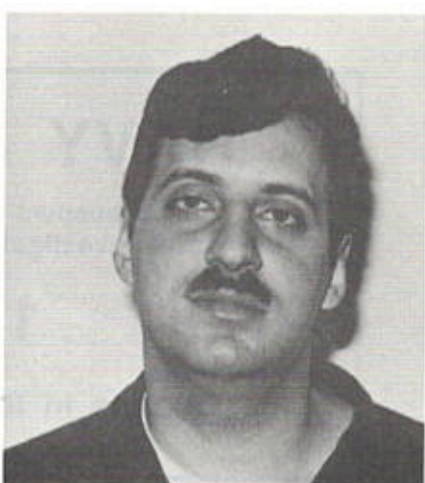
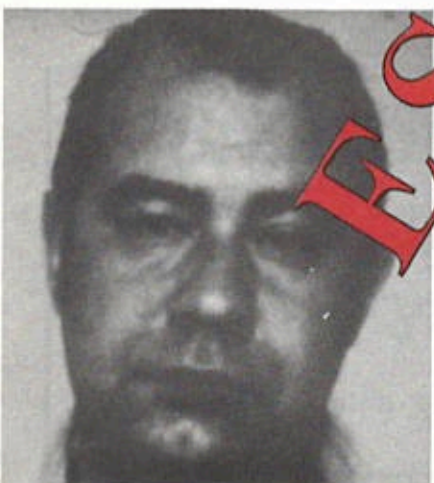
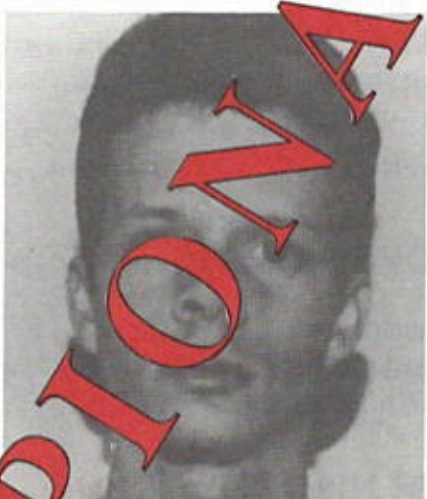
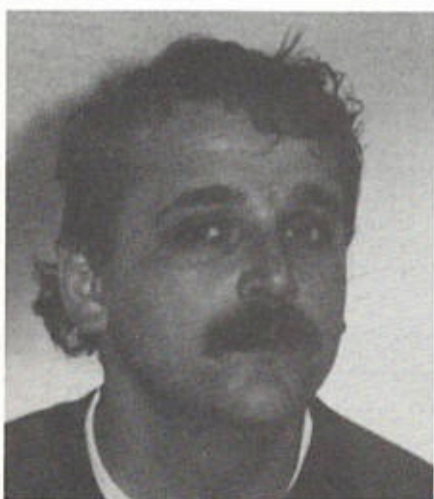
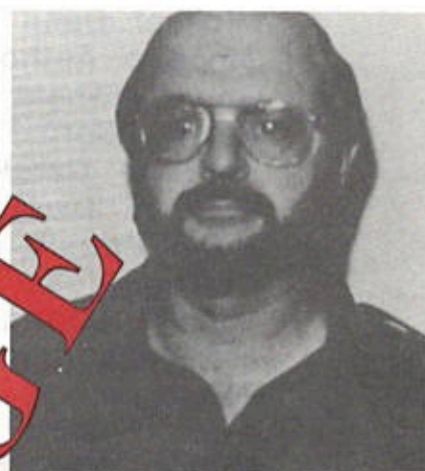


NAVAL INVESTIGATIVE SERVICE COMMAND
DEPARTMENT OF THE NAVY



ESPIONAGE

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NAVY ESPIONAGE HOTLINE

If you suspect espionage or security-related violations, you should notify the Naval Investigative Service at the following toll-free number:

1-800-543-NAVY

(Persons in the District of Columbia should call: 433-9191.)

INTRODUCTION

On 26 June 1939, a confidential memorandum written at Hyde Park, New York, was issued from the White House to the Secretary of State, the Secretary of the Treasury, the Attorney General, the Postmaster General, the Secretary of the Navy and the Secretary of Commerce.

The memorandum, in part, read as follows:

"It is my desire that the investigation of all espionage, counter-espionage, and sabotage matters be controlled and handled by the Federal Bureau of Investigation of the Department of Justice, and the Military Intelligence Division of the War Department, and the Office of Naval Intelligence of the Navy Department. The directors of these three agencies are to function as a committee to coordinate their activities.

"No investigations should be conducted by an investigative agency of the Government into matters involving actually or potentially any espionage, counter-espionage, or sabotage, except by the three agencies mentioned above."

The memorandum was signed by President Franklin D. Roosevelt, and laid the groundwork for what is now the U.S. counterintelligence community.



Today's Naval Investigative Service (NIS) special agents are the successors of the agents and operatives who worked for the Office of Naval Intelligence (ONI) in World War I and World War II. After World War II, the mission of ONI was expanded to include the investigation of felonious crimes and in 1966 the name

Naval Investigative Service was adopted to distinguish the Navy's investigative service from the rest of ONI.

In the years that followed, NIS continued to grow, adding law enforcement and physical security to its mission in 1982, and establishing the Navy Anti-Terrorist Alert Center in 1983, following the bombing of the Marine barracks in Beirut.

In 1985, NIS was upgraded to a command with a flag officer and was given the additional responsibility of

being the Navy's program manager for information and personnel security. The following year, the central adjudication of security clearances was added to the command's mission.



JUDGE WILLIAM H. WEBSTER, DIRECTOR OF CENTRAL INTELLIGENCE, CONGRATULATES RETIRED NIS SPECIAL AGENT VICTOR J. PALMUCCI AFTER PRESENTING HIM WITH THE NATIONAL INTELLIGENCE DISTINGUISHED SERVICE MEDAL.

The Naval Investigative Service Command (NISCOM) is led by a rear admiral who reports directly to the Secretary of the Navy and the Chief of Naval Operations. NISCOM has more than 180 offices worldwide divided into ten regions headquartered in New York, N.Y.; Washington, D.C.; Norfolk, VA.; Charleston, S.C.; San Diego, CA.; San Francisco, CA.; London, UK; Pearl Harbor, HI; Yokosuka, Japan; and Subic Bay, Republic of the Philippines.

There are currently about 1,200 civilian NIS special agents on duty around the world conducting criminal investigations and counterintelligence operations for the Department of the Navy.

In the United States, NIS special agents conduct their counterintelligence operations jointly with the Federal Bureau of Investigation (FBI); overseas, they are coordinated with the Central Intelligence Agency (CIA).

SIGNIFICANT CASES

The following cases are examples of the constant threat of espionage which faces the United States and other members of the Free World.

When reading these summaries, it should be remembered that these involve the Department of the Navy and represent only some of the cases of espionage against the United States.

In some cases, the method of operation used by hostile intelligence services is the same. For instance, the method of recruitment used in the highly-publicized Marine Security Guard investigation was similar to one used three decades earlier, this time targeting a U.S. Army master sergeant, Roy Adair Rhodes.

Rhodes was assigned to the U.S. Embassy in Moscow as a mechanic when he was recruited for espionage in 1952. In describing his recruitment, Rhodes stated that he had attended a drinking party with his two Soviet mechanics and two Soviet women. He woke up the next morning with one of the women.

Two weeks later he was approached by the woman and two other men, one of whom she identified as her brother. The scenario is a familiar one. Rhodes, who was married and had a child in the United States, eventually agreed to cooperate with the Soviets.

In return for somewhere between \$2,500 and \$3,000, Rhodes later provided the Soviets with information about his earlier training in code work and the habits of others assigned to the embassy.

Rhodes broke off his contact with the Soviets when he returned to the United States in 1953. His activities didn't come to light until 1957, when they were divulged by a defector and confessed Soviet spy, Reino Hayhanen. Rhodes was arrested and later convicted of espionage at a courts-martial.

PROSECUTION VS. DAMAGE ASSESSMENT

Espionage against the United States is nothing new, even though it may seem to be. For years there was little or no news about spying. Then suddenly a rash of espionage cases occurred, reaching a peak in 1985, the so-called "The Year of the Spy".

One of the reasons it appeared as if the United States didn't have problems with espionage earlier was due to

the fact that for years the U.S. Government chose to stress damage assessments over prosecutions.

