

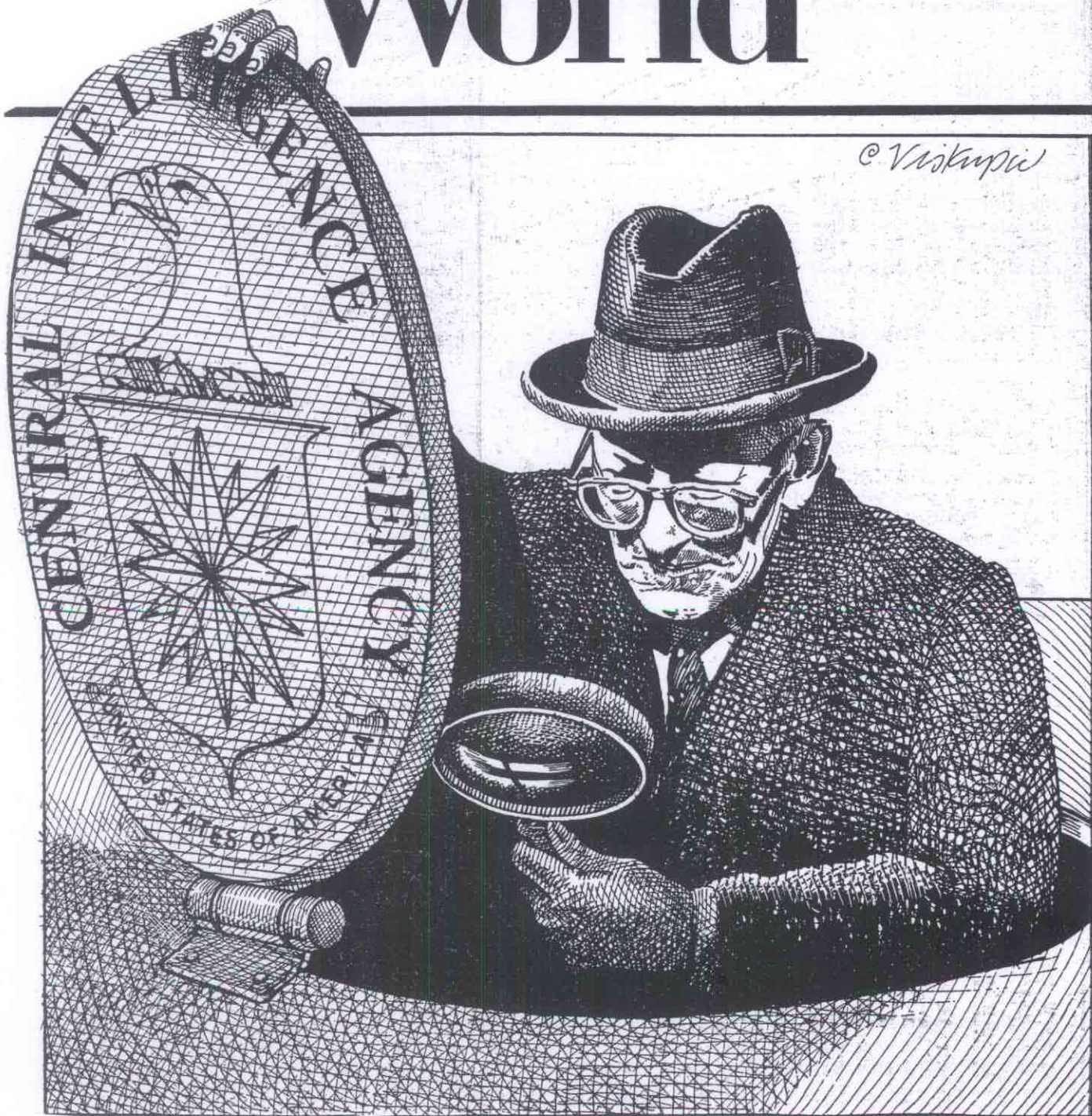
Book

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Desperately Seeking Sasha

MOLEHUNT **The Secret Search for Traitors That Shattered the CIA**

By David Wise
Random House. 325 pp. \$22

By David Ignatius

MOLEHUNT examines one of the most bizarre chapters in the history of the Central Intelligence Agency: the search for a Soviet agent that obsessed the CIA during the 1960s and crippled the operations of its Soviet Bloc division.

The story told here is hard to believe, even for readers who have grown up on John le Carre's tales of George Smiley, especially *Tinker, Tailor, Soldier, Spy* which focuses on the hunt for a mole inside British intelligence. But David Wise's account is carefully documented and based almost entirely on on-the-record interviews with former CIA officers.

