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Lessons Learned from Historical Counterintelligence Case Studies

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ABSTRACT

This report analyzes lessons learned from significant counterintelligence case studies, including espionage motivation, characteristics of spies, and successes and failures of preventive, protective, and investigative measures. The case studies span a 60-year period between 1941 and 2011, representing cases of both wartime and peacetime espionage. The spies comprise a range of nationalities, including German, Turkish, Swedish, and American. Additionally, the outcomes of the cases vary widely. While some spies were successfully investigated and prosecuted, others defected to another country or evaded suspicion entirely. The information included in these case studies provides a wealth of useful historical data for R&D efforts at Sandia. For example, the information contained in these case studies provides the basis for an ongoing (FY2019) comparative analysis of counterintelligence and insider threat mitigation in nuclear facilities.

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1. INTRODUCTION AND BACKGROUND

This SAND Report is a collection of counterintelligence (CI) case studies written in fulfillment of a Directed Study course at the Bush School of Government and Public Service at Texas A&M University during the 2018-2019 academic year. The course, entitled "Case Studies in Counterintelligence," was overseen by former CIA Director of Counterintelligence and current Bush School Senior Lecturer James Olson. The stated purpose of the Directed Study was to

> give students an in-depth understanding of the arcane and often misunderstood world of counterintelligence, i.e., a country's efforts to counter the efforts by other countries' intelligence services to subvert its citizens and to steal its secrets.

The attached case studies (listed in Table 1-1, below) examine lessons learned from significant counterintelligence cases, including espionage motivation and successes and failures of preventive and protective measures. Because this course was completed in fulfillment of graduate school requirements, students were encouraged to conduct independent analysis of successful and unsuccessful CI operations within each case study. To that end, ***any subjective views or opinions that might be expressed in this paper do not represent*** the official views of Sandia National Laboratories, National Technical and Engineering Solutions of Sandia (NTESS), that National Nuclear Security Administration, the U.S. Department of Energy or the United States Government.

Table 1-1. Counterintelligence Case Studies

Case Number	Case Title
1	Elyesa Bazna
2	Clyde Lee Conrad
3	Fritz Kolbe
4	Ana Montes
5	Boris Morros
6	Harold James Nicholson
7	Sharon Scranage
8	Glenn Michael Souther
9	Stig Wennerström

1.1. Next Steps

Despite the above disclaimer, the information included in these case studies provides a wealth of useful historical data for R&D efforts at Sandia. For example, the information contained in these case studies provides the basis for an ongoing (FY2019) comparative analysis of counterintelligence and insider threat mitigation in nuclear facilities. The threat of an insider with knowledge, access and authority remains one of the most pressing challenges to security within nuclear facilities. However, the lack of insider case studies in the public domain makes identifying causal patterns and proposing effective mitigation efforts difficult. Conceptual and practical similarities between counterintelligence and insider threat mitigation makes counterintelligence a potentially useful corollary for insider threat mitigation in nuclear facilities. These case studies may provide insight into insider motivations and characteristics and best practices in insider threat mitigation. The data contained in these case studies ***may also be of use in future*** Sandia R&D and technical evaluation projects.

2. ELYESA BASNA

2.1. Introduction

Elyesa Bazna seemed an unlikely candidate to become one of World War II's most legendary spies. A "stocky, swarthy man with dark, shrewd eyes," Bazna served as the British Ambassador's valet in Ankara, Turkey (Kaylan). Yet despite his low status, Bazna's position in the Ambassador's household provided him unprecedented access to classified information at a critical time in the war. From October 1943 to March 1944, Bazna (codename "CICERO") photographed thousands of documents on top-level conferences in Moscow, Cairo and Tehran (Wires 3). If handled properly by German intelligence, Bazna's reports could have proved "fatal" to the Allied cause (The Cicero Papers 2). The case of Elyesa Bazna provides several important lessons for counterintelligence. Security failures at the Ankara embassy allowed Bazna to successfully carry out his espionage. Additionally, both the British and the Germans were plagued by inter-service rivalries and fell victim to preconceptions, preventing their intelligence services from effectively executing their duties.

2.2. Security Failures and Carelessness in the Ambassador's Residence

First, Bazna was not appropriately vetted for employment with the Ambassador. In his autobiography, Bazna claimed that the Ambassador conducted only a short employment interview and relied solely on the recommendation of his First Secretary (Bazna 34). Although Ambassador Hugessen alleged that a background check was carried out, the vetting process failed to uncover serious indicators of Bazna's untrustworthiness (Baxter 812). Bazna was described by former employers as "a clever idiot, suave and always trying to pull a fast one across somebody" and "a bloody man to deal with" (Baxter 812). Further demonstrating the potential dangers of hiring Bazna, the British government was warned by the Turks that he was "unreliable" (Baxter 812). Bazna had a criminal history, including stealing and crashing a French officer's motorcycle and escaping from jail twice, resulting in a three-year sentence in a French labor camp (Bazna 15). Most alarming of all, he was fired from a position with the Counselor at the German Embassy on suspicion of espionage (Bazna 18). These obvious red flags should have precluded Bazna from government employment, particularly in a high-profile assignment with the Ambassador.

In addition to insufficient vetting of employees, the British also demonstrated abysmal security practices. The first indication of security issues at the Ankara embassy came in 1941, two years before Bazna was hired. In November 1941, the British Ambassador in Moscow reported that Soviet authorities claimed someone was opening Ambassador Hugessen's safe and passing intelligence to the Turkish government (Baxter 810). An investigation into the matter revealed that the combination of the Ambassador's safe had not been regularly changed and resulted in the dismissal of the Ambassador's manservant (Baxter 810). A year later, British security authorities in the Middle East determined that the Ambassador's butler had provided the German embassy with information on the Ambassador's movements (Baxter 811). Despite these persistent issues with household staff, the Ambassador did not increase security measures in his residence and continued to employ the same methods of storing classified information.

The permissive security environment of the Ambassador's residence provided Bazna with ample opportunity for espionage. Within days of his hiring, Bazna had identified the location of classified documents in locked boxes within the Hugessen residence (Bazna 42). While some of the documents were stored in a safe, the Ambassador often violated security protocol by keeping documents in his bedroom overnight to read (Baxter 811). Despite regulations prohibiting this behavior, it was relatively common for heads of missions to read classified documents after dinner at their homes for the sake of convenience (Baxter 821). In the Hugessen residence, the documents were not especially well protected. As Bazna noted, "important but not exceptionally secret documents were kept in the Embassy building under the supervision of a strong force of security guards, but the really vital documents lay during the daytime in the red boxes on the Ambassador's desk in his residence" (Bazna 43). Shortly after gaining employment with the Ambassador, Bazna successfully made a copy of a key left unattended while the Ambassador was bathing (Bazna 44). Over the course of the next year, he photographed scores of sensitive documents, selling them to the Germans for 15,000 pounds of sterling per roll (Wires 3). Bazna's espionage would not have been possible if these documents had been properly stored.

Finally, the British failed to appropriately correct the behavior and practices that led to Bazna's success as a spy. By early 1944, the British had begun to suspect the presence of a serious leak (Baxter 812). An initial investigation was not able to identify the perpetrator but concluded that documents in the Hugessen residence had been "handled in such a way that would certainly have made it possible for an enemy agent to get hold of them" (Baxter 812). The investigation clearly demonstrated that Ambassador Hugessen had disregarded security protocol, enabling Bazna's espionage to occur. Despite this, he was permitted to continue government employment without serious reprimand. In September 1944, less than a year after Bazna first began his devastating espionage work, Hugessen became Ambassador to Brussels (Baxter 817).

2.3. The Danger of Inter-Service Rivalries

Both the British and the Germans fell victim to inter-service rivalries that hampered security efforts and the ability to act on critical intelligence. Conflict between the British Foreign Office and intelligence community hindered the investigation into CICERO's espionage. The 1944 investigation into the leaking of classified information was conducted exclusively by the Foreign Office, drawing the ire of MI5 Director of Counterintelligence Guy Liddell (Baxter 813). The decision to ban MI5 from investigative efforts was a result of "a long running wartime feud to prevent MI5 establishing a permanent foothold in matters relating to overseas security and intelligence" (Baxter 813). Yet the deliberate exclusion of MI5 also deprived the Foreign Office of the organization's counterintelligence expertise. Further, the participation of an outside body in investigative efforts might have removed the pressure from Foreign Office officials reluctant to offend or discipline their colleagues (Baxter 814). In the CICERO case, inter-service pride and competition became the enemy of effective counterintelligence practices.

The Germans also suffered from crippling intergovernmental rivalries. Despite the veritable gold mine of intelligence CICERO provided, German intelligence failed to capitalize on Bazna's reports. Instead, the information was mishandled due to the "feuding and inflexibility" of the German intelligence apparatus (Wires 4). CICERO's reports arrived in Germany amid a bitter competition over control of foreign intelligence between Foreign Minister Joachim von Ribbentrop and Walter Schellenberg of the Security Service, or SD (Wires 4). Each organization insisted it had a right to CICERO's material, leading to confusion in how the information was processed and analyzed. The

lack of a streamlined process compromised the German intelligence community's ability to act on the critical, time-sensitive intelligence CICERO provided.

2.4. Overcoming Preconceptions and Biases

Finally, both Germany and Britain ignored concrete evidence and relied instead on misguided preconceptions. In the British embassy in Ankara, Ambassador Hugessen underestimated the capabilities and motivations of his household staff to commit espionage. Despite several security incidents in the early 1940s connected to residential staff members, Hugessen remained convinced that the leak discovered in 1944 could not have been perpetrated by the valet. Hugessen believed that Bazna could not be a spy because he was "too stupid" and did not speak English (Tweedie and Day). It is tempting to assume, like Hugessen did, that important information can only be obtained by an important individual. Yet Bazna's position as a servant in the Hugessen residence allowed him unique access compared to individuals working in the embassy. The Bazna case demonstrates that anyone with access can turn to espionage.