In the opinion of the intelligence community, it was more important to assess the damage and find out what had been lost, so that corrective measures could be taken. Anyway, bringing a suspected spy to a public trial would only increase the chances of more secrets being lost. As a result, between 1966 and 1975 the U.S. Government undertook no espionage prosecutions.

Prosecutions resumed under former Attorney General Griffin Bell, who believed spies could be prosecuted without losing secrets. With the backing of President Jimmy Carter, Bell prosecuted William H. Kampiles, a CIA employee who was arrested in 1978 for selling a technical manual for the KH-11 reconnaissance satellite to the Soviets.

Another problem, until recently, involved inadequate funding for counterintelligence activities. However, Congress was instrumental in recognizing the shortfall and in providing funds.

ESPIONAGE AND THE U.S. NAVY

Anyone looking at the list of spy cases which have occurred in recent years will readily see that espionage is not just a Navy problem. Yet it is understandable why hostile intelligence services would be interested in targeting the Navy and Marine Corps for espionage.

Key elements of our national security strategy -- deterrence, forward defense, and alliance solidarity -- each require maritime power.

Deterrence of war has been the cornerstone of American policy since the dawn of the nuclear age. The Navy contributes essential military capabilities to that deterrent equation. Over one third of the Navy is routinely deployed at sea at any given time, year around.

The strategic submarine force, the preeminent and most survivable element of the U.S. strategic nuclear triad, conducts unseen deterrence patrols and is ready to retaliate instantly should the U.S. be subjected to an attempted disarming nuclear first strike. Globally dispersed naval forces armed with sea-launched cruise missiles likewise constitute to the deterrent equation by

establishing in a potential enemy's mind the threat of distributed, multi-axis attacks.

Carrier battle groups are forward-deployed, rapidly mobile, high in readiness, capable of being sustained indefinitely at remote locations and offer a wide range of escalation control tactics. They can be intrusive or out of sight, threatening or non-threatening, easily dispatched and readily withdrawn.

Navy special operations forces are integrated into regular deploying forces, are capable of self-sustaining unconventional warfare in all operational mediums, and are transportable worldwide to deter and counter lesser threats to international stability.

Naval forces, therefore, provide a range of options available to bolster deterrence through their credibility,

flexibility and mobility.

As if these weren't enough reasons to make the Department of the Navy a prime target for hostile intelligence agencies, there is another that has undoubtedly not escaped the attention of would-be foes.

Historically, the Navy and Marine Corps have been on the cutting edge of U.S. policy. Between 1946 and 1982, in some 250 instances of employment of American military forces, naval forces constituted the principal element of our response in about 80% of the crises.

With such a major role to play in national security, it stands to reason that the U.S. Navy and Marine Corps will continue to be logical prime targets of hostile intelligence services.



MICHAEL HAHN ALLEN

Michael Hahn Allen, from Ponchatoula, Louisiana, served for 22 years in the U.S. Navy as a Radioman and retired in 1972, as a Senior Chief Petty Officer.

Following retirement from the U.S. Navy, Allen ran a bar in Olongapo, the Philippines, until 1982, when he was hired as a photocopy clerk at the Naval Air Station, Cubi Point, in the Philippines. Allen also had an automobile dealership and ran a cock-fighting operation.

Co-workers at the communications center became suspicious of Allen's activities, and reported him to authorities. On 04 December 1986, the 53-year-old Allen, who had routine access to information classified Confidential and Secret, was arrested by the Naval Investigative Service on suspicion of espionage.

He admitted he gave U.S. classified information to unauthorized persons to foster his self-esteem and personal interests.

The documents provided by Allen included summa-

ries of rebel force movements and planned Philippine Government actions for most of 1986.

Because of Allen's status as a U.S. civilian employed in an overseas location, his case brought special concerns as to how it should be handled.

After the U.S. Justice Department indicated Allen would not be prosecuted in Federal Court, the Honorable Mr. John Lehman, Secretary of the Navy, exercised his authority under Article 2 of the Uniform Code of Military Justice to have Allen apprehended and prosecuted in the military justice system as a retired U.S. Navy member.

On 14 August 1987, Allen was convicted at a Courts-Martial of compromising U.S. classified documents and sentenced to eight years in prison, fined \$10,000, and as a result will forfeit his military retirement benefits.

STEPHEN ANTHONY BABA

Described as a brilliant student, Stephen Anthony Baba at age 18 graduated with honors from the University of Maryland with a degree in business finance.

He received his commission in the U.S. Navy in 1980, from the Officer Candidate School, Newport, Rhode Island. His first military assignment was as an Electronics Material Officer aboard a San Diego-based frigate, the USS Lang.

On 30 September 1981, a source released to the Naval Investigative Service (NIS) a package containing U.S. classified material consisting of a copy of the May 1980, "Electronic Warfare Evaluation and Education Quarterly", and two microfiche classified "secret".

The package was accompanied by a 12-page handprinted letter from an individual claiming to be an officer in the U.S. Navy assigned to an unidentified ship. The letter writer advised he was willing to provide classified material in return for money, and provided detailed instructions as to how the



BABA

transaction would take place. On 06 October 1981, the executive officer of the USS Lang contacted NISRA Naval Station, San Diego, California, and advised that during the preceding weekend, an officer assigned to the USS Lang had been arrested for attempted "unarmed" robbery of a local jewelry store.

During interrogation, Baba indi-

cated a desperate need for money, and admitted to an unsuccessful attempt to extort money from the Navy Federal Credit Union. It was subsequently determined that the possibility existed that Baba was the individual involved in the forwarding of the classified material to a foreign embassy.

On 23 October 1981, Baba was placed in pretrial confinement at Metro Correctional Center, San Diego, California. On 26 October 1981, Baba was transported to Chula Vista, California, to attend a pretrial hearing, during which time he attempted to escape from confinement.

On 20 January 1982, Baba was sentenced to eight years imprisonment, forfeiture of all pay and allowances, and dismissal from the Navy.

ROBERT ERNEST CORDREY

Robert E. Cordrey, a U.S. Marine Corps private, was an instructor at the Camp LeJeune, North Carolina, warfare school.

In April 1984, Cordrey began making numerous phone calls to foreign embassies in an attempt to sell documents and manuals relating to nuclear, biological and chemical warfare.

After numerous futile attempts, Cordrey made contact with a Czechoslovakian Intelligence Officer and he drove to Washington, D.C., from Camp LeJeune for a clandestine meeting. Cordrey showed his contact the list of documents in his possession (all unclassified) and he was told that he would be contacted later.

On 12 April 1984, the FBI and the U.S. Naval Investigative Service learned that Cordrey was attempting to sell information to agents of the U.S.S.R., Czechoslovakia, East Germany, and Poland.

The 23-year-old Cordrey was convicted on 13 August 1984, on 18 counts of failing to report contacts with citizens of Communist countries. He was sentenced to 12 years at hard labor, forfeiture of all pay and allowances, and a dishonorable discharge. In accordance with Cordrey's pre-trial agreement, his confinement was limited to two years inasmuch as Cordrey successfully underwent post-trial interrogation and polygraph examinations.

NELSON CORNELIOUS DRUMMOND

Yeoman First Class Nelson Cornelious Drummond, U.S. Navy, first came to the attention of the Office of Naval Intelligence (ONI) in June 1962.

The Federal Bureau of Investigation (FBI) provided information that a particular classified document concerning guided missile systems, dated May 1961, had been compromised to the Soviets in New York.

The document in question was traced to the Mobile Electronics Technical Unit No. 8 (METU-8) at Naval Base, Newport, RI. Drummond was responsible for receipt, filing, and disposition of classified material at METU-8.

An investigation mounted by ONI and FBI discerned that Drummond was removing documents from METU; he had a Minox camera,



DRUMMOND

made frequent trips to New York City and deposited large sums of cash in local banks upon his return from New York.

Drummond was arrested by the

FBI on 19 September 1962, at a diner in Larchmont, New York. He was in the company of two known GRU officers and several classified documents were recovered. During interrogation, Drummond confessed to having been recruited, while stationed in London, England, by the Soviets in 1958, to commit espionage. Over the next five years he had regular contact with Soviet handlers and provided sensitive communications information as well as other classified material. A damage assessment estimated it would cost the U.S. 200 million dollars to recover from damage done by Drummond's activities. He was found guilty of espionage in Federal Court and sentenced to life in prison.

