

# OPERATION SHOWDOWN

On 21 December 1981, Bill Tanner, a civilian engineer employed at the Naval Electronic Systems Engineering Center in Charleston, S.C., walked into the East German Embassy in Washington, D.C., and offered to exchange classified information for money.

Unknown to the East Germans, Tanner was a "double agent" working under the control of the Naval Investigative Service (NIS) and Federal Bureau of Investigation (FBI).

The target of the "double agent" operation, code named "Operation Showdown", was the East German intelligence service, the Ministerium fuer Staatssicherheit (MfS).

In the weeks and months that followed, Tanner met with East German agents a dozen times, with seven meetings in Mexico City and one in East Berlin. In return for what the East Germans believed was highly sensitive information about an anti-submarine system and submarine communications, Tanner received more than \$21,000. The transactions took place outside the United States.

In the fall of 1983, the FBI learned that Tanner's primary contact, East German physicist Alfred Zehe, was coming to Boston, Massachusetts, to attend a vacuum physics conference.

On 3 November 1983, Zehe was



ZEHE

approached by Tanner in the lobby of the Boston-Sheraton. The face-to-face confrontation had been set up by the NIS and FBI. When Zehe attempted to leave, he was arrested by FBI agents.

Zehe subsequently pleaded guilty to seven counts of espionage and one count of conspiracy. On 4 April 1985, he was sentenced to four concurrent eight-year prison terms, a \$5,000 fine and two years probation after release.

"Operation Showdown" was a major success. In addition to giving the U.S. intelligence community insight into the MfS, its methods of

operation and areas of interest, two other important results occurred.

First, Zehe's conviction was considered a landmark case because all espionage activity occurred outside the U.S. Previous convictions in other espionage cases were based on activity which had occurred inside the U.S.

Second, Zehe's arrest and conviction set up a major East-West prisoner exchange.

A front-page article in the 12 June 1985 edition of the Washington Post described in detail the prisoner exchange at the "rickety span of the Ghenecke Bridge" in Berlin -- the site of another famous prisoner exchange, which occurred in 1962 when U-2 pilot Francis Gary Powers, who was shot down over the Soviet Union, was traded for Soviet spy Rudolf Abel.

According to the article, "Western sources involved in the swap said it was evident that the East Germans were exceptionally eager to gain the release of Alfred Zehe, a Dresden physicist...."

The article, datelined 11 June began as follows:

"The United States traded one accused and three convicted spies today for 23 prisoners held in East German and Polish jails in what diplomats describe as the biggest East-West swap of its kind in Europe...."

# "Whatever it takes"

On February 14, 1986, an NIS Special Agent was presented with the National Intelligence Medal of Achievement for his part in "Operation Showdown". The ceremony was held at the Central Intelligence Agency. The following is from an in-house interview conducted prior to the award ceremony.

**Q: When did you get involved in "Operation Showdown"?**

A: I was the third in a series of case officers assigned to "Operation Showdown". The operation began in 1981. NIS Special Agent Ron Olive initiated the thought and initiated contact with the double agent, Bill Tanner, along with the FBI.

After Ron Olive was transferred from the Charleston, S.C., area, NIS Special Agent Keith Hitt took over the operation. Then, subsequent to his leaving, I took over the operation. When I say "took over" let me emphasize that I am referring to the NIS part of the operation. This was a joint operation with the FBI.

**Q: how far along was "Operation Showdown" by the time you took it over for NIS?**

A: I guess Mr. Tanner had been in contact with the East Germans for a little more than a year. He had already made trips out of the country. He had already passed some of the information. And the groundwork had been laid for his trip to East Berlin.

**Q: How long were you on the case?**

A: About two and a half years.

**Q: What was your first impression of "Operation Showdown"?**

A: To begin with, I was very impressed with the way it had been handled by the previous case officers. And, I was impressed with Bill Tanner. He's a very intelligent, patriotic individual. It was largely through Mr. Tanner's abilities and tenacity that the operation was as successful as it was.

**Q: What was your reaction when you found out that you were being assigned to the case?**

A: After reviewing the case file, my thoughts were that the operation was going quite well and I was just hoping that I wouldn't screw it up.