Germany also failed to overcome assumptions in interpreting the intelligence CICERO provided. The documents Bazna delivered to his case officer directly contradicted German estimates of the war effort. The leadership of the Nazi Party was reluctant to believe that the Allies might win the war (Wires 4). As a result, CICERO's intelligence "was reviewed but not greatly valued, because it ran so deeply counter to fanatical views" (Wires 4). Rather than recognizing that CICERO's information pointed to an eventual invasion of Europe, Foreign Minister Ribbentrop insisted the material demonstrated fault lines in the Allied coalition (The Cicero Papers 5). These biased assessments prevented the German government from effectively leveraging Bazna's reports.

2.5. Conclusion

While Elyesa Bazna was never tried for espionage, his dreams of living out the rest of his life in luxury never came to fruition. Bazna soon discovered the Germans had paid him in counterfeit bills, landing him in trouble with the courts (Kaylan). Although a successful Hollywood movie was produced about his espionage in 1952, Bazna received none of the proceeds (Wires 4). He found a job as a night watchman and lived in obscurity in Munich, Germany until his death at age 68 (Kaylan). The CICERO case provides several important lessons for counterintelligence professionals, from the importance of thorough background investigations and proper handling of classified information to the necessity of avoiding inter-service rivalries and falling victim to preconceptions.

3. CLYDE LEE CONRAD

3.1. Introduction

On August 23, 1988, retired U.S. Army non-commissioned officer Clyde Lee Conrad was arrested by the Federal Republic of Germany and tried for espionage. The crimes detailed in the courtroom were shocking: Conrad had passed classified NATO war plans to Hungarian intelligence, revealing the United States' "tactical nuclear capabilities, deployment of armor and aircraft, location of missile sites, oil supply pipelines, and ammunition dumps" (Sulick 142). He received more than $1 million for the information (Sulick 141). Yet as investigators soon discovered, Conrad's arrest was only the tip of the iceberg in one of the most damaging espionage networks in U.S. history. Five more U.S. military personnel were arrested in connection with the network including Zoltan Szabo, Roderick Ramsay, Jeffrey Rondeau, Jeffrey Gregory and Kelly Therese Warren. In evaluating the extent of the ring's damage, Commander in Chief of European Command General Glenn Otis testified that the defeat of the West "would have been assured had the Soviets acted on their intelligence and launched an all-out war" (Navarro 289). The Conrad case provides insight into the recruitment and operations of espionage networks. Additionally, security failures including the lack of a robust reporting culture, poor investigative practices, and leaking of classified information offer a cautionary tale for counterintelligence professionals today. Finally, the bureaucratic infighting of the U.S. government agencies involved in the Conrad investigation demonstrates the damaging impact of parochial interests on counterintelligence investigations.

3.2. Espionage Network Recruitment and Operations

The precursor to the Conrad espionage network began in 1971 with the recruitment of U.S. Army Staff Sergeant Zoltan Szabo by Hungarian military intelligence. A native Hungarian, Szabo fell victim to 'ethnic targeting' techniques aiming to recruit "U.S. persons who, because of foreign birth or other cultural linkages might have conflicting national loyalties" (Fischer 1). His handlers promised him both monetary reward and preferential treatment for his parents living in Hungary (Herrington 81). By 1975, Szabo had used financial incentives and appeals to ego to recruit an accomplice, Sergeant First Class Clyde Conrad, the custodian for classified documents within the G3 War Plans Section of the 8th Infantry dubbed "Mr. Plans" (Quinn). Conrad soon became the mastermind of the operation, determined to recruit the next generation of spies to maximize his profit.

Conrad sought to recruit primarily young enlisted soldiers with financial motivation and a demonstrated willingness to break Army rules. To test the reliability of his recruits, he "moved the target step by step into a pattern of cooperation and compromise by asking for innocuous favors and then full involvement" (Fischer 2). For example, Conrad first asked Sgt. Roderick Ramsay to complete small tasks including photographing people he was meeting with and carrying sums of money from one country to another (Fischer 2). These tasks eventually segued to the theft of classified information (Fischer 2-3). Ramsay adopted these techniques in recruiting a fourth generation of spies without Conrad's knowledge, targeting enlisted drug users to assist in carrying out classified material (Navarro 235).

The Conrad ring's efforts were further supported by two Hungarian-born doctors residing in Sweden, Imre and Sandor Kercsik. The Kercsik brothers served as couriers, using their medical bags to transport stolen documents from members of the Conrad network directly to Hungarian intelligence (Navarro 34). Like Zoltan Szabo, Imre and Sandor were motivated by ethnic ties and the

promise of better treatment for their family (Herrington 83). Their status as physicians provided the ring with a reliable mode of transporting documents without arousing the suspicion of authorities (Herrington 83).

3.3. Security Failures

3.3.1. Lack of Reporting Culture

U.S. Army personnel failed to report multiple indicators of espionage exhibited by members of the Conrad spy ring. Both Clyde Conrad and Roderick Ramsay demonstrated wealth inconsistent with the salary of an enlisted soldier. Ramsay spent most of his illegal earnings on parties, prostitutes, and drugs, consistently spending between $500 and $1000 in a single night out (Fischer 6). Acquaintances of Conrad observed a sudden shift in the family's financial situation as Conrad purchased "lavish" new furnishings, outfitted his daughters in designer clothes and showed off an impressive collection of South African gold coins (Herrington 104). In addition to unexplained wealth, members of the Conrad ring demonstrated a repeated willingness to violate U.S. Army regulations. Zoltan Szabo engaged in black marketing of GI gasoline ration coupons and received three Article 15 disciplinary actions for petty offenses during his time in the military (Herrington 80). Ramsay also profited from black market sales and experimented with drugs including acid and whippets (Navarro 48). He admitted to smoking marijuana as frequently as two to three times a week while employed by the Army (Fischer 3).

Of further suspicion, Clyde Conrad openly bragged about his wealth and implied his involvement in illicit activities to coworkers and friends (Sulick 144). Interviews with Conrad's colleagues revealed that Conrad approached at least four Army coworkers to solicit their participation in an illegal moneymaking scheme (Herrington 117). Troublingly, none of the four individuals reported the incident. One man admitted to investigators, "I just figured that Old Clyde had something going, like almost everyone else at that time in the army" (Herrington 117). The poor security culture in the U.S. Army enabled the suspicious behavior of Conrad and his associates to go undetected. The common practice of breaking military rules through black market trading and drug use, along with a culture condemning "snitches," disincentivized the reporting of espionage indicators.

3.3.2. Poor Investigative Practices

The military failed to exercise prudent security practices in reinvestigating Conrad throughout his military career. Conrad was permitted to remain overseas for most of his service and to occupy highly sensitive assignments without timely reinvestigation. In a departure from common Army practice, Conrad spent more than sixteen years in overseas positions and served only three brief tours in the United States, all three of which were cut short at Conrad's request (Herrington 101). A stellar performance record and vast institutional knowledge made Conrad indispensable to his commanders, allowing him to convince his superiors to continue granting him positions in Germany despite a policy of rotating troops in and out every three years (Sulick 142). This pattern of assignments provided Conrad with the opportunity to continue his espionage uninterrupted during his military career.

The Army's decision to continue stationing Conrad in Germany is particularly concerning given the lack of periodic reinvestigations administered during his time in the military. Initially granted a Top-Secret clearance after a background check in 1978, "no further check was made during Conrad's service, which ended in 1985, despite his administrative specialist's job with access to the unit's vaults and secret files" (Smith and Moore). This oversight occurred despite Army regulations

requiring a periodic reinvestigation to occur every five years (Smith and Moore). These issues caused the Senate Select Committee on Intelligence to conclude in 1988 that "the background investigation and reinvestigation process failed dismally" in the Conrad case (Select Committee on Intelligence 19).

3.3.3. Leaking of Classified Information

The investigations of both Clyde Conrad and his coconspirator Roderick Ramsay demonstrate the potentially catastrophic consequences of leaking classified information to the media. In the Conrad case, The New York Times received information about the existence of an investigation, codenamed Canasta Player, focused on identifying a spy in Germany (Herrington 200). Realizing that any article published on Canasta Player would alert Conrad to the investigation, allowing him to flee to Budapest and endangering the CIAs' sources behind the Iron Curtain, the investigative team urged the reporter not to publish the story (Herrington 201). Although the reporter agreed not to publish, the leak "changed the situation overnight … derailing the timetable of the investigation" (Herrington 201). Faced with the possibility that other news outlets might also discover and report on Canasta Player, the government sought to immediately bring the investigation to a close.

The case of Roderick Ramsay was also plagued with leaks. By October 1989, Ramsay had begun receiving calls from ABC News inquiring about his relationship with Clyde Conrad (Navarro 99). The news network began to release stories on the Conrad case, mentioning Ramsay by name on air as Conrad's coworker and possible associate (Navarro 106). ABC News claimed to have "talked to investigators, had access to investigative documents, and talked to self-admitted participants in the suspected spy ring," suggesting the existence of a leak within the government (Navarro 106). The media attention toward Ramsay threatened to undermine a productive series of interviews conducted by the FBI, leading Ramsay's concerned mother to consider hiring a lawyer for her son (Navarro 100).

3.4. Destructive Parochial Interests

Conflict within and between agencies negatively impacted the investigations of Clyde Conrad and other members of the Conrad espionage ring. Competing interests between the U.S. Army, FBI, CIA, and Department of Justice delayed Conrad's arrest and ultimately prevented his prosecution in the United States. While the Army and FBI hoped to arrest Conrad as soon as possible to prevent his defection to the Soviet Union, the Department of Justice declined to prosecute without an airtight case against him (Herrington 213). Further, the Department of Justice's insistence on complete transparency in the courtroom conflicted with the CIA's desire to protect sources and methods (Herrington 146). Unable to achieve consensus, the U.S. government was forced to turn the Conrad case over to its German counterparts, increasing the risk that Conrad would receive a lenient sentence (Herrington 203).