WILFREDO GARCIA

In late 1985, the Naval Investigative Service (NIS) and Federal Bureau of Investigation (FBI) became aware of alleged espionage activity being conducted by a group of civilians in the Vallejo, California area.

Utilizing information provided by a cooperating citizen, investigators determined that classified documents were being stolen from the nearby naval shipyard and sold to a civilian in Vallejo.

The investigation revealed the documents were being held by the individual who planned to take them to a foreign country to sell. Agents discovered that the source of the documents was an active duty Navy member at the shipyard. Later in the investigation, one of the criminal participants cooperated with investigators and identified Garcia as the source.

Agents learned the espionage scheme resulted in a number of classified documents being taken to the Philippines for the purpose of selling them to a foreign power there. Participants in the conspiracy couriered the documents on commercial aircraft and had gathered the material in a residence in Manila.

NIS agents in Manila entered the home with a search warrant and recovered the documents before the planned sale.



SURVEILLANCE PHOTO OF GARCIA

NIS and FBI agents conducted indepth surveillance of Garcia which corroborated and supported the evidence against him. When agents confronted Garcia with investigative findings, Garcia admitted to the criminal activity.

At a General Courts-Martial convened in January 1988, Garcia was found guilty of espionage, conspiracy to commit espionage, larceny, conspiracy to commit larceny, sale of

government property, and violations of military regulations. He was sentenced to 12 years confinement, reduced in rank to E-1, forfeiture of pay and allowances, and a dishonorable discharge from the U.S. Navy. Garcia had served in the Navy for 15 years.

STEPHEN DWAYNE HAWKINS

On 18 June 1985, a witness reported seeing a confidential message at the off base residence of Quartermaster Third Class Stephen Dwayne Hawkins in Naples, Italy.

NIS special agents interviewed Hawkins, but he denied any knowledge of a classified message at his home. Later, he admitted to having mistakenly taken the message home; however, added that he did not know about the message until his neighbor pointed it out to him.

Hawkins stated he then placed the message in his briefcase and returned it to his unit, COMSUBGRU-8. A search of Hawkins's home revealed two CIA originated

Secret/NoFORN/WNINTEL messages. Hawkins explained that the messages must have accidentally been mixed in with some study materials he brought home from work.

During polygraph exams on 07, 08, and 09 August 1985, Hawkins indicated deception. Upon interrogation, Hawkins admitted that he had taken the two secret messages as "souvenirs" and also stated that he had taken an additional five or six classified messages from COMSUBGRU-8 and thought about engaging in espionage.

Hawkins further confessed to taking approximately 15 additional Secret messages with the idea of

selling them to a hostile intelligence service.

Hawkins was charged with violation of Article 92, wrongful removal of classified material, and wrongful destruction of a Top Secret message. A General Courts-Martial was held 14-15 January 1986, and Hawkins was sentenced to a bad conduct discharge, one year confinement at the U.S. Navy Brig at Philadelphia, PA, and reduction in grade to E-1.

BRIAN PATRICK HORTON

In June 1982, an extensive NIS/FBI investigation was initiated when it was determined that an unidentified Navy enlisted man had communicated an offer to commit espionage. The Navy man indicated high-level access and the desire to sell information.

The investigation subsequently identified the Navy man as Intelligence Specialist Second Class Brian Patrick Horton, assigned to the Nuclear Strike Planning Branch at the Fleet Intelligence Center, Europe and Atlantic, located in Norfolk, Virginia.

After documenting his activities through sophisticated investigative techniques, Horton was interrogated and admitted efforts to commit espionage.

During pre-polygraph interrogation on 02 and 03 October 1982, Horton additionally admitted that he had single integrated operations plans (SIOP) for sale.



HORTON

Based upon evidence accumulated during the investigation, Horton chose to plead guilty under a pretrial agreement which included a post-trial grant of immunity. This allowed NIS to question Horton after his conviction and sentencing for a period of up to six months to determine any damage to national security caused by his actions.

This technique, now labeled the "Horton Clause" by the NIS, allows not only for prosecution but for a determination as to any possible damage to national security. With the advent of the "Horton Clause," the damage assessment is considered after the prosecution phase which entices the suspect to cooperate under a post-trial grant-of-immunity in an effort to reduce his sentence. Horton was convicted at a General Courts-Martial on five counts of failure to report contacts with hostile country nationals and one count of solicitation to commit espionage. He was sentenced to six years confinement at hard labor, forfeiture of all pay and allowances, a dishonorable discharge and reduction in pay grade to E-1.

CLAYTON JOHN LONETREE

Clayton J. Lonetree enlisted in the U.S. Marine Corps and in 1984 was posted in Moscow, U.S.S.R., where he served as part of the Marine Corps Guard Detachment for the U.S. Embassy.

During his assignment in Moscow, Lonetree had an affair with a Soviet woman, Violetta Seina, who had previously been a telephone operator and translator at the U.S. Embassy. Soon after their relationship began, Seina introduced Lonetree to her "Uncle Sasha" who was later identified by U.S. intelligence as being a KGB agent.

In December 1986, Lonetree turned himself in to authorities at the U.S. Embassy in Vienna, Austria.

Lonetree was tried on 13 counts including espionage. Among these counts were charges that he conspired with Soviet agents to gather names and photographs of Ameri-

can intelligence agents, to provide personality data on American intelligence agents, and to provide information concerning the floor plans of the U.S. Embassies in Moscow and Vienna. On 21 August 1987, the 26-year-old Lonetree was found guilty

of espionage and 12 related charges.

On 24 August 1987, he was sentenced to 30 years in prison, fined \$5,000.00, loss of all pay and allowances, reduced to the rank of private, and given a dishonorable discharge.



LONETREE



SEINA

"PROFESSIONAL, THOROUGH"

GAO REPORT SETS THE RECORD STRAIGHT ON NIS INVESTIGATION

The NIS investigation into allegations of espionage involving Marine Security Guards was thoroughly investigated itself by the U.S. General Accounting Office's Office of Special Investigations.

The GAO inquiry was initiated at the request of the Honorable Daniel A. Mica, Chairman, Subcommittee on International Operations, Committee on Foreign Affairs, U.S. House of Representatives; and the Honorable Olympia J. Snowe, Ranking Minority Member, Subcommittee on International Operations, Committee on Foreign Affairs, U.S. House of Representatives.

On 28 July 1988, GAO submitted its final report, consisting of 32 pages, to Reps. Mica and Snowe. GAO's assessment of the NIS investigation begins on page 15 and reads as follows:

"Our assessment of the NIS investigation included a review of the case files, which included investigative notes, memoranda, and reports. We also reviewed the various forms, such as polygraph waivers and advice of rights, used by NIS throughout the investigation. We paid particular attention to documents that indicated planning on the part of NIS and its coordination with other involved agencies. We studied the assessment of the investigation prepared by the Marine Corps and received an expert opinion of NIS' use of the polygraph.

"We supplemented this work with interviews of NIS agents who conducted the investigation; both prosecuting and defense attorneys of the MSGs; Marine Corps commanders; MSGs actually involved in the investigation, as well as other MSGs; and Department of State personnel.

"In our opinion, the NIS investigation of all MSG espionage-related activity from 1986 to 1988 was conducted under difficult circumstances. NIS investigators were forced to work backward from Lonetree's confession in order to corroborate his statements. They were handicapped in these efforts because of the geo-

graphic locations of certain witnesses..."

The report states that the "lack of timely investigative information" from other organizations involved in the investigation further handicapped the NIS investigations.

Other problems resulted from statements and subsequent retractions by some of the MSGs to NIS, according to the report, which added, "These statements caused NIS to consume an enormous amount of investigative effort in trying to verify them."

The GAO report goes on to say:

"We think that the NIS espionage investigation was professional and thorough. NIS conducted the investigation in an aggressive manner and diligently followed all logical leads. Based on our review, we determined the following:

-- The investigation was well thought out and planned, given the exigency of the situation after Lonetree confessed to espionage.

-- The investigative methods used by NIS appeared to be sound and logically chosen.

-- NIS appeared to be aware of the constitutional rights of the MSGs and took steps to protect them.