**Q: What was your job?**

A: There are a lot of things a case officer does that we really can't talk about. But basically, the job is to provide the double agent with information and training to prepare him how to react in different situations he might find himself in...like when he has a face to face confrontation with a representative of a hostile intelligence service.

**Q: How do you prepare someone to meet a hostile intelligence officer?**

A: It takes a lot of preparation, because you have to get a person in the proper mindset to lie effectively while he's talking to someone who is a trained intelligence officer. More than that, I just can't say.

**Q: Did "Operation Showdown" dominate your life?**

A: The FCI (foreign counterintelligence) field itself dominates your life, but that case in particular.

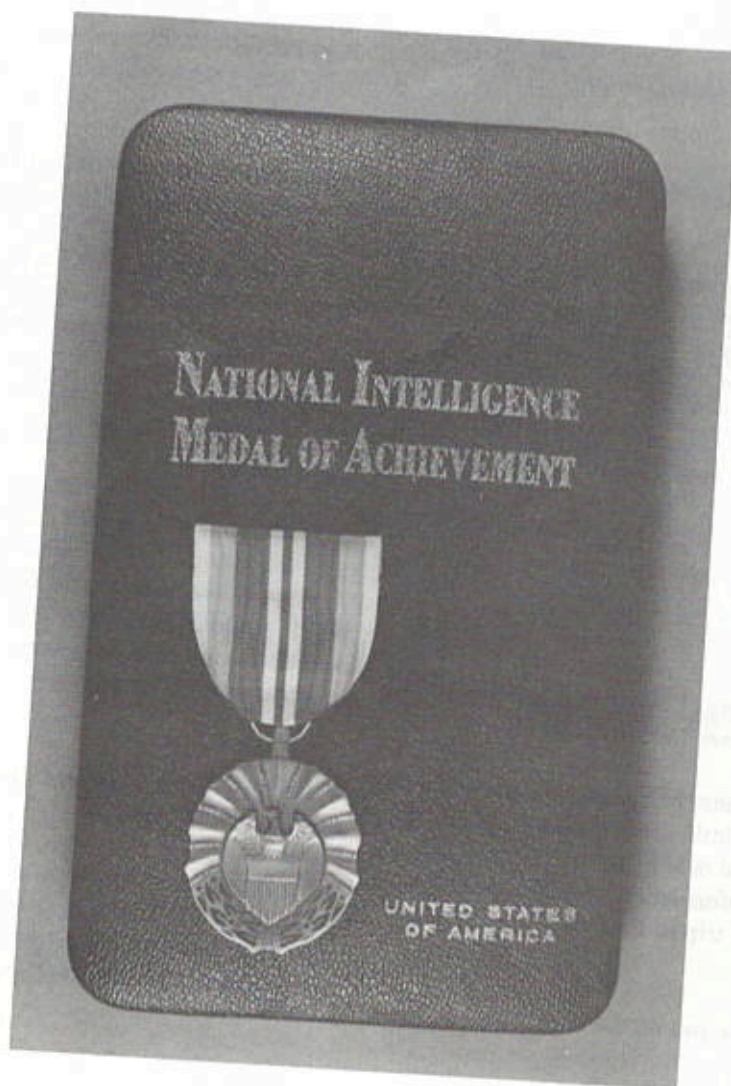
**Q: What do you remember the most about Mr. Tanner?**

**A:** The thing that sticks out in my mind are the words he said to me just before he went to East Berlin. We had finished a meeting and I told him one last time, "Bill, you don't have to go. If you feel uncomfortable or you're fearful for your safety, than you haven't got to go."  
And that's true. Anyone who does what Bill did, does

it of his own volition. Nobody is coerced into doing the kind of things Bill did. So I wanted Bill to know that he could call it off, even at the last minute. And that would have been fine. We would have fallen back and done something else.

But he just turned and looked at me and said, "Whatever it takes".

Bill was just a patriot, pure and simple, taking the opportunity to do a job for his country.



**PRESENTED TO THE NIS CASE AGENT  
IN "OPERATION SHOWDOWN"**