In the Roderick Ramsay investigation, poor collaboration between the FBI field office in Tampa and headquarters in D.C. caused delays in the investigation and arrest of Ramsay. Only nine days after initiating the investigation, the Tampa field office was ordered by FBI headquarters to end all contact with Ramsay (Navarro 79). This decision stalled the investigation for over a year, during which time Ramsay moved to a new city and disappeared from the FBI radar (Navarro 79). While Tampa investigators eventually reestablished contact with Ramsay and successfully obtained enough evidence to prosecute, pushback from FBI headquarters continued as the Washington Field Office sought to reassert its dominance in the case (Navarro 265). Despite substantial evidence corroborating his testimony, FBI headquarters refused to believe Ramsay's claims about the

magnitude of documents stolen by the Conrad ring, their significance, or the existence of a secret apartment used to house them (Navarro 215-216). When the Tampa field office pushed to prosecute Ramsay, Washington sought to delay his arrest (Navarro 265). The bureaucratic struggle between Tampa and D.C. distracted from the objective of the investigation, causing unacceptable delays that endangered U.S. national security.

3.5. Conclusion

In 1998, Clyde Lee Conrad died alone in a German prison at the age of fifty (Navarro 289). Four of his co-conspirators, Roderick Ramsay, Kelly Therese Warren, Jeffrey Rondeau and Jeffrey Gregory, received sentences for espionage in the United States ranging from eighteen to thirty-six years (Navarro 289). Zoltan Szabo, the founder of the ring, remains in Austria and was never brought to trial in the United States (Navarro 289). The Conrad case provides insight into the recruitment and operations of a successful espionage ring, from Conrad's preference for recruiting vulnerable enlisted drug users to the use of physicians as couriers to escape suspicion. Further, the security failures of the U.S. Army including a poor reporting culture, lack of reinvestigations, and leaking of classified material enabled Conrad and his colleagues to commit espionage and undermined their subsequent investigation. Finally, the bureaucratic infighting of the multiple federal agencies involved in investigating and prosecuting members of the ring shows the importance of overcoming parochial interests. While Clyde Conrad may have faded into obscurity for most Americans, the Conrad ring remains one of the most devasting espionage networks in U.S. history. Its lessons must continue to be studied by counterintelligence professionals.

4. FRITZ KOLBE

4.1. Introduction

In August 1943, future Director of Central Intelligence Allen Dulles met for the first time the man who would become the most important spy of the Second World War. In his notes, Dulles described the man as short and baldish with prominent ears and remarked that he did not appear to be very intelligent or cunning (Delattre location 1668). Yet over the course of the next several years, this unassuming middle-aged man would make a tremendous contribution to the Allied war effort. From 1943 to the end of World War II, Kolbe used his access as an employee of the German Foreign Ministry to present Allied intelligence with more than 2600 classified documents including "vital information about where the Germans expected the allies to land in Normandy, crucial facts about the Nazi V1 and V2 rockets and Japanese military plans in south-east Asia" (Paterson).

The case of Fritz Kolbe offers several meaningful counterintelligence lessons. First, an evaluation of Kolbe's motivation for committing espionage reveals a profile of the "ideological spy." Kolbe further demonstrates the potential dangers and opportunities associated with walk-in spies. Comparing the American and British responses to Kolbe's initial offer of espionage provides insight into how to appropriately mitigate the counterintelligence challenges of walk-ins. Finally, the role of intermediaries in the Kolbe case, including Ernst Kocherthaler and Paul Dreyfuss, highlights the importance of maintaining relationships with influential community members to identify new intelligence sources.

4.2. Ideology as Motivation for Espionage

Fritz Kolbe provides insight into ideology as a motivation for espionage. A fervent anti-Nazi, Fritz Kolbe's strong convictions and sense of integrity influenced his decision to become a spy. Kolbe's desire to aid the Allies stemmed in part from values instilled during his childhood. Kolbe was highly influenced by his father, who emphasized to "always do what he thought right and never be afraid" (Bradsher). His teenage participation in the Wandervogel movement, which sought to "introduce simplicity and sincerity into the German way of life" further cultivated Kolbe's idealism (Bradsher). During his first meeting with American intelligence officers, Kolbe described his motivations for betraying the Nazi government simply: "It is not only one's right but one's duty to fight such a government" (Delattre location 1537).

While many spies throughout history have been motivated by money, Kolbe requested no compensation for his services. He insisted his only aim was to "help shorten the war for [his] unfortunate countrymen and to help concentration camp inmates avoid further suffering" (Paterson). Former Director of Central Intelligence Allen Dulles frequently impressed the value of ideological spies on CIA recruits, claiming "if you have to pay an agent, you might as well not use him … A potential agent should at the very least be driven by some other motivation—hatred, passion, or revenge" (Delattre location 1727). The British Secret Intelligence Service took a different view, noting "the unpaid agent is apt to behave independently, and to become an infernal nuisance" (Delattre location 1725). In Kolbe's case, both points seemed to apply. Kolbe's commitment to his values motivated him to continuously risk his life for the Allied cause. However, his romantic idealism and naivety also created problems for his American handlers, such as when Kolbe suggested sending a telegram directly to his son's caretaker including messages and addresses (Delattre location 1668).

4.3. CI Challenges Associated with Handling Walk-ins

The case of Fritz Kolbe demonstrates the potential dangers and opportunities associated with walk-ins. Determined to do his part to bring about the end of the Nazi regime, Kolbe faced a critical challenge: how to ensure his information arrived safely in Allied hands. In August 1943, Kolbe received an opportunity when he convinced a fellow anti-Nazi sympathizer to grant him a special courier assignment to Switzerland (Bradsher). Once in Switzerland, armed with copies of dozens of classified documents, Kolbe sought to contact British intelligence through a well-connected friend Dr. Ernst Kocherthaler (Bradsher). The attempt failed miserably. British military attaché Colonel Cartwright "soon dismissed his visitor, politely refusing his offer" (Delattre location 1409). Colonel Cartwright even went to the trouble of warning the Americans that he had been approached by Kocherthaler, telling Allen Dulles, "I think this cove will turn up at your shop in due course, so you should be on the lookout for him" (Delattre location 1420).

The British response to Kolbe and Kocherthaler reflects the deep-seated counterintelligence concerns associated with walk-ins. Unlike sources spotted and assessed by case officers, whose access to information and motivations can be continuously evaluated, the authenticity of spontaneous walk-ins is difficult to determine. Kocherthaler's arrival at the British legation posed multiple potential dangers. He could have been an agent provocateur, arranged by the Swiss to catch the Allies in the act of espionage and expel them from the country (Delattre location 1459). Worse still, the Germans could have sent him to provide worthless intelligence in the hopes of breaking the Allies' codes when the information showed up in their communications (Quibble). Similarly, he could have passed "chicken feed" intelligence to build up the trust of British intelligence in preparation for the ultimate deception (Miller 76). Given these serious risks and the hostile operating environment, it is unsurprising that the British refused to take Kolbe and Kocherthaler's offer seriously. Yet in rejecting Kolbe as a likely provocation, "Cartwright passed up a historic opportunity" (Delattre location 1409).

Luckily, Fritz Kolbe's story did not end with the British rejection of his services. As Colonel Cartwright had warned, Kocherthaler next approached the Americans on Kolbe's behalf, meeting first with American diplomat Gerry Mayer and subsequently with OSS representative Allen Dulles (Delattre location 1430). Dulles recognized that walk-ins presented not only potential danger but also potential opportunity. He had learned this lesson the hard way years earlier after passing up on the opportunity to meet an obscure Russian visitor, Vladimir Lenin, and "vowed to never again disregard any source of intelligence" (Bradsher). In a clandestine meeting held at midnight in Mayer's apartment, Kolbe presented Mayer and Dulles with a stack of classified documents and explained his background and motivation (Delattre location 1521).

Despite his excitement at the prospect of securing a well-placed agent within the German government, Dulles proceeded with caution. Aware of the risks that caused the British to reject Kolbe, Dulles launched an aggressive investigation in collaboration with the OSS counterintelligence department X-2. Within days of meeting Kolbe, Dulles cabled Washington that "every existing security safeguard must be observed and employed in spite of the fact that this may prevent desired action on certain revelations" (Miller 76). Dulles further enlisted the help of the British MI6, requesting assistance in verifying Kolbe's identity and mitigating counterintelligence concerns (Delattre location 1645). The OSS approach to Kolbe presents a useful model for handling walk-ins. Unlike the British, the Americans recognized Kolbe's tremendous potential intelligence value. Yet the Americans were not naïve about the potential risks and ensured that "no stone could be left unturned" in investigating Kolbe (Delattre location 1645).

4.4. The Importance of Intermediaries

The partnership between Fritz Kolbe and the OSS would never have come to fruition without the assistance of several intermediaries. Kolbe's friendship with Ernst Kocherthaler, a successful businessman and lawyer with connections to British officials, resulted in an initial meeting with Colonel Cartwright. When this meeting was unsuccessful, Kocherthaler called up banker Paul Dreyfuss and requested his assistance in contacting the U.S. legation. Dreyfuss used his own network to arrange a meeting with American diplomat Gerry Mayer, which ultimately led to Kolbe passing classified documents to American intelligence (Delattre 1430). Without the help of Kocherthaler and Dreyfuss, Kolbe would likely never have successfully gained an audience with OSS.

This chain of events demonstrates the importance of developing a wide network and maintaining contact with influential individuals for successful espionage. While Kocherthaler and Dreyfuss themselves did not have access to classified information, they were able to introduce the Allies to arguably the most influential spy of World War II by virtue of their wide address books (Delattre 1430). To identify new potential sources of information, intelligence services should establish relationships with influential members of the community willing to make connections on their behalf.