"With respect to NIS' use of the polygraph, we requested that Dr. Gordon Barland, Chief of Research, Department of Defense Polygraph Institute, review the utilization of the polygraph in this matter. Dr. Barland found that within the limits of his review, NIS' polygraph exams were well-planned, properly executed, and technically sound. Further, Dr. Barland found the use of the polygraph in NIS' investigation a prudent investigative measure, given the urgency and limited alternative investigative techniques available."

SAMUEL LORING MORISON

Samuel Loring Morison was born in London, England on 30 October 1944, where his father was stationed during World War II. Much of his younger years were spent in New York and Maine.

He attended Tabor Academy, a college preparatory school in Massachusetts, and in 1967 graduated from the University of Louisville.

Morison served as an officer in the U.S. Navy to include duty off the Vietnam coast in 1968. In 1974, Morison was employed as an analyst at the Naval Intelligence Support Center (NISC).

His family has a history of service to the U.S. defense community and his paternal grandfather was a Navy historian. His grandfather was also a rear admiral in the Naval Reserve and a professor at Harvard University.

In 1976, Morison affiliated himself with Jane's Defense Weekly by doing part-time work as the American editor for the London-based firm. In the years that followed, Morison became increasingly dissatisfied with his position at NISC and more intent on obtaining a full-time posi-

tion with Jane's where he was earning up to \$5,000.00 per year for his part-time employment.

As a GS-12 Soviet amphibious ship analyst with a Top Secret clearance, Morison provided Jane's with three Secret satellite photographs which he had taken in July 1984, from the desk of a co-worker at NISC. The classified control markings were cut away by Morison before mailing them to Jane's.



MORISON

Jane's, in turn, published the photographs which depicted a nuclear-powered Soviet aircraft carrier under construction. The 11 August 1984 edition of Jane's which included

these still classified photographs was noted by authorities who instituted an investigation of the leaked information.

The investigation led to Morison, resulting in his arrest on 01 October 1984. A search of Morison's apartment in Crofton, Maryland, revealed several hundred government documents stored there. Many of the documents were classified.

Investigations of this incident never revealed any intent to provide information to a hostile intelligence service. Morison was charged with espionage and theft of government property and at his trial he testified that his only purpose in sending the photographs to Jane's was because the "public should be aware of what was going on on the other side."

On 17 October 1985, Morison was found guilty in Federal Court of the charges and on 04 December 1985, was sentenced to two years in prison. Morison is currently free on \$100,000.00 bond. A federal appeals court panel affirmed his conviction on 04 April 1988. Morison is appealing the ruling.

The investigation was conducted jointly by the ~~NIS~~ and the FBI.

NCT S

JEFFERY LORING PICKERING

On 07 June 1983, an individual using the name Christopher Eric Loring entered the Naval Regional Medical Clinic, Seattle, Washington, acting very erratic and stating that he possessed a large quantity of "secret documents vital to the security of our country."

The individual was in possession of one plastic addressograph card imprinted with the address of the Soviet Embassy, Washington, D.C. During permissive searches of Subject's automobile and his residence by NIS Special Agents, four Government marked envelopes containing classified microfiche and 147 microfiche cards containing a variety of classified defense publications were located.

Through investigation, the individual was identified as Jeffery Loring Pickering, who had previously served in the U.S. Marine Corps. During his Marine enlistment, he was described as a thief, thrill seeker, and a perpetual liar.

Pickering left the Marines in August 1973, but became dissatisfied with civilian life and began efforts to re-enlist

in the military. Pickering assumed an alias, Christopher Eric Loring, hid the facts of his prior USMC affiliation, and enlisted in the U.S. Navy on 23 January 1979.

During interrogation, Pickering admitted stealing the classified material from the ship's office of the USS Fanning (FF-1076) between July and October 1982. Pickering likewise expressed an interest in the KGB, and advised of fantasizing about espionage.

He ultimately admitted mailing a five-page Secret document to the Soviet Embassy, Washington, D.C., along with a typed letter offering additional classified material to the Soviet Union.

On 03 October 1983, Pickering pled guilty at a General Courts-Martial to several violations of the UCMJ including Article 134 (violations of Title 18 U.S. Code Section 793 (b) and (c) - espionage statutes). Pickering was convicted and awarded confinement at hard labor for five years, forfeiture of \$400.00 per month for 60 months, reduction to E-1 and a bad conduct discharge.

JONATHAN JAY POLLARD

Jonathan Jay Pollard was born in Galveston, Texas, and grew up in South Bend, Indiana. In 1976, Pollard graduated from Stanford University with a degree in political science and subsequently attended the Fletcher School of Law and Diplomacy, Tufts University.

In 1980, Pollard moved to the Washington, D.C., area and was hired by the Naval Intelligence Support Center (NISC) where he worked as a civilian analyst. In 1984, Pollard was hired by the Naval Investigative Service as a terrorism analyst.



POLLARD

In the summer of 1986, the 31-year-old Pollard married Anne L. Henderson, then 25 years old, in a civil ceremony in Italy. Mrs. Henderson-Pollard had attended the University of Maryland.

In early 1984, Pollard requested a meeting with an Israeli military officer. A meeting was effected in the summer of 1984, at which time Pollard agreed to pass classified information to his Israeli contacts.

For the next 18 months Pollard provided a significant volume of classified information taken from his place of employment.

At the time of this espionage activity, Pollard was serving as a GS-12 Intelligence Research Specialist in the Anti-Terrorist Alert Center, Suitland, Maryland. Pollard would take documents from the office to an apartment where they would be photocopied. By the time of his apprehension, Pollard had passed a volume of material that would measure ten feet by six feet.

Pollard was originally ideologically motivated to pass classified information. His motivation was later clouded by monetary considerations.



POLLARD

Pollard was arrested on 21 November 1985 as a result of reports by co-workers of his suspicious activities in the office. The following day, 22 November 1985, his wife, Mrs. Anne Henderson-Pollard, was also arrested.

On 04 June 1986, both pleaded guilty to charges brought against them. Pollard was sentenced on 04 March 1987, to life imprisonment for espionage and Henderson-Pollard was sentenced to two concurrent five year terms for conspiracy to receive stolen Government property and possession of military documents.

BRIAN EVERETT SLAVENS

PFC Brian Everett Slavens, USMC, Marine Barracks, Adak, Alaska, advised his sister, while on leave, that he did not intend to return to the Marine Corps, and that he had visited the Soviet Embassy in Washington, D.C., during late August/early September 1982.

Slavens' father alerted the Marine Corps of his son's intent to desert, and summarily Slavens was arrested by NIS Special Agents on 04 September 1982.

During interrogation, Slavens admitted entering the Soviet Embassy in Washington, D.C., and offering to provide information concerning the military installation where he worked on Adak.

Slavens denied transferring any classified material to the Soviets, but explained that his intent was to sell U.S. military information for \$500.00 to \$1,000.00.

According to Slavens, he was actually inside the Soviet

Embassy less than thirty minutes, during which time he was asked to provide a autobiographical sketch and to reconsider his actions.

Slavens subsequently requested legal counsel, and his lawyer later agreed for Slavens to undergo a polygraph examination. Slavens was administered a polygraph exam on 05 September 1982, the results of which indicated that he did not disclose any classified information to the Soviets.

On 24 November 1982, Slavens pleaded guilty to a charge of attempted espionage at a General Courts-Martial held at Marine Corps Base, Camp Lejeune, North Carolina. He was sentenced to two years confinement, a dishonorable discharge, and forfeiture of all pay and allowances.

MICHAEL TIMOTHY TOBIAS

On 29 July 1984, Radioman Seaman Michael T. Tobias, assigned as a radioman aboard the landing ship USS Peoria (LST-1183) secreted crypto cards from a shredder before their destruction. The theft occurred when a second radioman assigned to the destruction detail signed off the destruction report for 12 cards without witnessing their actual destruction.

In August 1984, Tobias and a friend, Francis Pizzo, Jr., drove to the Soviet Consulate in San Francisco, but arrived during the early morning before regular business hours. Having failed in their initial attempt to contact a "foreign power", and obviously having second thoughts about committing espionage, the pair drove back to San Diego and called the U.S. Secret Service (USSS) offering to sell the cards back to the Government for amnesty and money.

The price to the U.S. Government

was discounted from \$100,000.00 to \$1,000.00, a price that Tobias's younger brother, Bruce Edward, participated in setting. Several calls were placed to the USSS by Pizzo, one of which was traced by the FBI.

