operating in the United States has, in comparison to the 1950's and the 1960's, increased in the 1970's, one could conclude that espionage has actually increased in the last decade.

Espionage is the illegal gathering, through clandestine means, of information or material affecting national security. As described in Federal law, espionage is the gathering of information or material relating to the national defense and/or delivering, transmitting or communicating it to any person not entitled to receive it or to any foreign government with the intent or reason to believe that it is to be used towards the injury of the United States or to the advantage of a foreign nation. Such activities are proscribed by the United States Code, Title 18, Chapter 37.

Ironically, the relaxed international scene has actually helped to create conditions which make espionage all the easier. For, with these relaxed tensions came a dramatic increase in trade, scientific, cultural, and educational exchanges and commercial visitors from the Soviet Union and other communist countries. In the past five years, the number of communist country officials assigned in the United States has increased by over 300, a total of 15%, and the number of commercial exchange and business visitors from communist countries has more than doubled since 1972. Experience has shown that a substantial number of these individuals are working for their respective intelligence services, thus greatly increasing the potential for espionage operations.

The intelligence data that may be the target of espionage activities can take many forms. To the inexperienced eye the targeted data can be of obvious importance or may be, just as readily, seemingly innocuous. It can be technological, political, scientific, economic, sociological, geographical, and even personal information on individuals, particularly those with current or potential access to information of intelligence value. Of particular importance to a foreign intelligence service is the identification of what constitutes our vital political, economic, and military intentions, and the theft of America's military and scientific secrets. The principal repositories of such data are the United States Government and industries holding Government contracts relating to national defense.

At the very least, the acquisition of such data or material by a communist country may benefit the economy or security of that nation. Of concern, however, is the fact that the acquisition of certain types of information by a hostile intelligence service will not only assist that service's country, but will also damage the United States' national security by giving the other nation a military, political or economic advantage over the United States. National security amounts to, essentially, the maintenance of United States territorial integrity, sovereignty, and international freedom of action. Hence, in the broadest sense, the protection of "national security" can be viewed as the preservation of the United States as an independent and viable nation-state.

DEFENDING AMERICA'S SECRETS

To protect the national security from damage caused by the unauthorized disclosure of sensitive, strategic information, the Executive Branch of the United States Government has established a system whereby such vital information is "classified." There are three levels of classifications, and the basis for each level of classification is the degree to which the unauthorized disclosure of information would damage the national defense or foreign relations, that is the national security of the United States.

Based upon this system, the material which is granted the highest degree of protection is classified "Top Secret." The unauthorized disclosure of such material could cause "exceptionally grave" damage to the national security. Exceptional damage would entail disruption of foreign relations vitally affecting the national security, the compromise of vital national defense plans or complex cryptographic and communications intelligence systems, or the disclosure of scientific or technical developments vital to the national security. "Top Secret" material warrants maximum protection.

Material which, if disclosed, would cause "serious" damage to national security is classified "Secret." Examples of serious damage are the disruption of foreign relations significantly damaging to the national security, disclosure of significant scientific or technological developments relating to national security, or the exposure of significant military plans or intelligence operations. "Secret" material also requires a substantial degree of protection.

The lowest level of classification is "Confidential." If disclosed, "Confidential" material could cause damage to the national security. "Confidential" is applied to material which requires some protection. Classified data of all levels must be maintained and protected in a special manner. Only Government employees and persons in the private sector who have "clearances" may view this material on a need-to-know basis. Controls are placed upon its accessibility, transmittal and storage.

The classification system is by no means a random or frivolous tool. Its purpose is the well-being and safety of the United States of America--the national security. It is judiciously and carefully applied. Within the United States Government there are only a limited number of specifically designated officials of the Executive Branch, in offices concerned with national security, who have the authority to classify documents. Material is carefully reviewed before being classified and, if there are any doubts about the particular level of classification a document warrants, the lowest possible classification level is applied. Indeed, if a document is unnecessarily classified or overclassified, the official responsible for the faulty classification may be subject to administrative sanctions. If a document carries the label "Top Secret," "Secret," or "Confidential," one can be certain that it contains material vital to the national security. Such material should be handled and guarded with the greatest care.

The protection of national secrets--preventing the disclosure of certain information--may seem to have lost importance in this age of "leaks" and exposes in the press. Indeed, in some cases, individuals have actually achieved a degree of fame and glamor as a result of their disclosures of classified information. They are viewed as heroes by many people for their wholesale unveiling of classified information. And barely a week goes by without a book being published, a newspaper appearing, or a TV program broadcast which includes, or appears to include, some leaked, classified information.