Wise describes an agency so consumed by the molehunt—and the culture of secrecy and paranoia that had spawned it—that the CIA literally became its own worst enemy. The spymasters were so spooked during the mid-1960s that they stopped mounting aggressive espionage operations, stopped pushing to recruit KGB agents and stopped believing some of their own most senior officers. Soviet KGB defectors became so suspect that one was illegally imprisoned in conditions that approached torture and another was thrown back to the Russians. Both men, it now seems clear, were legitimate defectors.

The molehunters turned the agency inside out trying to find the spy in their midst. According to Wise, they screened more than 120 CIA officers as possible suspects, narrowed that list to 50 serious suspects, and finally focused on 16 to 18 potential espionage "cases." The careers of many of these "suspects" were wrecked, and in the climate of universal suspicion, the agency's own efforts to recruit Soviet agents came to a virtual halt. Indeed, some CIA officers who were still eager to recruit Soviets during the mole-mania came to be suspect, for that very reason! Yet not a single one of these cases against CIA officers—repeat, not a single, solitary one—ever proved out. The entire episode amounted to a massive self-inflicted wound.

The Captain Ahab of this particular harpooning venture was James Jesus Angleton, the legendary chief of the CIA's counterintelligence staff. Angleton was an irresistible character: Tall and thin, stooped as if weighted down by the store of secrets he had accumulated, he looked

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Molehunt

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the very image of a spymaster. By Wise's account, he exerted the same charm on a generation of CIA officers that he did later for a generation of journalists and biographers.

The problem was that much of the time, this brilliant, charismatic man was dead wrong about things. He had been wrong in the 1950s, for instance, in trusting the loyalty of his British friend Harold "Kim" Philby, who turned out to be a KGB spy. And he proved disastrously wrong when he finally met his match in the paranoia derby, the KGB defector Anatoly Golitsin.

Golitsin surfaced in 1961 in Helsinki. He claimed to have the kind of information the CIA most prizes—and most dreads—from defectors: evidence that the agency itself had been penetrated. Golitsin said that there was indeed a Soviet mole inside the CIA, and he offered some tantalizing clues about his identity. The mole was of Slavic background; he had been stationed by the CIA in Germany; his KGB codename was "Sasha," and his last name began with the letter "K."

ANGLETON SPENT the next 13 years, until he was forced into retirement, pursuing this chimera. He formed a special team of mole hunters to pursue Golitsin's leads, known as the "Special Investigations Group," with virtually unlimited powers of inquiry. He gave Golitsin the CIA's own most secret files to fuel his speculations. He continued to indulge Golitsin even when he began dishing out what most people would regard as sheer nonsense, such as allegations that British Prime Minister Harold Wilson and U.S. diplomat Averell Harriman were both KGB spies. In the airless, windowless crypt of secrecy within which Angleton operated, there was no way for common sense to penetrate. And so the ruinous molehunt ground on.

Wise's account is not the first word of these extraordinary doings. The story has been emerging in bits and pieces for the past 15 years. David Martin, now a CBS correspondent, began to tell the tale in his path-breaking 1980 book, *Wilderness of Mirrors*. British journalist Tom Mangold added a wealth of new detail last year in his superb biography of Angleton, *Cold Warrior*. Indeed, many of the details in *Molehunt* will be familiar to those who have read Mangold's biography. What Wise has done is to focus on the chase itself, and its victims. That is what makes his account so readable, and so devastating.

Wise is at his best in describing the human consequences of this molehunt—the price paid by the individual CIA officers who were its targets.

A poignant example is Peter Karlow, whose promising CIA career was ruined by the investigation. Karlow's sin was that he fit Golitsin's bill of particulars. His background was Slavic, he had served in Germany, and his last name began with K.

The facts that Karlow was also a war hero who had lost a leg fighting for the United States in World War II and that he had an unblemished record with the CIA were irrelevant. So was the detailed evidence that emerged of Karlow's innocence, such as the polygraph examinations administered by the FBI and the refutation of various specific charges. Angleton wasn't interested in counter-evidence. Karlow, recognizing that he was powerless to fight the accusation and that his CIA career was over, resigned from the agency in 1963.

Another poignant case was that of the agency's first chief of station in Moscow, Paul Garbler. He became a suspect even though his last name didn't begin with K, largely because he had handled an agent in Germany whose name *did* begin with K—one Franz Koischwitz, better known as Igor Orlov. (About him, more later.)

The evidence against Garbler was as flimsy as that against Karlow, but the agency still concluded that he was a grave security risk. He was moved off the fast track and spent six years in the boondocks: First as deputy director of the CIA's training facility in Williamsburg, Va., known as "the Farm," then as chief of station in Port of Spain, Trinidad.