The suspects were confronted by FBI agents and submitted to an interview to verify their identification. The interview concluded with insufficient evidence to detain subjects. The following day, both Tobias and Pizzo fled to California with the help of an acquaintance, Dale Irene.

On 17 August 1984, Tobias and Pizzo were arrested in San Francisco. While confined, Tobias called Irene, suggesting he retrieve and destroy nine cards from behind a toilet in Tobias's apartment.

On 22 August 1984, Irene was interviewed at his house at which time he produced the nine crypto cards that he had failed to destroy.

The Government withdrew plea bargain arrangements with Pizzo,

Irene, and Bruce Tobias when the three repeatedly failed lie detector tests, particularly on matters regarding the existence and disposition of two more crypto cards which were never found.

On 22 January 1985, Bruce Tobias and Dale Irene pled guilty to two counts of theft of Government property. Bruce Tobias was sentenced to time served (159 days) and ten years probation. Dale Irene was sentenced to two years confinement.

On 7 August 1985, Pizzo pleaded guilty to four counts of conspiracy and one count of theft of Government property and was sentenced to ten years confinement and five years probation.

On 14 August 1985, Michael Tobias was convicted of four counts of conspiracy and three counts of theft of Government property and sentenced to 20 years confinement and five years probation.

JOHN ANTHONY WALKER, JR.

John Anthony Walker, Jr. was raised in Scranton, Pennsylvania, where he had an unhappy childhood. His parents, both alcoholics, were separated.

Walker left high school while in the 11th grade and on 25 October 1955 he joined the U.S. Navy. While serving in the Navy, Walker was considered highly competent and in the first half of his 21 years of active duty he rose from the grade of Seaman to Warrant Officer.

While in the service he earned the Navy equivalency for a high school and college diploma. When he retired in July 1976 he had reached the grade of Chief Warrant Officer.

His active duty assignments included responsible positions in communications including Communications Systems Officer for the Amphibious Force Atlantic Fleet and Communications Officer for the Naval Surface Force Atlantic Fleet.

During his military career, Walker made some investments on which he lost money. Being in monetary need, in late 1968 at the age of 30, Walker went to the Soviet Embassy in Washington, D.C., and offered his services for purposes of espionage.

Walker compromised key cards used for enciphering messages and also provided information on the encryption devices themselves. The Soviets provided Walker with a rotor decryption device used for testing wiring circuitry for rotors used by the U.S. Navy for encryption purposes.

During his more than 17 years of espionage performed on behalf of



JOHN WALKER

the Soviet KGB, Walker directly compromised numerous pieces of classified information and equipment to include the decryption keys which, in turn, led to the compromise of at least a million classified messages of the military services and U.S. intelligence agencies.

In addition, Walker recognized that when he left active duty he would no longer have direct access to classified information. He therefore recruited a friend on active duty in the U.S. Navy who also held communications positions similar to those previously occupied by Walker.

Upon retirement and his opening of a private investigation firm, Walker attempted to further expand his espionage net by first recruiting his brother, a retired U.S. Navy officer, and urging him to find civilian employment with a Department of Defense contractor.

Walker recruited others into his network, including Jerry Alfred Whitworth, a senior chief radioman who had served with him. Walker later recruited his own son, who had enlisted in the U.S. Navy. He also attempted unsuccessfully to recruit one of his daughters, who was serving in the U.S. Army.

A Soviet defector said the KGB considered this the most important operation in its history.

Walker's wife knew, almost from the beginning, that her husband was involved in espionage. On numerous occasions she had threatened to turn him in to authorities.

An unhappy marriage eventually led to divorce and finally, in 1985, Walker's former wife informed the FBI of his espionage activities. An investigation and surveillance of Walker resulted in his being arrested after he dropped classified information in a suburb of Washington, D.C.

The documents, most of which came from the USS Nimitz on which his son Michael was serving, were hidden in a garbage bag. The arrest took place on 20 May 1985, at a motel in Rockville, Maryland, where Walker was spending the night.

In October 1985, Walker pleaded guilty to espionage charges and on 6 November 1986, he was sentenced to two life terms plus ten years to be served concurrently. As a result of plea bargaining, Walker agreed to turn state's evidence concerning the Navy friend whom he recruited in exchange for a lighter sentence for his son who had also pleaded guilty.

MICHAEL LANCE WALKER

Michael Lance Walker, the only son of John Anthony Walker, dropped out of high school in 1980, due to problems associated with the use of drugs and poor grades.

Having left his divorced mother's house to live with his father in Norfolk, he reentered high school and graduated in June 1982. Although he wanted to go to college, his grades were inadequate for college acceptance. He enlisted in the U.S. Navy on 13 December 1982.

The younger Walker was convinced by his father that he could make money by turning over classified documents to him. Michael agreed to the arrangement for monetary reasons as well as his desire to please his father.

Following his recruitment in approximately August 1983, Michael began turning over classified documents to his father. His access to classified material increased when he was assigned to Operations Administration as a Seaman (E-3) aboard the aircraft carrier USS Nimitz.

Following the arrest of John Walker, Michael Walker was interviewed aboard the carrier by the Naval Investigative Service. In his berthing compartment investigators found approximately 15 pounds of classified information which had been destined for destruction but which Michael had hidden away to turn over to his father at the time of his next port call.

Michael Walker was arrested on 22 May 1985. During interrogation it was determined that he had passed so many documents to his father that he had no accurate count of the total. It was estimated he had passed in excess of 1500 documents since his initial agreement to cooperate with his father.

On 28 October 1985, the 22-year-old Michael pleaded guilty to five counts of espionage. On 06 November 1986, he was sentenced to two 25-year terms and three 10-year terms to run concurrently.



MICHAEL WALKER

JERRY ALFRED WHITWORTH

Jerry Alfred Whitworth was born in Muldrow, Oklahoma, on 10 August 1939. His parents separated shortly after he was born and he was raised by his grandparents and an uncle. He was known as a good-natured youth who, in his senior year in high school, was voted class clown.

In September 1956, Whitworth joined the U.S. Navy. Following his four year enlistment in the Navy, Whitworth left the service and enrolled in college. He was unsuccessful in his college classes and reenlisted in the Navy in 1962.

During an assignment in 1970, when Whitworth and John Anthony Walker, Jr. were stationed together, the two became acquainted and Walker eventually started a conscious effort to assess Whitworth as a potential agent for expanding and continuing Walker's espionage efforts on behalf of the KGB.

In 1974, Whitworth had decided to resign from active duty. During this same year, in a San Diego restaurant, Walker finally asked Whitworth to join him in a conspiracy which would allow them to receive significant

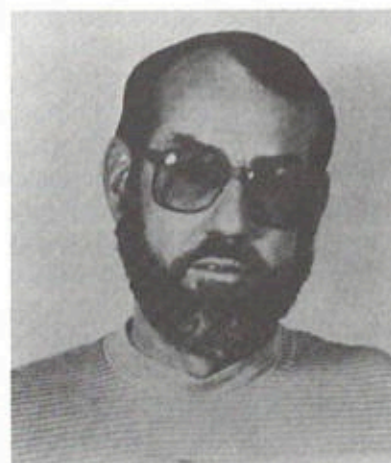
payments for selling classified information.

Walker asked Whitworth to provide him the information which he, in turn, would sell to criminal elements where there was a known market. The two men would then split the profits. Whitworth agreed to cooperate with the knowledge that the information was being sold to the KGB coming only at a later date in their conspiracy.

Whitworth thereafter reenlisted in the Navy. He advanced to Senior Chief Radioman and received the highest ratings from his superiors. Following his recruitment by Walker, Whitworth became a model service member and excelled in his specialty until his retirement on 31 October 1983.

Whitworth was secretly married in 1976. Between that year and 1985, Whitworth met with Walker on an average of two to four times a year at which time he would pass to Walker 25 to 50 rolls of Minox film containing classified information.

Whitworth's trial began on 06 March 1986. He was convicted on



WHITWORTH

24 July 1986 on seven counts of espionage and one count of tax evasion. On 28 August 1986 Whitworth was sentenced to 365 years in prison and a \$410,000.00 fine.

EDWARD HILLEDON WINE

In August 1968, Sonar Technician First Class Edward Hilledon Wine, Jr., U.S. Navy, arranged to provide classified U.S. submarine information to a civilian associate for passage to representatives of the Soviet Union in New York City. Wine had been assigned to a nuclear submarine, USS Skate (SSN-578), homeported in New London, Connecticut.