4.5. Conclusion

Despite Fritz Kolbe's instrumental role in bringing about the end of the Nazi regime, after World War II ended Kolbe faded into obscurity. Although described by Allied leaders as "the prize intelligence source of the war," German public opinion labeled Kolbe a traitor (Delattre location 47-48). Allen Dulles lamented this slight, writing after the war, "The risks Kolbe took were incalculable. I just hope that the injustice done to him will be reversed one day and that his country recognizes his true role" (Paterson). Today, Fritz Kolbe's memory lives on in the counterintelligence community. The intelligence community should heed the lessons learned from Kolbe's case, including ideology as a motivation for espionage, the challenges and opportunities of walk-in spies, and the importance of intermediaries in recruiting sources.

5. ANA MONTES

5.1. Introduction

True Believer by Scott Carmichael details the story of Ana Belen Montes, an analyst with the Defense Intelligence Agency (DIA) convicted of espionage on behalf of Cuban intelligence. Ana pleaded guilty to espionage in 2002 and was sentenced to 25 years in prison, with a scheduled release date of 2023. *True Believer* offers insight into Montes' background, personality, and motivation for committing espionage. Moreover, *True Believer*, written by one of the DIA investigators critical to bringing Montes to justice, offers a unique look into the process of carrying out a counterintelligence investigation and describes the challenges CI professionals will face moving forward.

5.2. Challenges of Executing the CI Mission

True Believer highlights the challenges of successfully executing the mission of counterintelligence. Early in the text, Carmichael introduces a central theme of life as a counterintelligence investigator: the CI profession has a profoundly negative reputation within the intelligence community (IC). In the preface, Carmichael acknowledges that he's "not the most popular guy in town – at least not within [his] own agency" (Carmichael vii). As Carmichael points out, if he schedules a meeting with an employee, "it's not because [he's] bringing good news" (Carmichael vii). It seems only natural that most IC employees dread or even fear interaction with CI: no one wants to be accused of espionage, after all. Yet, paradoxically, the ability to build rapport with affiliates proves crucial to carrying out the counterintelligence mission. CI professionals must find a way to overcome the uneasiness of the workforce to foster a reputation of mutual respect.

The investigation of Ana Montes provides insight into this conundrum. Carmichael's first interaction with Montes stemmed from a conversation with one of her coworkers, who expressed concern over Montes' suspicious behavior. Reg Brown, a DIA counterintelligence analyst, planted the first seed for the Ana Montes investigation after attending a mandatory counterintelligence awareness briefing intended to educate the workforce on counterintelligence issues and encourage employees to report suspicious incidents to CI staff. As Carmichael notes, this is no small task, because "it's not easy for most Americans to point a finger of suspicion" (Carmichael 2). Many employees are reticent to report their colleagues, for fear of harming their coworkers' careers or inviting retribution. Reg Brown had the observational skills to note the counterintelligence indicators Montes displayed, and the courage to report them to CI staff. In doing so, Brown began the long process of bringing Montes to justice.

Another counterintelligence challenge highlighted by the Ana Montes case is the often frustratingly slow process of counterintelligence investigations. Reg Brown's 1996 phone call may have sparked Carmichael's suspicion in Ana, but after conducting an interview, Carmichael found there was insufficient evidence to begin a formal investigation. Instead, DIA's involvement in the search for the Cuban spy did not begin until four years later, in 2000, when an acquaintance "developed a tidbit of information about an ongoing effort by the FBI to identify a particular agent spying for Cuba" (Carmichael 33). Moreover, though Carmichael claims in *True Believer* he identified Ana Montes as the Cuban spy within fifteen minutes of learning of the FBI search, Montes was not arrested until over a year later, in September 2001. All in all, five years passed between the moment Montes fell under suspicion and the moment she was arrested. Although five years is not a particularly long time for a counterintelligence investigation (the Ames investigation, for example, spanned nine years), it may seem a painfully long time to the American people to allow a spy to continue to operate. *True*

Believer outlines the two key factors to a successful counterintelligence investigation as gathering sufficient evidence to convict and ensuring the subject is unaware of the investigation. Achieving these two factors while complying with United States privacy law and upholding civil liberties can be a particularly time-consuming process.

True Believer provides insight into the burden of proof necessary to open a counterintelligence investigation, to use intrusive surveillance measures, and ultimately to convict. First, Montes was interviewed by DIA, based on the suspicions put forward by Reg Brown. Without further evidence, however, DIA could conduct no further investigative activities on its own. Only after the FBI began exploring the possibility of a Cuban mole could the case against Montes continue. It took more time to gather the evidence necessary to open a formal investigation, and finally to obtain permission from the FISA court to surveil Montes. Though DIA felt it had sufficient evidence to terminate Montes' employment at the agency, it was unclear whether the Justice Department "felt it had sufficient evidence to support charges that she had violated federal statutes" (Carmichael 108). According to Carmichael, the investigation of Montes might have continued to gather even more concrete evidence had she not been slated to gain access to military plans for the Middle East after 9/11. The Montes case shows how agency priorities can conflict during an investigation: FBI wanted to make sure all proper laws and procedures were followed, the Justice Department wanted to amass enough evidence to ensure a conviction, and DIA wanted Montes out of the agency and away from classified information as soon as possible.

In the Montes case, keeping Ana unaware of the investigation proved especially challenging, and highlighted the necessity of flexibility and creativity in conducting counterintelligence investigations. As a high performing analyst, Montes was selected for a competitive assignment to the National Intelligence Council at CIA headquarters in Langley, Virginia. The investigators were tasked with preventing Montes from assuming this position and thereby gaining increased access to sensitive classified material, while ensuring Montes' suspicion was not aroused. After trying several less drastic options to delay Montes' assignment, DIA Director Admiral Wilson endured personal and professional backlash to suspend all Joint Duty Assignments for DIA personnel. The Director's actions ensured Ana Montes' assignment was canceled without targeting her directly, but arguably came at great cost to the agency and Intelligence Community at large.

5.3. Profile of a Cuban Spy

The profile of Ana Montes provides insight into the tactics Cuban intelligence may use in the future to recruit United States citizens. The Montes case was atypical of other espionage cases for several reasons. First, Montes was a woman. As Carmichael points out, "93 percent of Americans prosecuted for espionage in the United States in the modern era (since 1950) have been men" (Carmichael 40). Additionally, Montes did not match other demographic features of a spy: she was Latina, comprising only 5 percent of Americans prosecuted for espionage in the modern era, and she had an advanced degree and the highest-level security clearance, uncommon for spies. Most unusual of all, Ana was recruited by Cuban intelligence prior to obtaining significant placement and access. Cuban intelligence directed her to apply for DIA and other organizations and coached her through passing a polygraph exam. The Montes case suggests that Cuban intelligence may look for individuals capable of being developed over time, groomed to pursue positions at the highest levels of government. Further, Montes demonstrates that while the polygraph remains an effective tool, it is not infallible and should not be considered in isolation.

Relying too heavily on the "typical profile" of espionage can inhibit effective counterintelligence investigations. When Carmichael initially proposed Ana Montes as a potential suspect to the FBI, he

was rebuffed because Montes did not match the demographic features the FBI expected. While understanding the demographics of espionage can be useful, counterintelligence professionals must recognize that foreign intelligence services are constantly evolving. Recruiting agents outside of the typical espionage profile has several critical benefits for an intelligence service. First and foremost, it may allow the spy to escape notice or suspicion for longer. Developing a spy over the long-term, as in the case of Montes, also ensures complete loyalty to the service. Montes, for example, had no scruples about betraying DIA because she joined the agency at the direction of her Cuban handlers. She never developed sympathy for DIA's history and mission and refrained from building relationships with coworkers that might have made her espionage more of a personal ethical dilemma.

5.4. Importance of Vetting New Employees

The Ana Montes case provides another counterintelligence lesson for CI practitioners: the importance of thoroughly vetting new employees. During her background investigation, Ana lied about two issues: the extent of her past drug use and the completion of her Master's degree from Johns Hopkins University. Montes claimed that her drug use had ended in college but she actually continued to use cocaine as an employee of the Justice Department while holding a Top Secret security clearance. Additionally, Montes told investigators she received her Master's degree in 1984, but Johns Hopkins withheld her degree for several years after 1984 due to Ana owing the university money. With a thorough background investigation, these issues should have come to light and Ana's dishonesty should have raised a red flag. At the very least, investigators should have sought to confirm the completion of Montes' degree, which could have been accomplished through one simple phone call. Yet even when Ana voluntarily admitted to these lies in 1991, six years after coming on board with the agency, there were no security repercussions.

5.5. Conclusion

It is difficult to understand how Montes came to believe so fervently in the oppressive Castro government to the point she was willing to betray her country, her coworkers, and even her own family members. Perhaps most shocking of all in the Ana Montes story was Ana's readiness to work directly against her sister, Lucy, an FBI official who ironically had devoted her career to the unmasking of Cuban spies. Ana's commitment to the Cuban cause above all else, along with her brilliant tradecraft, made her the most damaging spy in DIA history. Montes compromised information on U.S. operations and intentions in Latin America. Her espionage may have contributed to the death of a United States service member, Gregory Fronius. Montes' work was especially damaging, as Carmichael points out, because she not only passed information of value to the Cubans, but also helped to shape the U.S. Intelligence Community's perception of Cuba through her analytic assessments. She came within weeks of accessing extremely sensitive plans for the war in Afghanistan. Clearly, Ana Montes was skilled at her trade, and represented a major victory for Cuban intelligence.

6. BORIS MORROS

6.1. Introduction

In 1957, Hollywood film and music producer Boris Morros was called to testify before the House Unamerican Activities Committee. Morros' colorful testimony shocked the American public by implicating millionaire investment banker Alfred Stern and his wife, Martha Dodd Stern, daughter of a prominent American diplomat, in Soviet espionage. The evidence, amassed while Morros served as an FBI double agent, was damning. Yet Morros' testimony about his own heroic exploits on behalf of the FBI obscured a central point: like the Sterns, Morros himself had been lured in by Soviet intelligence, serving the Communist cause for ten years before finally reporting to the FBI.