Failure to find the mole only pushed Angleton and Golitsin to greater extremes of paranoia. The head of the Soviet Bloc division, a man named David Murphy, briefly became a suspect. So did his chief of operations. And so too, tragically and inevitably, did Angleton him-



A PHOTO FROM "MOLEHUNT," TAKEN IN BERLIN IN 1953

Igor Orlov, the CIA agent who was suspected by Angleton to be the KGB mole

self. One of his molehunters, who had spent years barking up dead ends at Angleton's behest, finally pointed the paranoia-gun at his master. He reasoned that if you began (as Angleton did) with the assumption that there was a Soviet penetration agent high up in the CIA, then wasn't it possible that the culprit was the very man who had launched the paralyzing molehunt in the first place—a man who seemed almost to take orders from a mysterious Russian named Golitsin? That was the measure of Angleton's folly: that his method could ultimately be used against him.

The only real spy the molehunt may have nailed wasn't a CIA case officer at all, but Garbler's agent in Germany, Igor Orlov. This former KGB officer, "a little china doll of a man," as Garbler remembered him, had escaped to West Germany after World War II. He was hardly a master espionage agent. His main job for the CIA was running 11 prostitutes and a piano player at a bar in East Berlin that was frequented by Soviet soldiers. Yet Angleton seemed convinced, to the end of his days, that Igor Orlov was the key to the puzzle.

The Orlov case provides my own small connection to this story. In 1979, when I was covering the CIA for the Wall Street Journal, I lunched several times with Angleton at his club in downtown Washington. I was

hardly alone; Angleton seems to have dined with half the press corps in that period. Perhaps he was bored with his fellow CIA retirees.

In any event, after he had smoked dozens of his beloved Virginia Slims, Angleton told me that he was going to confide a great secret—the key to the puzzle. He proceeded to tell me the story of a KGB defector who had worked for the agency in Germany but had remained loyal, all the while, to the KGB. Angleton insisted that this man, who now ran a picture-framing shop in Alexandria, was the real mole, the real Sasha, the real fruit of the ten-year molehunt. His name was Igor Orlov.

I bounded off to see Orlov at his shop in Alexandria and listened to him explain the complicated story of his life with the KGB and the CIA. I asked him about the various incriminating things he had supposedly done since retiring as a CIA agent, such as visiting the Soviet Embassy in Washington, and he wearily answered my questions. His wife later explained that he had agreed to talk to me only because he assumed that despite my claim to work for the Journal, I was really another of the FBI agents who had been quizzing him for years about such matters.

I later wrote about Orlov and his role in the great molehunt, noting the FBI's conclusion at that time that maybe he had been a mole, but then again, maybe he hadn't. The case against him strengthened somewhat a few years later when a KGB defector named Vitaly Yurchenko surfaced and said, among many other things, that Igor Orlov had indeed been a Soviet agent. Maybe so. But I remember thinking back in 1979, as I walked out of Igor Orlov's picture-framing shop, that even if he was guilty, he was a rather puny prize for all the effort that Angleton and his colleagues had expended. ■

The Old School Spies

HONORABLE TREACHERY **A History of U.S. Intelligence,** **Espionage, and Covert Action from the** **American Revolution to the CIA**

By G.J.A. O'Toole
Atlantic Monthly Press. 591 pp. \$29.95

THE OLD BOYS **The American Elite and the** **Origins of the CIA**

By Burton Hersh
Scribner's. 536 pp. \$29.95

By Byron Farwell

JULIA CHILD was a U.S. spy in China? The records are still sealed, but it appears doubtful that she was cooking chow mein while employed at the OSS office in Chungking during the Second World War. She is but one of many unlikely people whom G.J.A. O'Toole names in this splendidly written, impeccably researched, and perfectly fas-

Byron Farwell's latest books are "Armies of the Raj" and the forthcoming "Stonewall: A Biography of Thomas Jackson."

cinating history of American involvement in the black arts from the days of George Washington to the Cuban missile crisis.

Some of the characters, particularly such famous Civil War spies as Allan Pinkerton, Rose Greenhow, and perhaps even that daring young balloonist, "Professor" Thaddeus S.C. Lowe, may be well known, but the story of the first U.S. covert operation, performed by William Eaton in North Africa, is probably unfamiliar to most.

Because a Barbary Coast pirate named Yusuf Karamanli was holding American seamen—including 307 naval officers and men—as slaves and demanding an enormous ransom, Eaton, with his government's blessing, formed a mercenary army in Egypt, marched it across the desert, and with some help from guns from U.S. warships, captured one of Karamanli's chief ports and prepared to replace the blackguard with a more amiable emir. This successful operation was aborted, however, by pusillanimous American negotiators, who agreed to pay a reduced ransom and abandoned both Eaton's army and the amiable emir.