The civilian associate informed the Federal Bureau of Investigation (FBI) of Wine's intention, and the FBI contacted the Naval Investigative Service (NIS).

An investigation resulted in the arrest of Wine. A subsequent search resulted in the discovery of handwritten notes containing Secret data pertaining to submarine patrol schedules and a Confidential technical publication.

Wine was given a General Courts-Martial and he pled guilty to mishandling classified material, was sentenced to three years in prison, reduced to E-1 and given a dishonorable discharge.

HANS PALMER WOLD

Hans Palmer Wold was an Intelligence Specialist Third Class assigned to the Intelligence Division aboard USS Ranger, when he requested and was granted leave from 13 June through 02 July 1983.

The leave was granted with the understanding that Wold would remain in the local San Diego area, but on or about 02 July Wold's command received a message from the American Red Cross, Subic Bay, Republic of the Philippines (RP), in which Wold requested an extension of leave. Wold's request was granted and his leave was extended for five additional days. But he failed to report for duty on 07 July 1983 and was listed as an unauthorized absentee.

Wold's command then requested NIS assistance in locating him and ensuring his turnover to the Special Security Officer for the Commander of the U.S. Naval Forces in the Philippines (COMUSNAVPHIL) at Subic Bay for appropriate debriefing.

On 19 July 1983, Wold was apprehended by NIS special agents at his fiancée's residence in Olongapo City, in the Republic of the Philippines, for being an unauthorized absentee. During Wold's apprehension, an undeveloped roll of Kodak 110 color film was seized.

Wold was released to the N2 (Intelligence) for COMUSNAVPHIL to be debriefed. During his processing at N2, Wold told a chief intelligence specialist that

the roll of film seized by NIS contained photographs from a top secret publication. NIS was apprised of the contents of the film and initiated an investigation into the matter.

Wold admitted to NIS special agents that he had covertly photographed portions of a top secret publication aboard USS Ranger during early June, 1983, with the intention of contacting the Soviets. The film, processed under strict security measures, revealed that it did in fact contain images of pages from a top secret publication entitled "NAVY APPLICATION OF NATIONAL RECONNAISSANCE SYSTEMS (U)". It was determined that a total of twelve out of focus images were on the roll of film.

On 05 October 1983, Wold pled guilty at a General Courts-Martial to "unauthorized absence"; "missing movement"; "using marijuana onboard the USS Ranger"; "false swearing"; and three specifications of violating Title 18 U.S. Code, Section 793, "making photographs with intent or reason to believe information was to be used to the injury of the U.S. or the advantage of a foreign nation."

Wold was sentenced to four years at hard labor; a dishonorable discharge; forfeiture of all pay and allowances; and reduction in rate to E-1.

DOUBLE AGENT OPERATIONS

Counterintelligence operations enable the U.S. intelligence community to monitor hostile intelligence services so appropriate countermeasures can be taken to protect sensitive information upon which the survival of this country may one day rest.

One way this is done is through the use of double agents -- individuals under the control of one intelligence agency who offer their services to an opposing intelligence agency.

Through the use of double agents, the U.S. intelligence community is able to identify hostile intelligence services: operatives and agents, "tradecraft", electronic and photographic eavesdropping capabilities, and sources and methods of operations.

In some cases, double agent operations have resulted in the arrest of hostile intelligence service officers. Some of these hostile intelligence officers had diplomatic immunity and were deported. Others were convicted of espionage and later traded for prisoners held in Eastern bloc countries.

Another goal of double agent operations is to discourage hostile intelligence agencies from accepting "walk-ins", who come to them offering their services. "Walk-ins", such as John Walker, have been responsible for a majority of the damage done to national security through espionage.

Since the Federal Bureau of Investigation has primary jurisdiction in counterintelligence matters inside the U.S., all double agent operations conducted inside the U.S. are coordinated with the FBI.

HOW THEY WORK

Although "double agent" operations are the result of careful planning and preparations, they sometimes begin in what might be considered a less than spectacular fashion. A very successful and one of the few double agent operations made public in recent years started with, what for lack of a better word, was a daydream.

In the summer of 1980, NIS Special Agent Ron Olive was involved in a fraud survey at what was then the Naval Electronic Systems Engineering Center (NAVELEX) in Charleston, S.C. Although the purpose of the survey was

to detect fraud, waste and abuse, Special Agent Olive got another idea.

"I noticed they dealt a lot with submarine communications, and I started thinking that the Soviets would be extremely interested in this type of information," Special Agent Olive said. "I wrote up a proposal to recruit a civilian double agent and target him against the Soviets by having him supply controlled information to them about submarine acoustics and communications.

"It was initially intended to find out exactly what the Soviets were looking for in the area of submarine communications and to discover how they would task and handle someone working for the Navy in an area such as Charleston, which is away from diplomatic establishments."

As an after thought, Special Agent Olive modified it to target the East German intelligence Service -- the Ministerium fuer Staatssicherheit (MfS).

Special Agent Olive then presented it to the FBI and eight months later, the operation began. "The total take from this operation," Special Agent Olive said, "proved to be much more than I ever dreamed."

THE DOUBLE AGENT

The first and most important task facing the NIS and the FBI was to find someone willing to be the "double agent".

"We were looking for a very special type of person," Special Agent Olive said. "Several people had been interviewed under the pretext of a security survey. As soon as Bill Tanner was interviewed, we knew immediately he was going to be the man for the job.

"He was very calm and forthright, and had a very good record. He seemed like he would stand up well under extreme pressure and think clearly at the same time -- something that would later prove invaluable to the success of this operation. He was intelligent and knowledgeable of the world situation and, of course, submarine communications."

Although Tanner was the top prospect, he wasn't aware



BILL TANNER

of it until weeks later.

"After doing some background checks on Tanner, we called him and asked him to meet us at a local restaurant," Special Agent Olive said. "He didn't know why we asked him to meet with us. We just told him he would be meeting with agents from the FBI and NIS."

Tanner agreed and later met with Special Agent Olive and an FBI Agent.

"We didn't tell him what his job would be," Special Agent Olive said. "We just asked him if he would be willing to participate in a highly sensitive operation for the Navy."

"As we expected, he was dumfounded. We told him it could put him in a hostile environment where there could be a high degree of anxiety and pressure. We told him this operation would be outside of normal working hours and it would not interfere with his job. Then we told him to go home and think about it and we would get back with him in a week or so.

"About a week later we got together again. He said he thought about it and really wanted to participate in it. He was subsequently recruited formally and his training began for the operation."

It was called "Operation Showdown".

OTHER DOUBLE AGENT OPERATIONS

Ironically, while Special Agent Olive was drawing up the plans for one "double agent" operation, a story about another one involving the NIS and the FBI appeared in the June 1980 edition of *Reader's Digest*. Written by Jeremy J. Leggatt and entitled "Art Lindberg's Walk in the Cold", it outlined an operation which targeted hostile intelligence agents working out of the Soviet Union's United Nations Mission in New York.

Lindberg, a lieutenant commander in the U.S. Navy, was recruited much like Tanner. And like Tanner, Lindberg was married with children.

For Lindberg it began in April 1977 with a call from NIS Special Agent Terry Tate. It was the start of "Operation Lemonaid".

Nine years later a woman naval officer, Donna Geiger, received a similar call from an NIS special agent and became the double agent in "Operation Station Zebra".

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?