The case of Boris Morros provides several useful counterintelligence lessons. First, assessing Morros' reliability offers insight into the murky world of espionage and demonstrates the importance of skepticism in counterintelligence. An evaluation of Morros' motivations for working with the Soviet Union highlights the Soviet practice of using blackmail as a recruitment technique. Further, the Morros case establishes greed as a strong motive for espionage. Finally, Soviet mistakes in the Morros case are examined, providing an example of poor tradecraft practices.

6.2. Credibility of Sources

Much of the available information about the case of Boris Morros comes from Morros' own autobiography, *My Ten Years as a Counterspy*. Inaccuracies and exaggerations in the book call into question his reliability as a storyteller. Tellingly, in the first chapter Morros notes his propensity for hyperbole, remarking, "I am not a man to quarrel with the Broadway adage, 'A little embellishment never ruined a good story'" (Morros 14). *My Ten Years as a Counterspy* above all seeks to provide justification for Morros' decisions, deemphasizing the significance of his espionage for the Soviet Union and highlighting his role as a courageous FBI double agent.

Even before his autobiography was published, Morros made inconsistent statements regarding his espionage activities. In interviews, Morros offered different dates for his first encounter with Soviet intelligence and sought to downplay the fact that he did not report to the FBI until more than ten years after his espionage began (Cook 70-72). Further, although Morros repeatedly stressed that he never provided useful information or assistance to the Soviets, he was one of only two spies cited by name as cooperating with Soviet intelligence in an anonymous Russian letter received by the FBI in 1943 (Haynes and Klehr 268). The inclusion of Morros' name in the letter implies that his services were potentially more valuable to the USSR than his autobiography suggests (Haynes and Klehr 268).

The case of Boris Morros illustrates the importance of careful evaluation and even skepticism of firsthand accounts of espionage. Interviews with spies are used today by the Intelligence Community to compile damage reports and assess motivations. Spies often write about their experiences for the public, such as Morros' autobiography and Aldrich Ames' article in the New York Times entitled "Why I Spied." In the case of Morros, his testimony before the House Unamerican Activities Committee (HUAC) shaped how U.S. lawmakers perceived the Soviet threat. Yet it is important to remember that spies have a strong incentive to portray themselves in a positive light and may seek to mislead or exaggerate. Although firsthand accounts play a vital role in the study of counterintelligence, they should be evaluated for bias and checked against other sources to determine credibility.

6.3. Blackmail and Greed as Motivations for Espionage

Given Morros' unreliability, it is difficult to know for certain what motivated him to commit espionage on behalf of the Soviet Union or subsequently to serve as a double agent for the FBI. Morros alleges that his initial decision to spy resulted from a desire to assist his siblings and parents in the Soviet Union (Haynes and Klehr 268). Approached by a Russian official who identified himself as Edward Herbert, Morros agreed to provide Herbert cover as a Paramount talent scout in Germany in return for the timely delivery of parcels of food to his family members (Haynes and Klehr 268). However, Morros continued to aid the Soviet Union even after learning Herbert's true identity as Vasily Zubilin, chief of KGB operations in the United States. Morros attributes his continued involvement with Russian intelligence to blackmail. In several instances throughout his autobiography, Morros details how his handlers threatened his family. For example, when Morros refused to continue to work with Alfred Stern due to Stern's incompetence, his handler Jack Soble responded, "I'm afraid that [Zubilin] will be very hard on your family in Russia – unless you cooperate" (Morros 77).

Soviet intelligence successfully used blackmail in multiple cases of espionage during the Cold War. Blackmail proved to be particularly effective when the individual had familial ties in the Soviet Union. For example, naturalized U.S. citizen Svetlana Tumanova was compelled to provide information on U.S. Army personnel based on threats made against her parents in the Soviet Union (Espionage Cases 1986-87). In other cases, Soviet intelligence services used honeytraps to acquire embarrassing sexual information or sought to exploit individuals based on their sexual orientation (Dunton).

While it seems plausible that the Soviets did use Morros' family as a bargaining chip, evidence suggests he also likely had financial motivations for espionage. By the time Morros was approached by Soviet intelligence, he had declared bankruptcy twice, was struggling to achieve commercial success in his film-producing venture and faced multiple lawsuits (Cook 71). The NKVD's offer was thus likely perceived by Morros as an opportunity to pay his debts and cultivate a comfortable lifestyle. Morros himself touted the attractive financial implications of his joint venture with Alfred Stern, noting "I must admit that I was taken in by the prospect of getting $130,000 capitalization (and 25 per cent of the profits) for a business in which I had originally invested only $6,000" (Cook 71). Further, although Morros claims to have willingly paid back $100,000 of Stern's investment when the venture failed (Morros 93), this account is disputed by his handler. According to Soble, Morros returned the money only after pressure from both the Soviets and lawyers hired by Stern (Cook 72).

The case of Boris Morros represents how foreign intelligence entities can exploit greed and financial struggles for recruitment purposes. A study of 150 cases of U.S. citizens who committed espionage against the United States from 1940 to the early 2000's concluded that money is the most common motivation for espionage (Heuer and Herbig). Greed motivated spies in 69% of the cases and was the sole motive in 56% (Heuer and Herbig). The Intelligence Community (IC) has sought to mitigate this concern by requiring applicants to provide financial information to security investigators, including outstanding loans and a credit report. Other potential solutions for IC employees may include ensuring individuals in sensitive positions receive a comfortable salary and offering confidential financial management classes to assist employees experiencing financial difficulties.

6.4. Soviet Tradecraft Mistakes

The Soviet Union made several careless mistakes while handling Morros. First, the codename chosen by Soviet intelligence for Morros was directly linked to his true name. Transcripts declassified as part of the Venona Project demonstrate that Morros was referred to in Soviet communication as "FROST." The Russian word for frost is "moroz," nearly identical to the last name of Morros (Benson). Linking a codename to an asset's true name or obvious characteristics is inadvisable, even when communications are encrypted. If an adversary manages to break the codes, they will have a valuable clue to the asset's identity. While there is no evidence to suggest the United States government was able to identify Morros based on his codename, the Soviets took an unnecessary risk.

Additionally, Morros' case officer Jack Soble used poor tradecraft in managing his spy ring. Although NKVD rules clearly prohibited interaction between members of a ring, Soble "introduced [Morros] to other spies in the ring and divulged various secrets about the ring's operations" (Morros 136). Over the course of his espionage, Boris personally met multiple of Soble's assets, including Jane and George Zlatovski and Alfred and Martha Stern. Illustrating the danger of this arrangement, Morros' testimony to the FBI later led to the indictment of the Sterns on espionage charges in 1957 (Alfred K. Stern; Spy Suspect). Further, Soble developed inappropriate personal relationships with his assets. Incredibly, Jack Soble and his wife Myra chose to rent a villa together with the Zlatovskis, a decision which led to considerable tension within the ring when the two couples began to argue about household matters (Morros 180). According to Morros, Soble also maintained sexual relationships with and was physically abusive toward his female assets (Morros 170). These inappropriate behaviors fostered animosity within the ring, eroded the professional relationship between case officer and asset, and distracted from the overall mission of collecting intelligence for the Soviet Union.

6.5. Conclusion

Today, Morros' tell-all biography is out of print and his notoriety has faded. The Soviet Union no longer poses an existential threat to U.S. national security. Yet lessons derived from the case of Boris Morros remain relevant for the Intelligence Community. Morros provides insight into the hazy world of counterintelligence, in which determining the truth poses a challenge. A study of Morros' motivations reveals that blackmail can serve as a powerful incentive, but spies are more often motivated by financial considerations. Finally, the blatant mistakes of Soviet intelligence offer clear lessons on the relationship between case officers and assets.

7. HAROLD JAMES NICHOLSON

7.1. Introduction

On June 5, 1997, former CIA case officer Harold James "Jim" Nicholson became the highest-ranking CIA officer ever convicted of espionage. Over a decade later on January 18, 2011, Nicholson logged another espionage first: the only U.S. spy convicted of betraying his country twice (Denson 385). Jim Nicholson's first period of espionage was incredibly damaging, most notably providing Russian intelligence with the names and biographical data of hundreds of CIA case officers undergoing training at The Farm where he was an instructor (Joint FBI-CIA Press Release). Yet Nicholson's second period of espionage from behind the bars of a federal prison proved even more astonishing. Overcoming significant prison security restrictions, Nicholson successfully reestablished contact with Russian intelligence through his son Nathan.

Both periods of the Nicholson case provide useful counterintelligence lessons for today's CI professionals. The success of counterintelligence reforms instituted following the Aldrich Ames case proved crucial in catching Nicholson, demonstrating the importance of robust CI programs and funding. Nicholson's involvement of his son and parents in his second period of spying provides an example of how familial bonds of obligation and affection can create powerful incentives for espionage. Finally, Nicholson's ability to reconnect with Russian intelligence and continue to provide useful information highlights the long-term value of spies.

7.2. Motivation and Trigger Event

Nicholson exhibited two of the most common motivations for committing espionage: greed and disgruntlement. Nicholson's ex-wife noted that even before spying for the Russians Jim had "accustomed himself to champagne tastes on a Budweiser budget," frequently blowing his CIA salary on expensive electronics and hand-tailored suits (Denson 66). After his arrest, Nicholson admitted to receiving $300,000 from the Russian Federation in return for his information (US District Court of Oregon 6). Further contributing to his decision was Nicholson's disgruntlement with the CIA. Nicholson began spying for the Russian Federation while serving as the Deputy Chief of Station in Kuala Lumpur. The CIA's rejection of his request to extend his assignment meant that he would no longer have access to free housing, a swimming pool, and a maid (Bhattacharjee). Instead, Nicholson would have to grapple with significantly higher cost of living in the United States (Bhattacharjee). A desire for revenge against the federal government also motivated his decision to spy for a second time from prison. By regaining contact with the Russians, Nicholson hoped to "show that the U.S. government couldn't control him in jail, that he was still valued by the SVR, that he could still hurt the U.S. in a vengeful way" (Bhattacharjee).