A more amusing account, and indicative of the state of the cryptologist's art in America 80

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years ago, is that relating to Herbert O. Yardley, a telegrapher at the State Department in 1912. Although he had only a high school education and no formal training in mathematics, he amused himself during long night watches at State by breaking all of the American diplomatic codes in the messages that came into the office. When his puzzle solving was discovered, unsettled diplomats created more difficult codes—which Yardley continued to break with ease. By 1917 he was in charge of American cipher operations.

WORLD WAR I saw many noted men turning their hands to espionage, particularly in Britain. A.E.W. Mason, popular mystery novelist (*At the Villa Rose*, *The House of the Arrow*) and playwright, went to Mexico disguised as an eccentric lepidopterist. Novelist Somerset Maugham was a covert officer in Switzerland and was scheduled to direct a propaganda campaign in Russia, but the trip was canceled when the Bolsheviks seized power.

At the same time in the United States, spy fever was rampant and German spies were seen under every bush. To track down all sightings and report on the suspicious behavior of friends and neighbors, a large vigilante organization called the American Protective League was formed as an auxiliary of the Department of Justice. In Hollywood, Cecil B. DeMille organized a branch to sniff out spies and saboteurs in the film industry.

As real spies were thin on the ground, the APL's main work was finding draft dodgers. There were, however, other suspicious folk. A Jewish army dentist was dishonorably discharged when it was learned that he came from a section of New York City inhabited by "German and Hungarian Jews." A woman stenographer in the Navy Department who tried to organize her female co-workers to press for equal pay was investigated by the Office of Naval Intelligence and dismissed.

There were, though, a few real German agents. Among them was Anton Dilger, an



BETHMAN ARCHIVE PHOTO REPRINTED IN "THE OLD BOYS"

"Herbert O. Yardley amused himself during long night watches at State by breaking all the American diplomatic codes."

American of German parentage, who in 1914-15 operated a laboratory in Chevy Chase, where he manufactured glanders and anthrax cultures for German agents to use in infecting horses and mules destined for the Allied forces in Europe. Dilger went on to grander things and is thought to have been involved with the explosion of two million pounds of explosives on Black Tom Island in New York City's harbor on the night of July 29, 1916.

At war's end a secret agency, cryptically called the Inquiry, was established by President Wilson to study the terms the Allies demanded in the peace treaty. Its secretary was 28-year-old Walter Lippman and it was financed by the president's Contingent Fund, a secret unvouchered account established in 1790 and perhaps still available to

U.S. presidents.

Between the world wars intelligence activity in this country languished, particularly after Henry L. Stimson, secretary of state, in 1930 discovered to his horror a cipher bureau in his department that read foreign embassies' dispatches. "Gentlemen do not read each other's mail," he said, and closed down the operation. Soviet intelligence, on the other hand, thrived, thanks to Amtorg, a joint trading venture established by Julius and Armand Hammer and the Soviet government that provided a handy commercial cover for agents.

O'Toole gives a detailed account of the successful American efforts to crack Japanese codes and, discounting all conspiracy theories, he provides a plausible answer as to why our forces were surprised by the

Japanese attack upon Pearl Harbor. William Donovan, "the one person in the government responsible for national intelligence," was not told that Japan's most secret code had been broken and that thousands of messages were available for decoding. Gen. Short and Adm. Kimmel in Hawaii were also kept in the dark. The shortage of trained translators and cryptanalysts made translations and deciphering slow. "The American intelligence system had developed a capacity to collect information that far exceeded its capacity to analyze it," says O'Toole.

Eventually American intelligence improved and its many successes in World War II proved its worth. According to O'Toole, the U.S. won the Battle of Midway because Adm. Nimitz knew exactly where and when the Japanese planned to attack and with what forces. The postwar successes of the CIA have been fewer and its failures, notably the failure of American intelligence to predict the Korean War and the Bay of Pigs fiasco, have been more dramatic.

IT HAS been charged frequently, and Burton Hersh does so again in *The Old Boys*, a breezy account of the last 50 years of American intelligence, that the Office of Strategic Services in World War II, and its successor, the Central Intelligence Agency, are elitist, its key players products of Ivy League schools and prestigious Washington and New York law firms. OSS was said to stand for "Oh So Social." But this has always been the case, it seems. O'Toole says that "from the beginning some of America's most important spies and spy masters have been Ivy Leaguers." From the Revolutionary War to the CIA, our intelligence has been handled by "clubbable young aristocrats." Even Nathan Hale, who regretted that he had but one life to give to his country, was a Yale graduate.

Hersh believes that having our intelligence operations, and particularly our covert actions, in the hands of such elite types is un-American, a threat to our democratic institutions and against the American grain. O'Toole does not think the CIA's elitism as important as the fact that its activities are vital to our national interests; and "chance-time activities," he says, "are as American as apple pie or the bald eagle." ■