Perhaps more so than at any time in our history, we have entered an age of "open government"--an age in which a flood of information flows freely from sources which were at one time tightly bound. In this atmosphere of openness, a person can readily come to believe that there is no need for security, no need for secrecy. This is simply not true. The classification system was created for the most compelling of reasons--the preservation of national security. The system is designed so that information not requiring protection may be disclosed. On the other hand, it is designed to assure that information vital to America's security is not scattered about the countryside. As an individual who has access to sensitive information, it is your responsibility to comply with and respect this system and do your share in guarding America's Top Secret, Secret, and Confidential data.

THE THREAT

Intelligence collection--the world of espionage and counterespionage, spies and spy catchers--is a popular subject of fiction. It has been topic of countless books, short stories, TV serials, and movies. The role of the spy, the "Secret Agent," has become so sensationalized and exaggerated that it is very easy to think that spies exist only in the minds of fiction writers, that spying belongs in the same category as science fiction and westerns. Do not believe it.

Spies do exist, and literally hundreds of spies, or Intelligence Officers, as they are officially known, and their agents are at this moment plying their treacherous trade within the United States. The principal source of these Intelligence Officers is the Soviet Union, but the USSR's allied nations in Eastern Europe, as well as Cuba, the People's Republic of China, and smaller Asian communist nations such as North Korea and Vietnam, also dispatch spies to our shores.

Their main objective is the wholesale collection of data. The most prized type of intelligence data is the classified Government document, but unclassified material—even material which appears to be trivial— can also be of inestimable value. In their task of gathering intelligence data, the foreign intelligence services have a large array of tools. Satellites miles above the earth's surface gather photographic data. Aircraft and vessels gather electronic intelligence. But a further source of data, and potentially the most valuable to a hostile nation, is that acquired through the use of actual spies.

Intelligence services may gather their information through the use of several different techniques. Probably the greatest achievement an intelligence organization can have is the placement or recruitment of an agent directly in a sensitive position in a national defense or intelligence element of an opposing Government. The penetration by live or electronic sources of private institutions involved in sensitive, national defense-related research and development work can also be of tremendous value.

Hostile intelligence collectors ply Washington and other locations where strategic data can be collected. They gain their desired information wherever, whenever, and from whomever it can be had.

Hostile intelligence officers employ various tactics in their campaigns to enlist target employees. They may use a honeyed, seemingly guileless approach. They befriend targets, treat them to gifts and money, wine and dine them. Many Soviet and other communist agents believe that Americans are hopeless materialists, and can be easily swayed by appeals to their alleged greed.

In another maneuver, a hostile intelligence officer misrepresents himself as a citizen of a country friendly to the United States. Thus, a targeted American may be duped into handing over sensitive information by being led to believe that he is aiding an ally of the United States. In variation of this tactic, an intelligence officer poses as a representative of a non-communist country towards which a targeted American is particularly sympathetic.

If a hostile agent believes that an individual has communist or similar sympathies, he may make an appeal for information based on ideology. A "pitch" for information may also be geared to take advantage of an American's desire for international harmony and world peace.

Another favored appeal exploits the American belief in freedom of speech and the free exchange of information. A hostile intelligence officer in the role of a scientist may, for example, tell an American scientist that science has no political boundaries. Therefore, in the interests of science, the American is encouraged to share his knowledge with a fellow "member" of the international scientific community.

But intelligence agents can also play rough in their ceaseless quest for strategic information. To such people espionage is a business. If they feel coercion and blackmail will serve their purpose, they will not hesitate to employ those methods. The honeyed approach can readily turn sour if an agent determines that a targeted employee has personal inadequacies which that employee does not wish to have exposed.

Another tactic is the exploitation of a "hostage situation." If, for example, a foreign intelligence service learns that a target employee has relatives in Eastern Europe or the USSR, that employee is in an extremely vulnerable position. First will come gentle persuasion (an agent may produce "letters" from so-called relatives calling for the American to "cooperate"). If that doesn't work, the agent can suggest that harsh measures could be applied to the relatives.

You should therefore be wary of glad-handing strangers who make an intensive effort at forming a friendship, and then slowly but surely begin to use that friendship to learn where you work, the nature of your assignment, who you work with. A generous and inquisitive stranger could very well be the proverbial wolf in sheep's clothing.