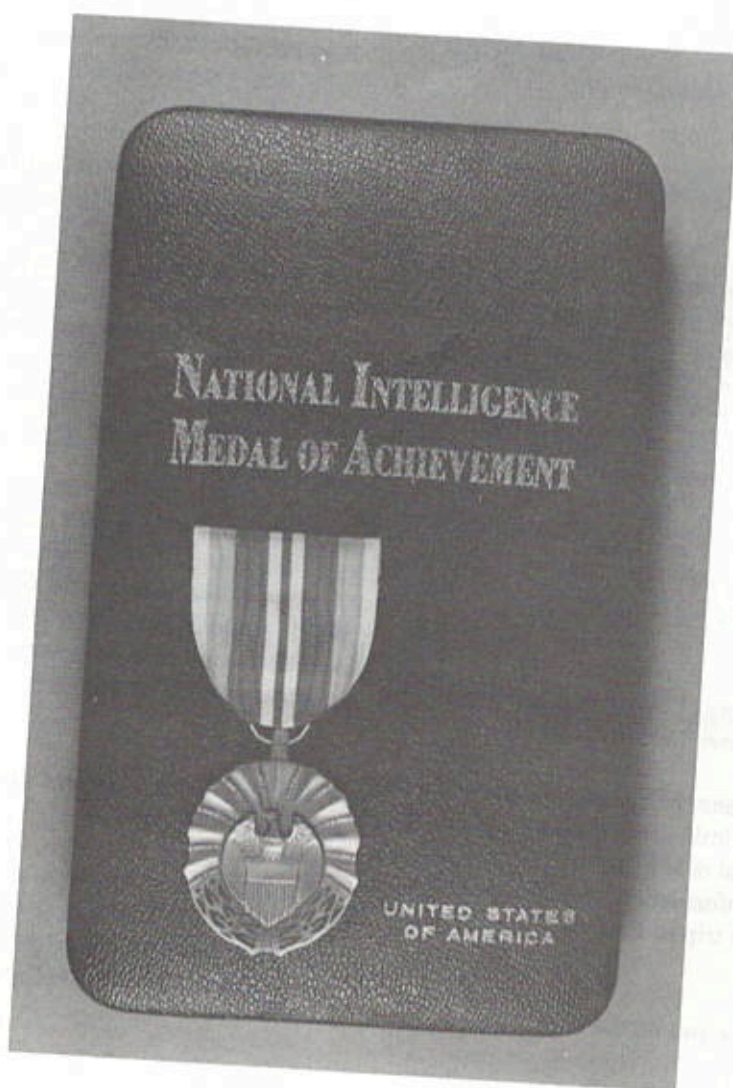
A: The thing that sticks out in my mind are the words he said to me just before he went to East Berlin. We had finished a meeting and I told him one last time, "Bill, you don't have to go. If you feel uncomfortable or you're fearful for your safety, than you haven't got to go."

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"

OPERATION LEMONAID

"Operation Lemonaid" took place in New York in the late 1970s and utilized a Navy Lieutenant Commander Art Lindberg as a double agent.

Lt.Cmdr. Lindberg was approached by the Naval Investigative Service in April 1977. After some meetings and interviews, NIS Special Agent Terry Tate asked Lt.Cmdr. Lindberg if he would be willing to consider performing a sensitive assignment for his country. Lt.Cmdr. Lindberg accepted the assignment and was later introduced to FBI agents from New York, who assisted in briefing him on the operation.

In August 1977, Lt.Cmdr. Lindberg took a trip on the Soviet cruise ship Kazakhstan. Upon the ship's return to New York, Lt.Cmdr. Lindberg passed a note to one of the Soviet officers containing an offer to sell information. He was later contacted by telephone by a Soviet agent.

During subsequent telephone calls Lt.Cmdr. Lindberg was given contact instructions on the type of information to get and the locations

of drop sites where that information could be left and payment money could be found. NIS and FBI agents kept the drop zones under surveillance and later identified the Soviet agents.

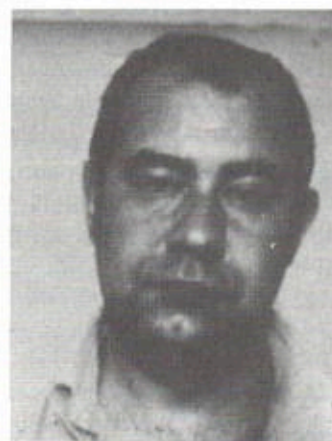
On 20 May 1978, Lt.Cmdr. Lindberg was scheduled to make another drop. This time, however, FBI agents moved into the drop zone and arrested three Soviets.

One of them was Vladimir Petrovich Zinyakin, who was a member

of the Soviet Mission to the United Nations. Zinyakin, who had diplomatic immunity, was expelled from the United States. The other two, Rudolph Petrovich Chernyayev and Valdik Aleksandrovich Enger, did not have diplomatic immunity. They were subsequently convicted of espionage and later traded for five Soviet dissidents in a dramatic swap at Kennedy Airport in New York.



CHERNYAYEV



ENGER

OPERATION STATION ZEBRA

On 2 Dember 1986 Donna Geiger walked onboard a Soviet scientific research vessel, the Akademik Boris Petrov, which was in the harbor of St. John's, Newfoundland, for a three day R&R.

Geiger, a Navy lieutenant who was later promoted to lieutenant commander, was a double agent who had been recruited by the Naval Investigative Service.

She was the key figure in a highly successful double agent operation involving the NIS, the Royal Canadian Mounted Police (RCMP) and the Canadian Security Intelligence Service (CSIS).

Lt.Cmdr. Geiger had just been stationed at the U.S. Naval Facility (NAVFAC) in Argentina, Newfoundland. When she went onboard the Soviet ship, she portrayed herself as a "disgruntled female naval officer...working in a world dominated by men...assigned to an isolated duty station."

She brought classified material to prove her intentions. She met with the captain and chief mate of the Soviet ship and gave them the number of a post office box in St. John's where she could be contacted.

In February 1987, Lt.Cmdr. Geiger recieved the first letter indicating someone would meet with her. The letter was postmarked in Ottawa. The meeting was postponed in subsequent letters before a meeting was finally held.



**"MICHAEL", WITH BACK TO CAMERA, MEETS
WITH DOUBLE AGENT DONNA GEIGER**

On 17 May 1987, acting on directions she received by mail, Lt.Cmdr. Geiger went to the entrance of the Hotel Newfoundland in St. John's where she met an individual identified as "Michael" at approximately 1600.

They went to her car in the parking lot of the hotel where she was given money and some tasking to collect information. No documents were passed at this time.

On 24 May 1987, another meeting was held. This time they met at a monument called the "War Memorial" about six blocks from the Hotel Newfoundland. After a brief meeting, they went to a restaurant where classified information was exchanged for money. During this meeting she was tasked to provide information on the highly classified

Sound Underwater Surveillance System (SOSUS) and NAVFAC Argentina's area of responsibility.

The two were scheduled to meet again in October but the meeting had to be postponed.

Lt.Cmdr. Geiger, who was married with one child, gave birth to her second child in October.

In December 1987 at about 1600 they met again at the entrance of the Hotel Newfoundland. The meeting lasted about one and a half hours. Lt.Cmdr. Geiger was given more money in exchange for eight documents, including classified material. During this meeting she was given additional tasking to find out what the U.S. knew about the acoustics of Soviet subs and any U.S. methods of tracking Soviet submarines. In addition, she was provided

with a modified camera designed for document photography, secret writing materials and an "accommodation address" in East Berlin where she could mail letters to signal for other meetings.

On 11 June 1988 Lt.Cmdr. Geiger and "Michael" met again. By this time "Michael" had been identified as Stephen Joseph Ratkai, a Canadian-born son of a Hungarian emigre. Ratkai held dual Canadian and Hungarian citizenship.

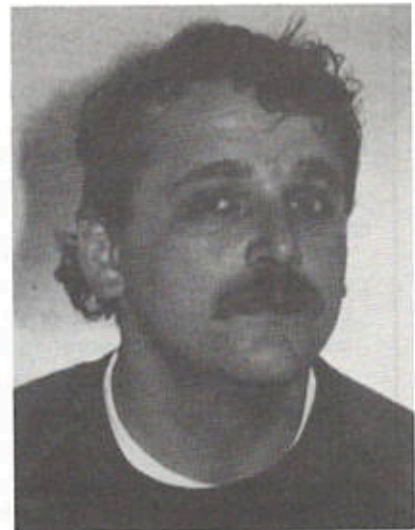
When they met at the Hotel Newfoundland, Lt.Cmdr. Geiger steered Ratkai to a room which had been outfitted with audio and video surveillance. The meeting lasted

about one hour and 25 minutes. Lt.Cmdr. Geiger was given more money in exchange for one classified document and portions of another.

But when Ratkai left the room he was arrested immediately in the hallway.

On 6 February 1989, Ratkai pleaded guilty to espionage in the Supreme Court of Newfoundland. It marked the first conviction under Section 3(1C) of the Canadian Official Secrets Act for espionage.

On 9 March 1989, Ratkai was sentenced to two concurrent nine year prison terms.



RATKAI

"CURIOSITY" LED OFFICER TO ACCEPT ASSIGNMENT

The following is from an interview with the NIS case agent on Operation Station Zebra:

Q: How was Lt.Cmdr. Geiger selected?