The case of Jim Nicholson further demonstrates the role of a trigger event in promoting espionage. Nicholson's decision to spy for the Russians coincided with an emotionally and financially taxing divorce from wife Laurie (Duffy). In June 1992, Laurie told her husband she wanted a divorce and flew back to the United States with the couple's three children (Denson 61). The loss of his wife and children caused Jim to suffer a nervous breakdown (Denson 61). The stress of the divorce was compounded by new financial responsibilities. Laurie and her lawyer began "making noise about money, forcing Jim to consider the financial implications of years of alimony and child support, college tuition, and twice-a-year airfare for the kids to see Laurie" (Denson 66). Emotionally vulnerable and desperate for cash, Nicholson could have turned to the CIA's employee assistance

programs or asked friends or family for help. Instead, he made the fateful decision to betray the trust placed in him by the United States government.

7.3. Success of Post-Ames Reforms

Critical to Nicholson's investigation and arrest was the implementation of reforms that improved collaboration between agencies and revolutionized the CIA's counterintelligence program. In May of 1994, stunned by the damage caused by CIA spy Aldrich Ames and the agency's failures during his investigation, President Clinton signed a presidential directive to reform the CIA's counterespionage program (Denson 79). The reforms included instituting new training initiatives for counterintelligence staff and increasing Congressional resources for joint counterespionage efforts (Joint CIA-FBI Press Release). The CIA also made internal changes to improve CI programs. All CIA officers were required to submit foreign travel and financial reports for counterintelligence review (Duffy). The administration of polygraphs also underwent reform, instituting new measures in response to Ames' ability to trick the machine (Sullivan). The improvements to the CIA's counterintelligence program ensured that Nicholson's suspicious pattern of meeting with Russian intelligence officers, unexplained deposits of large sums, and repeated failure to pass a polygraph test were appropriately acted upon (Duffy).

Most impactful of all to the Nicholson case were improvements to cooperation between the CIA and the FBI. President Clinton's directive mandated increased information sharing between the two agencies and required the permanent staffing of CIA officials at FBI's National Security Division (Denson 79). Controversially, a senior FBI official was appointed as the Chief of CIA's Counterespionage Group, with access to CIA's most sensitive counterintelligence data (Joint CIA-FBI Press Release). These changes were initially met with significant resistance. FBI officials complained that the CIA didn't know "the first thing about counterintelligence," while CIA staff lamented the FBI's lack of subtlety and nuance (Denson 96). The changes, however, had a clear impact on the quality and ease of collaboration. Following Nicholson's arrest, both the Director of the FBI and the Director of Central Intelligence attributed the success of the investigation to "an unprecedented level of cooperation" between the two agencies (Joint FBI-CIA Press Release).

7.4. Family Espionage Networks

Jim's involvement of his son (and possibly his parents) in committing espionage from prison provides an example of how family members can become ideal partners for passing information. In the Nicholson case, ties of familial obligation provided strong incentives for Jim's son Nathan to participate in his father's exploits. Nathan, the youngest of the three Nicholson children, was only 12 years old when his father was first convicted of espionage and sent to prison (Bhattacharjee). His willingness to participate in Jim's scheme may have stemmed from a desire to "feel a connection to [Jim], something that he may have felt he lost being separated from him for so long" (Bhattacharjee). Unaware that Jim was a CIA employee until his conviction as a Russian spy, Nathan had positive childhood memories of his father and did not fully grasp the magnitude of his crimes (Denson 158). Nathan's loyalty was further deepened when a call from Jim interrupted his suicide attempt, saving his life (Denson 223). Jim took advantage of his son's trust and devotion, convincing him that participating in espionage was an honorable way to contribute to the family.

Although Jim's parents were never tried in connection with the case, they likely knew about and possibly were directly involved in his espionage from prison. A notation in the notebook Nathan used during his meetings with the Russians indicated that his grandparents were aware of the situation and would "help with the coverup" (Denson 338). Other inmates claimed that Jim had

successfully smuggled classified information addressed to his parents out of the prison, suggesting his parents may also have helped him send messages to the Russians (Denson 196). Working with family members provided Jim with the opportunity to exploit bonds of affection for his own personal gain. Further, as frequent calls and visits from family members were considered normal, collaborating with his son and parents allowed Jim to avoid the suspicion of the FBI.

7.5. The Long-Term Value of Spies

Perhaps the most important lesson of the Nicholson case is that spies may retain their value for years after their espionage ends. Nicholson was first arrested by the FBI in 1996 (Denson 22). Evidence suggests that he began searching for an opportunity to re-contact his Russian handlers through soliciting assistance from other inmates as early as 2000 (US District Court of Oregon 8). However, Nicholson did not successfully establish a consistent line of communication until he began working with his son in 2006, a decade after his arrest (US District Court of Oregon 16). Although Nicholson had not possessed a security clearance or access to classified information for over ten years, he was eagerly received by the Russians.

Nicholson's usefulness likely stemmed from his ability to provide the Russians with information on how his espionage was discovered and his subsequent arrest. Confiscation of Nathaniel Nicholson's notebook revealed that Russian intelligence officials had tasked him to provide answers to questions about his father's arrest and interrogation by the CIA and FBI in 1996 (US District Court of Oregon 26). The Russians requested the names of the individuals involved in his debriefing, including investigators and polygraph operators (Denson 255). Further, Russian intelligence asked Nicholson to speculate how he initially fell under suspicion in Malaysia and whether he thought he was under investigation when the CIA canceled his assignment to Addis Ababa (Denson 255). Nicholson's answers would support a "spycraft quality control" effort, allowing Russian intelligence to "identify any missteps in their handling of Nicholson" (Bhattacharjee).

The long-term value of spies must be considered in sentencing arrangements and prison security measures. Inappropriately lenient sentences may allow spies the opportunity to reconnect with foreign intelligence operatives. Even after release, restrictions on travel and communication and limited monitoring may be appropriate stipulations of probation. Further, lax security measures in penitentiaries, such as where Nicholson was originally held, may enable former spies to recruit accomplices to continue their espionage work.

7.6. Conclusion

As the highest-ranking CIA officer to commit espionage and the first known U.S. citizen to spy from prison, Jim Nicholson is in some ways unique. However, the Nicholson case also shares important commonalities with other major espionage incidents. Like many spies, Nicholson was motivated by greed and revenge. He involved family members in his work, a tactic employed by U.S. spies across history including Ethel and Julius Rosenberg, the John Walker spy ring and Kendall and Gwendolyn Meyers. Most importantly, Nicholson was caught by tried and true counterintelligence techniques. Thorough foreign contact and financial reviews, regular and effective polygraphs and robust collaboration between agencies ensured that Nicholson's treachery was discovered. These techniques must remain a staple of counterintelligence programs moving forward.

8. SHARON SCRANAGE

8.1. Introduction

In July 1985, CIA employee Sharon Scranage was arrested and charged with committing espionage against the United States (Year of the Spy). Raised in a tight-knit church-going family in rural Virginia, Scranage was an honor student and a cheerleader (CIA, Ghana and the [redacted], 27). Coworkers at the U.S. Embassy in Accra, Ghana described her as "capable, quite popular and good for morale" (Fritts). It came as a surprise when a routine polygraph administered during a periodic reinvestigation revealed Scranage's sinister secret: for the past two years, she had been spying for the Ghanaian government at the behest of her lover Michael Soussodis, the cousin of Ghana's head of state (Year of the Spy). The information Scranage provided allowed Ghana access to sensitive communications technology and military intelligence and exposed the identities of CIA personnel and assets (Year of the Spy). Although Scranage cooperated with the FBI to arrest her lover Soussodis, she was sentenced to five years for her crimes. Soussodis, initially sentenced to 20 years in prison, was exchanged shortly after his arrest in a "spy swap."

The case of Sharon Scranage presents several important lessons for the Intelligence Community. Soussodis' tactics demonstrate the susceptibility of intelligence personnel to "honey trap" tactics, and the CIA's initial blundering of the case highlights the importance of strong reporting requirements. Scranage's confession, exacted during a periodic reinvestigation (PR) showcases PRs as a counterintelligence (CI) tool and the role of effective polygraphers in exposing CI violations. Finally, the impact of Scranage's arrest on U.S.-Ghana relations demonstrates the influence of intelligence operations on international relations.

8.2. Combatting Honey-Trap Operations

The Scranage case began with a missed opportunity. Investigators first received evidence of Scranage's inappropriate behavior when she invited an Office of Security officer to her home for dinner, who noticed a photograph of a man sitting in Scranage's bed (Kessler 198). The officer verbally warned Scranage of the dangers of romantic involvement with foreign nationals and relayed his concerns to the CIA Chief of Station (Kessler 198). Although the CIA's Special Activities Division recommended that Scranage receive a single-issue polygraph to resolve any counterintelligence issues, the photograph was considered insufficient evidence to warrant further action (Sullivan 95).

The Office of Security's decision not to further investigate allowed Scranage to continue her espionage for an additional year. The decision reflected the CIA's lax policy governing relationships with foreign nationals. At the time, dating foreign nationals was commonplace and lenient reporting requirements prevented investigators from identifying which relationships posed a potential threat to national security (Sullivan 95).

Sharon Scranage's case provides an example of the vulnerability of Intelligence Community personnel to "honey trap" operations, in which seduction is used to persuade an individual to commit espionage. CIA analysts described Michael Soussodis as a "playboy" with social ties to the American community in Ghana (CIA, Ghana and the [redacted], 29). Soussodis exploited both Scranage's romantic desires and grievances with the CIA to convince Scranage to provide him with classified information. Enthralled with his charming personality and captivated by invitations to lavish parties with the Ghanaian in-crowd, Scranage was "seduced physically and morally by the glamour of being selected to go where no other Western foreigner went" (Fritts). To ensure

Scranage continued her espionage, Soussodis threatened to end the relationship if she ceased to provide useful information (Kessler 199).