One should also be wary of strangers who ask for information not related to their professed area of interest or do not seem to be particularly knowledgeable in their field. Thus, if a "scientist" requests data not related to his field, or does not seem to know much about his supposed area of expertise, then he could very well be an imposter.

The operative of a foreign intelligence service need not be a foreigner, nor need the occasion of your encountering him be in any way extraordinary. The neighbor you might meet at a PTA meeting could be a foreign diplomat who lives down the block, or he could be a fellow American who has been recruited as an agent by a hostile service. He could be a "spotter," who reports to an intelligence service on persons he meets who appear to be susceptible to recruitment and, sometimes, arranges for intelligence officers to

meet them. Do not expect either the intelligence officer or agent to expose his role in any dramatic and sudden fashion. Usually there is a long period of cultivation during which your conversations could be completely normal and innocuous. However, at any point where someone begins to inquire into aspects of your knowledge or activity which are classified or otherwise private, you should certainly stop to consider whether the inquiry is normal innocent curiosity or whether it might be the beginning of an attempt to secure intelligence information for the benefit of another country.

It cannot be overemphasized that unclassified material may be just as valuable to a foreign intelligence service as classified material. In formulating their estimations of U. S. strengths and weaknesses, and in the quest for data that will enhance their own nation's strength, foreign intelligence services seek all types of material. A small bit of information could represent a very important piece in a much larger puzzle. Therefore, all data should be protected from the probing hands of foreign agents. A stolen industrial process can save thousands of dollars in research and development cost. The most trivial document could be the missing link for a hostile nation's problem.

In the effort to protect America's secrets, the role of the Security Officer must be emphasized. Each Government agency and private industry which deals with classified material has a specified official in charge of security matters. This Security Officer should be recognized as an ally and not an adversary. If you are approached by a suspicious stranger in the manner described above, the Security Officer should be informed immediately of your encounter. Even if a friendship has been established, even if the individual has been able to pry loose some information, the Security Officer should be consulted. A major aspect of the Security Officer's job is to protect employees from getting involved in compromising situations and, if necessary, to extricate them from such situations. Such assistance cannot be rendered if the employee remains silent. Of course, it is much better for an employee to reveal a suspect relationship voluntarily, rather than have it come to light in the course of a security investigation, or through some other means. Then, it may be too late for anyone to assist the indiscreet employee. Basically, it cannot be overemphasized that, if involved in a compromising situation, the sooner the employee consults his Security Officer, the better. Of course, sometimes you will be in a place or situation where you cannot, or for some reason don't want to, contact your security officer. Remember that in the United States, the FBI is as close as your nearest telephone. Directions for contacting our offices appear in the front

of all U. S. telephone books. Abroad, the nearest United States diplomatic establishment can arrange to put you in touch with the FBI or other appropriate U. S. Government security officials. Once again, it must be stressed that your best course of action in any of the questionable situations mentioned herein is to immediately relate the facts to a counterintelligence professional who will be able to analyze the situation and propose a course of action. Effective counterintelligence is a demanding and professional discipline, and any attempts by untrained or uninformed amateurs to handle hostile efforts on their own could not only result in personal disaster, but also interfere with the FBI's coordinated counterattack.

Finally, it must be stressed that the threat posed by foreign intelligence agencies cannot be underestimated. History is replete with situations in which a nation's security was gravely damaged by the efforts of a hostile nation's intelligence services. In our own history, the breaking of the Japanese Secret Code helped to bring U. S. victory in the Pacific during World War II. On the other hand, the theft of some of our key atomic secrets greatly abetted the interests of the Soviet Union. The craft of spies is by no means a game. The very fate of nations can be damaged or enhanced by their enterprises.

A philosopher once said, "Knowledge itself is power." This maxim most certainly applies to national power, for one gauge of national power is the amount and quality of scientific, technological, and military related knowledge possessed by a nation. A nation such as the United States can be weakened by the theft of its vital knowledge, and its enemies can be strengthened by the acquisition of that knowledge, whether it be classified or unclassified. It is the responsibility of each individual who has been entrusted with sensitive data to do his or her share in protecting America's strategic knowledge, whether it be classified "Top Secret" or seemingly unimportant, unclassified material. For if Americans do not conduct themselves in a responsible and patriotic manner, do not recognize that this country's national security is based essentially upon the loyalty and efforts of its citizens, then the tightest document classification system, the most efficient security organizations, and the mightiest armed forces may be utterly valueless.