A: We use various selection processes, but in this case, she was recommended by her commanding officer. We work very closely with the command during the selection process and in this particular case, that relationship enabled us to find exactly the type of person we were looking for. We wanted someone with prior operational experience in anti-submarine warfare, particularly in SOSUS, and Donna was it.

Q: What type of person volunteers for this type of assignment?

A: First of all, for the most part we select candidates for this type of operation. Then we give them the opportunity to volunteer. Because of the different scenarios and goals of the operations we have to consider candidates from a variety of backgrounds, including officers, enlisted and civilian DoN (Department of the Navy) employees. They are carefully screened prior to selection and there are some commonalities. They have good performance records and are loyal, patriotic and dependable.

Q: What is the attraction?

A: I think initially it's curiosity. You are presenting them with an opportunity to become involved in something that they never in their wildest imagination envisioned themselves in. And I would think there is some initial thrill to it. But I think in most

cases, when you talk to people who have been involved in this the patriotism and the opportunity to serve their country comes through. That may sound corny, but it's true. Anyone who has been involved in this type of operations knows there is a lot more hard work involved than thrills. There is a lot of preparation and drudgery for those few hours of operational contact.

Q: What type of person is Donna Geiger?

A: She's bright...articulate...dedicated and patriotic...everything that you would envision the modern woman being. She was a wife, mother and naval officer, and at the same time did an outstanding double agent. She was a quick learner and had the ability to think on her feet in stressful situations. We had a lot of confidence in her ability and she never disappointed us.

Q: What was her response when you first contacted her?

A: When we first contacted her we only told her she was being considered for participation in a sensitive operation that had been approved by the Navy. We met with her several times and I think initially it was curiosity that kept her coming back. Once she had been briefed on exactly what it was that we wanted her to do, I think it was her competitiveness that kept her going. I think she viewed this thing as a challenge and looked at it from the standpoint of "Am I really capable of doing this and can I pull it off?" As a matter of fact, after the operation concluded, she told us that having been through this she was confident of her abilities to handle anything else that might come up.

Q: What were some of the benefits of Station Zebra?

A: It accomplished several things. It reaffirmed our belief that that Soviet shipping in the St. John's area was involved in intelligence collection. We learned more about Soviet methodology for ostensibly handling an "American spy" in Canada. And third and probably most important was the identification and prosecution of an illegal agent who as a Canadian citizen could have gone anywhere in Canada and the United States to collect information.

Q: What will happen to Donna Geiger now? Is there any possibility she may be used in the CI field again?

A: I think that would be highly unlikely. In cases such as these, particularly those which result in prosecution, the double agents resume their regular careers.



SURVEILLANCE PHOTOS OF RATKAI

CASES INVOLVING NISCOM

ESPIONAGE

NELSON C. DRUMMOND - 1962
EDWARD H. WINE - 1968
SAHAG KHATCHER DEDEYAN - 1973
RUDOLPH CHERNYAYEV - 1977
VALDIK ENGER - 1977
EUGENE L. MADSEN - 1979
STEPHEN A. BABA - 1981
MICHAEL R. MURPHY - 1981
ALFRED ZEHE - 1981
BRIAN P. HORTON - 1982
BRIAN E. SLAVENS - 1982
ROBERT W. ELLIS - 1983
JEFFERY L. PICKERING - 1983
HANS P. WOLD - 1983
ROBERT E. CORDREY - 1984
SAMUEL L. MORISON - 1984
FRANCIS X. PIZZO - 1984

MICHAEL T. TOBIAS - 1984
JAY C. WOLFF - 1984
WILFREDO M. GARCIA - 1985
STEPHEN D. HAWKINS - 1985
ANNE H. POLLARD - 1985
JONATHAN J. POLLARD - 1985
ARTHUR J. WALKER - 1985
JOHN A. WALKER - 1985
MICHAEL L. WALKER - 1985
JERRY A. WHITWORTH - 1985
MICHAEL H. ALLEN - 1986
ROBERT D. HAGUEWOOD - 1986
CLAYTON J. LONETREE - 1986
STEPHEPH RATKAI - 1986
CRAIG D. KUNKLE - 1989
RANDALL S. BUSH - 1989

SECURITY-RELATED

GARY L. LEDBETTER - 1967
MICHAEL WYDRA - 1969
GLENN A. MCINTYRE - 1977
JOEL YAGER - 1977
DOUGLAS R. BACON - 1982
ALAN D. COBERLY - 1983
DAVID A. HEDIGER - 1983
KARL R. KELLY - 1983
JOHN R. MAYNARD - 1983
BRUCE L. KEARN - 1984
MICHAEL R. MOORE - 1984
RANDALL L. ROBERTSON - 1984

EDWIN R. FRYER - 1985
JAMES E. DEARMOND - 1986
MICHAEL C. JOHNSON - 1986
KENNETH J. KELLIHER - 1986
ALFONSO T. RUIZ - 1986
DAVID L. FLEMING - 1987
JOHN S. HAMMOND - 1987
ROGER A. VOLIN - 1987
ROBERT L. WILDMAN - 1987
ROBERT H. VALENTINE - 1988
SCOTT J. CHATTIN - 1989
HENRY O. SPADE - 1989

*Dates listed indicate year case was initiated



THE HISTORY OF THE ROSE

For centuries the rose, such as the one held by the woman above, has been used to symbolize secrecy.

According to researchers at the U.S. Army Institute of Heraldry, the term "subrosa" dates back to the Middle Ages, when a rose was hung over a door, on a chandelier or some other high fixture where secret meetings were held as a reminder that everything said was to be kept confidential. Today, the rose is still used as a symbol of secrecy and can be found on the crests of some U.S. Army intelligence units.

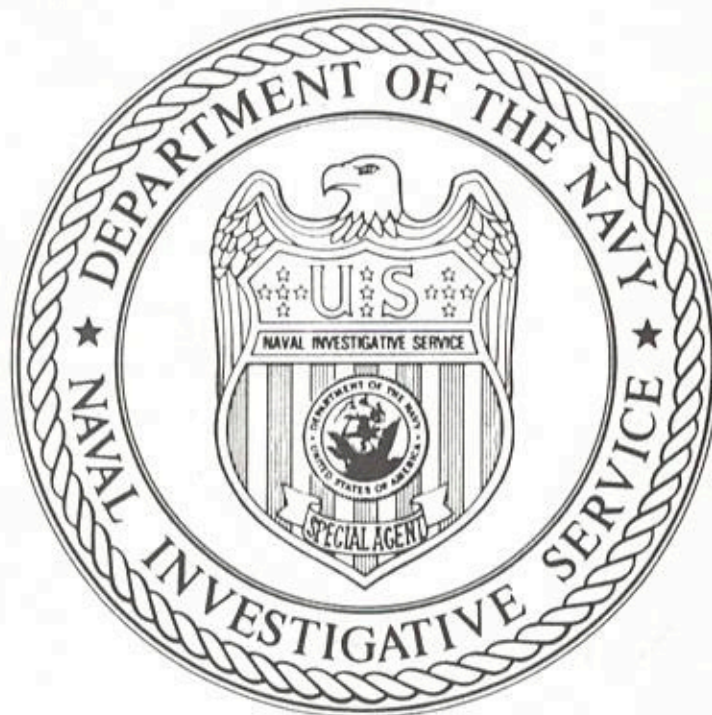
The picture above has a special significance when discussing this aspect of the rose's history because the woman is Violetta Seina, the KGB operative, who was used to lure Marine Sgt. Clayton Lonetree into a web of espionage. The photograph was part of the evidence seized by NIS special agents during a search of Lonetree's possessions.

NAVY ESPIONAGE HOTLINE

If you suspect espionage or security-related violations, you should notify the Naval Investigative Service at the following toll-free number:

1-800-543-NAVY

(Persons in the District of Columbia should call: 433-9191.)



ALL DEPARTMENT OF THE NAVY ACTIVE DUTY, RESERVE AND CIVILIAN PERSONNEL ARE REQUIRED BY SECNAVINST 5510.1H OF 29 APRIL 1988 (THE NAVY SECURITY MANUAL) TO REPORT ANY FORM OF CONTACT, INTENTIONAL OR OTHERWISE, WITH ANY CITIZEN OF A COMMUNIST CONTROLLED COUNTRY OR COUNTRY CURRENTLY HOSTILE TO THE UNITED STATES, TO THE NAVAL INVESTIGATIVE SERVICE.