The Scranage case motivated the CIA to better inform its employees of the potential honey trap risk. Following Scranage's arrest in 1985, the CIA Office of Training and Education released a memorandum advising that it would "seek to introduce material from the [Scranage] case to make Agency employees who will be assigned overseas fully aware of the dangers of foreign service exploitation" (The Sharon Scranage Case). As a direct result of the Scranage case, the CIA also strengthened requirements for reporting relationships with foreign nationals, closing the loophole which led to the initial missed opportunity to identify Scranage's espionage (Kessler 199).

8.3. Utility of Periodic Reinvestigations

The case of Sharon Scranage also demonstrates the utility of periodic reinvestigations in identifying counterintelligence violations. The administration of a polygraph during Scranage's reinvestigation provided investigators with a second chance after initially disregarding evidence of her inappropriate behavior. Without the periodic reinvestigation requirement, Scranage likely could have continued her espionage undetected into subsequent assignments, further endangering U.S. national security without repercussion.

In the Intelligence Community, PRs are required for individuals holding a security clearance and occur at regular intervals based on clearance level (Christensen and Kaiser 6). As a condition of her continued employment with CIA, in the summer of 1985 Scranage was required to complete a periodic reinvestigation including a routine polygraph (Kessler 198). After her first polygraph indicated deception, Scranage was subjected to multiple tests across five days (Kessler 198). The skillful administration of her polygraph led Scranage to admit she had passed classified information to Ghanaian citizen Michael Soussodis without authorization (Sullivan 96).

The use of PRs can bring to light previously unknown counterintelligence and security issues. As reinvestigations are administered to all clearance holders, they constitute one of the few opportunities for CI and security professionals to evaluate employees who have not been accused of a violation. Face-to-face interviews, polygraphs and a thorough review of records can help investigators identify anomalous behavior. Reinvestigations may also deter employees from committing CI or security violations, as employees know they will be required to pass a polygraph test at regular intervals to keep their clearance.

Scranage's case also demonstrates the importance of effective polygraph examinations and well-trained polygraph personnel. In his memoir, former CIA polygrapher John Sullivan praises Scranage's polygraph examiner, reflecting that the polygrapher never raised his voice and "bonded so well with Scranage that she wanted to tell him what she had done" (Sullivan 96). The relationship between the polygraph examiner and examinee is critical to the success of the test. The examiner must build rapport with the examinee, creating an environment in which the examinee is comfortable sharing information. At the same time, the examiner must remain objective, ensuring that his/her judgement is not clouded by affection or sympathy toward the examinee. As in Scranage's case, the examiner must also remain patient, willing to administer multiple tests until all issues are resolved.

8.4. Diplomatic Repercussions of Espionage

Scranage's decision to commit espionage had serious diplomatic repercussions, illustrating the effect espionage can have on international relations. When Scranage began spying for Ghana in 1983, U.S.-

Ghana relations were strained. Ghana's leader Jerry Rawlings had usurped power in a coup and pursued a leftist foreign policy influenced by Cuba's Fidel Castro (Kessler 198). By 1985, relations were actively improving as Ghana pursued an "increasingly effective economic recovery program and its ideological bark was worse than its bite" (Fritts). The progress of the previous two years, however, was effectively erased with the revelation of the Scranage case.

The arrest of both Sharon Scranage and her lover Michael Soussodis triggered a strong negative reaction in Ghanaian press. Media outlets responded to the incident by featuring stories of malign CIA activity in Ghana and accusing the U.S. of plotting the overthrow of the Ghanaian government (Fritts). Government collaboration was also negatively impacted by the announcement of the arrests. Former Ambassador to Ghana Robert Fritts claimed the incident impaired his access to high level officials, noting "it was apparent that Rawlings no longer considered [him] esteemed" and "officials felt some risk in too close an association" with the United States government (Fritts). Four embassy personnel were expelled from Ghana as persona non-grata and the U.S. Embassy was forced to evacuate CIA employees identified by Scranage, further disrupting embassy operations (Fritts).

The Scranage case serves as a reminder that intelligence operations do not occur in a vacuum. Engaging in espionage inherently entails risk to the diplomatic relationship between countries. In this instance, prosecuting the perpetrators of espionage also had immediate and severe consequences for cooperation. The U.S. Intelligence Community must weigh the risks to other government agencies and equities when determining how to proceed with cases of espionage.

8.5. Conclusion

The Intelligence Community should continue to heed the lessons of Sharon Scranage, from enforcement of appropriate reporting requirements to effective administration of polygraphs. Further, the Intelligence Community must take note of potential diplomatic repercussions and collaborate with other government agencies to mitigate backlash due to intelligence operations or counterintelligence actions. For federal government employees, Scranage provides a cautionary tale, demonstrating how the desire for companionship can be exploited by foreign intelligence personnel to the detriment of U.S. national security.

9. GLENN MICHAEL SOUTHER

9.1. Introduction

In June 1989, Soviet press announced the death of Mikhail Yevgenyevich Orlov, describing his "vital role as an intelligence agent for the KGB" (Fein). In parentheses, the newspaper listed Orlov's English name as Glenn Michael Souther (Fein). Glenn Souther, a U.S. Navy photographer, had disappeared under mysterious circumstances in May 1986 and was granted asylum in the Soviet Union (Defense Personnel and Security Research Center). American intelligence officials publicly downplayed Souther's defection, claiming they did not consider it a "major espionage loss" (Fein). As Western press picked up the story, however, the significance of the loss became undeniable. While in the Navy reserves, Glenn Souther held a Top Secret clearance with access to the United States' most sensitive satellite programs (Fein). With Souther's defection, this information could be in the hands of the Soviet Union.

As U.S. investigators began looking into the case, they discovered Souther's relationship with the Soviet Union began well before his defection. In fact, Souther had been passing information to the Soviets since 1980, while stationed in Italy with the U.S. Navy (Sulick 90). Over the course of six years, the U.S. government missed several critical opportunities to prevent or curtail Souther's espionage. First, Souther's ability to obtain a Top Secret clearance was a failure of vetting procedures. Additionally, his espionage for the Soviet Union was enabled by poor security practices in the Navy and a lack of a robust reporting culture. Finally, a botched investigation by the Naval Investigative Service (NIS) and the FBI alerted Souther to suspicions against him and allowed him to flee to the Soviet Union.

9.2. Failure of Vetting Practices

Glenn Michael Souther's ability to obtain a clearance from the United States government was a spectacular failure of vetting procedures. Over the course of his military career and civilian life, Souther routinely demonstrated inappropriate conduct that should have disqualified him from clearance eligibility. Despite engaging in illegal activity in front of friends and coworkers and obtaining a criminal record, Souther was favorably adjudicated for a Top Secret clearance in 1984 (Kessler 88). At FICEURLANT, the secure facility where he worked as a reservist in Norfolk, Virginia, Souther's clearance ensured he received limited monitoring and was considered a "trusted" employee by his coworkers (Kessler 118). The clearance provided him with access to some of the most restricted documents in the U.S. government, enabling Souther to obtain detailed information on U.S. satellite capabilities to pass to the Soviet Union (Kessler 175).

Souther's questionable behavior began early in his military career. Shortly after enlisting, Souther began showing friends and family members classified photos, leading one friend to remark he had "little regard for the rules" (Kessler 31-32). On one occasion while stationed in Italy, Souther's coworkers were shocked to discover Souther had physically abused his wife, leaving her bloodied and bruised (Kessler 91). Souther's pattern of inappropriate conduct continued after returning to civilian life in the United States. He engaged in bizarre pranks, from publicly mooning strangers to harassing waitresses by laying on the floor and nipping at their heels (Kessler 58). During a sailing trip in Northern Virginia, he shouted at two enlisted Coast Guard men in Russian, causing them to board the boat (Kessler 144). In 1984, Souther was arrested for biting a female student on the campus of Old Dominion University (Kessler 99). He was found guilty of sexual battery, fined $250 and given a suspended six month sentence (Kessler 99).

While at Old Dominion, Souther displayed several indicators of espionage. An active member of the university's Russian Club, Souther frequently vocalized his admiration for the Soviet Union and disdain for the U.S. political system (Sulick 90). He told a girlfriend that "Communism is the perfect form of government" and openly complained about the treatment of enlisted soldiers in the U.S. Navy (Kessler 84). Additionally, Souther's standard of living was considerably higher than that of the average university student. While Souther's Soviet case officer later claimed that he was motivated by ideology rather than money, he was nonetheless paid handsomely by the Soviet Union for his services (Earley). Souther collected only $144 a month from his salary as a reservist but used money provided by Soviet intelligence to book plane tickets for a lavish trip to Italy with his girlfriend (Kessler 62). He spent hundreds of dollars a week on bar tabs and gifted his friends and family expensive trinkets, such as a $400 Italian watch (Kessler 58).

Souther's criminal record, unpredictable outbursts, vocal anti-U.S. political views and undue affluence should have raised red flags for his clearance adjudicators. Yet when interviewed by investigators in 1983, Souther's girlfriend noted that it "seemed more like a five-minute job interview for a job at Kmart" than for a Top Secret position with the United States government (Kessler 87). By performing a hasty, perfunctory review, Souther's clearance adjudicators missed an opportunity to prevent him from carrying out his most damaging espionage against the United States. Once at FICUERLANT, further security failures allowed Souther to execute his duties on behalf of the Soviet Union uninhibited.

9.3. Security Failures

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9.4. Investigative Failures

Investigators bungled the Souther espionage case from start to finish, facilitating Souther's years of espionage against the United States and successful defection to the Soviet Union. The first serious investigative failure occurred in 1982, when Souther's Italian wife Patrizia Di Palma approached a Naval Investigative Service (NIS) agent at a party and claimed that her husband was involved in espionage (Sulick 90). The investigator, aware that Di Palma and Souther were experiencing marital problems, assumed she was seeking revenge on her estranged husband (Kessler 50). He dismissed Di Palma's allegations without asking her a single question (Kessler 50).

In 1985, NIS received another tip from one of Souther's coworkers and forwarded the report to the FBI (Kessler 139). With little evidence included in the NIS report, the FBI assumed the information was low priority and "put the case on the backburner" (Kessler 139). Finally, eight months after receiving the NIS report, the FBI chose to question Souther directly (Defense Personnel Research and Security Center). Before conducting the interview, however, the FBI did little to build a case. The FBI did not follow up with his ex-wife or the NIS agent who filed the report and did not attempt to conduct surveillance or bait Souther with sensitive documents (Kessler 157). Predictably, Souther denied any involvement in espionage during the interview. Further, the interview alerted him to the FBI's suspicions. In June 1986, convinced that the authorities were on his trail, he boarded a flight to Rome and defected to the Soviet Union (Kessler 165). The NIS' decision to ignore Di Palma's allegations against her husband, along with the FBI's misguided choice to interview Souther without first conducting a thorough investigation, ensured that Souther would never face criminal charges for his espionage.

9.5. Conclusion

Glenn Michael Souther, or "Mikhail Yevgenyevich Orlov," committed suicide on June 22, 1989 (Defense Personnel Research and Security Center). In his suicide note, he expressed that he did not regret his relationship with the Soviet Union and requested to be buried in a KGB uniform (Kessler 8). Souther's impact on U.S. national security persisted even after his death. By compromising "the swath, resolution, maneuverability, and targets of U.S. satellite reconnaissance," Souther provided Soviet intelligence with a robust understanding of U.S. intelligence requirements and satellite capabilities (Kessler 174). The damage committed by Souther could have been avoided through

improved counterintelligence practices. Poor vetting and security procedures, along with severe investigative failures, facilitated Souther's betrayal of his country for more than five years. □

10. STIG WENNERSTROM

10.1. Introduction

Tall, handsome, and debonair, Swedish air attaché Stig Wennerström looked the part of a distinguished diplomat. Yet Wennerström's confident, composed façade masked a terrible secret: for more than a decade, he had actively betrayed his country to the Soviet Union. Wennerström is estimated to have provided as many as 30,000 pages of documents of sensitive or classified documents to the Soviet Union from 1948 to 1963 (Widen 937). Ultimately, although Wennerström justified his espionage in terms of rebalancing the Cold War between the United States and the Soviet Union, his most damaging espionage targeted his home country of Sweden. By the time of his arrest, Wennerström had compromised "practically all of the Swedish air defense," including the Stril 60 radar detection system and missiles and aircraft for shooting down enemy bombers (Wulff 166). Repairs to the Swedish military infrastructure as a result of Wennerström's espionage cost sixty million dollars and took nearly a decade to complete (Whiteside 106). The case of Stig Wennerström provides important lessons on investigative practices, motivation, agent handling and tradecraft, and the counterintelligence threat posed by friendly countries.

10.2. Early Investigative Failures

More than five years before Wennerström first volunteered his services to the Soviet Union, Swedish investigators missed a critical opportunity to prevent his espionage from ever occurring. In the early 1940s, Wennerström had cultivated an unusually close relationship with members of the Nazi German military mission in Stockholm (Whiteside 12). Wennerström began providing the Germans "various items of information that were of importance to them," walking a fine line between his permissible duties as an attaché and espionage (Whiteside 12). Wennerström's activities sufficiently alarmed the Swedish secret police that they decided to tap his phone (Ronblöm 51). However, when the phone taps failed to turn up sufficient evidence against him, the investigation was dropped without alerting Wennerström's chain of command (Ronblöm 52). Despite the suspicion against him, Wennerström was continually entrusted with higher levels of access to classified information and given assignments that put him in close contact with foreign government officials. This fateful decision provided Wennerström with the opportunity to volunteer his services to the Soviet Union years later in 1948, resulting in millions of dollars of damage to the Swedish defense infrastructure.

10.3. Ego as a Motivation for Espionage

In the aftermath of Wennerström's devastating espionage, Swedish investigators attempted to grasp what could have motivated an otherwise ordinary and patriotic citizen to betray his country. Wennerström exhibited "none of the characteristics of the typical traitor … He did not live in any obvious way above his income … He lived a happy family life … His political views were apparently quite ordinary" (Ronblöm 16). In statements to investigators, Wennerström claimed his espionage was ideologically motivated. He argued that his actions were necessary to "reduce the imbalance of Soviet military power vis-à-vis the United States" and bring about peace between the two superpowers (Wulff 161). Investigators, skeptical of this explanation, instead suggested that Wennerström may have been motivated by greed, blackmail, or ego (Widen 935).

Stig Wennerström was primarily motivated to spy by ego, fueled by disgruntlement in his professional life and sustained by his close relationship with his case officer. At the beginning of 1948, less than a year prior to volunteering his services to the Soviet Union, Wennerström was

passed over for a promotion to wing commander (Ronblöm 54). The slight was a significant blow for Wennerström, who possessed "unusual vanity" and "an inordinate desire for recognition" (Whiteside 120). Wennerström later reflected that being passed over promotion put him "in a touchy state" and he had been "made an exception of" (Whiteside 27). Volunteering to spy for the Soviet Union provided Wennerström with an outlet for his resentment toward his superiors. Further, the Soviet Union provided Wennerström with the recognition he craved.

10.4. Agent Handling and Tradecraft

The Stig Wennerström case presents an example of superb agent handling practices. The "extraordinary ability" of Wennerström's case officer, Pyotr Pavlovich Melkishev, ensured Wennerström remained a productive asset for the Soviet Union (Whiteside 119). Melkishev offered Wennerström rewards to appeal to his ego, presenting Wennerström with perceived authority and prestige within the Soviet intelligence structure. After Wennerström allegedly provided information on American air power targets, his case officer informed him that he had been granted "a top agent's authority, along with the rank of Major General in the Soviet Intelligence service" (Whiteside 38). In another instance, Wennerström dined on caviar with a Soviet "four-star general," who praised his achievements and told him he had earned three medals from the Soviet government (Whiteside 82-83). While Wennerström took great pride in these designations, it is likely they held little meaning beyond providing him with an incentive to continue his espionage.

Wennerström's case officer also proved adept at providing his asset with emotional reinforcement, creating a powerful bond which fueled Wennerström's desire to produce useful intelligence reports. In his testimony to Swedish investigators, Wennerström described his case officer as "the best friend I ever had" (Mull). Melkishev underscored the importance of their relationship by repeatedly referring to them as a "two-man team" (Mull). In Wennerström's own words, it was the "great influence that the Soviet General's personality had on [him]" that convinced him he had become a trusted member of Soviet intelligence (Whiteside 46).

At times, Wennerström's case officer used lies and manipulation to ensure the Soviet Union could accomplish its intelligence goals. Recognizing Wennerström's reluctance to share information about his home country of Sweden, Melkishev inaccurately told Wennerström he belonged to the American sector of the GRU (Whiteside 148). This lie bolstered Wennerström's sense of importance while easing his fears that the Soviet Union might ask him to provide information against his own country. In fact, however, Melkishev belonged to the GRU Second Directorate, tasked with collecting information on Europe (Whiteside 148).

The Wennerström case also provides insight into Soviet Cold War era tradecraft. Wennerström's position as an attaché made it relatively easy to meet with his handlers without arousing suspicion. Wennerström and his case officer practiced brush passes, frequently exchanging rolls of film through a handshake at public events (Mull). During parties at the Russian embassy, Wennerström could leave classified documents in the pocket of his topcoat at the coat check (Mull). In the United States, routine meetings took place in the country during the day, often coinciding with the fishing trips of Wennerström's case officer (Mull). In Moscow, Wennerström met his Soviet handlers in a safe house or a chauffeured car (Mull).

10.5. Counterintelligence Threat from Friendly Countries

The Wennerström case demonstrates that individuals from "friendly" countries can still pose a counterintelligence threat to the United States. Stig Wennerström's appointment in 1952 as a

Swedish attaché to the United States provided him with enhanced access to U.S. intelligence. As Sweden was considered militarily neutral in the Cold War but "friendly to the democratic cause," Wennerström found that his American colleagues were eager to provide him with the information he requested (Whiteside 50). Wennerström acquired most of the documents he passed on to the Soviet Union through overt means, simply by "writing to the Pentagon, in his capacity as Swedish air attaché, and asking for them" (Whiteside 55). Despite photographing thousands of classified documents and arranging in-person meetings with his Soviet handlers in public locations, Wennerström did not consider it necessary to take significant measures to evade detection (Whiteside 61).

Resource constraints limited the ability of U.S. counterintelligence to thoroughly investigate the diplomatic corps. Wennerström observed to investigators that he "was not watched so much in Washington because the diplomatic corps was exceedingly large and the resources … were very few compared to the size of the group … The authorities had to confine themselves to spot checks or to keeping an eye on a limited number of persons permanently" (Mull). In this resource scarce environment, a Swedish diplomat was not a priority. Consequently, Wennerström's suspicious activity went unnoticed by U.S. authorities, allowing him to pass vital intelligence on to America's main adversary, the Soviet Union.

10.6. Conclusion

Stig Wennerström was arrested on June 20, 1963 and charged with "gross espionage" (Whiteside 3). Multiple theories exist as to how Swedish investigators first became aware of Wennerström's activities. One account claims that the Swedish police began wiretapping Wennerström's phone in 1959 after a coworker observed Wennerström acting suspiciously during a layover in Amsterdam (Whiteside 90). In 1963, Wennerström's maid discovered the existence of film cannisters in a flower urn and contacted the security police, providing them with the firm evidence needed to make an arrest (Whiteside 100). Another account suggests that a penetration may have led investigators to Wennerström. According to this theory, the wiretaps were initiated after Polish defector Michal Goleniewski contacted the FBI in 1959 offering information on a senior Swedish Air Force officer (Widen 938). Ultimately, Wennerström served only ten years in prison. Despite the damage he wrought on his homeland's national defense, he never expressed regret for his espionage. "If I could live my life over again," Wennerström claimed two years before his death at the age of 99, "I am stupid enough to let it be exactly the way it has been" (The New York Times).

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