

Bud via Jim, the Paisley matter and the Atlanta Journal-
Constitution 9/20/81 Burstein story 9/28/81

Paisley's reported friendship with Nosenko is news to me. It seems not ~~KK~~ to be consistent for Burstein to report Paisley was part of the Nosenko interrogation and subsequently his best friend. After that kind of abuse?

For this and for the Shadrin debriefing Paisley should have had expertise not indicated in Burstein's story.

I don't know anything about Paisley's political beliefs but Burstein's effort to paint them liberal, which may be true for other reasons, are not supported by his claim that immediately after World War II there was a pro-Soviet attitude in OSS. I was there and there wasn't any such thing.

Individuals and parts of units of any organization have their own beliefs and attitudes and I have no doubt that there were pro-Soviet people in OSS, but not any unit or policy was pro-Soviet.

The opposite was policy and practice, except where cooperation was required.

We were never not engaged in anti-Soviet intelligence operations then. These ranged, to my recollection, from stealing bags of Soviet mail inside such places as Roumania and (perhaps military, perhaps jointly with the military) forages of similar nature into Austria to destroying valuable Nazi records if they could not be removed by the time Russian occupation forces were due.

The idea was to keep the Soviets from getting such records as those of the Gestapo and Nazi party, which disclosed memberships. Some of these were destroyed rather than left for the Soviets.

The Nosenko-Paisley friendship does interest me because of my interest in Nosenko and what happened to him and why it happened to him. I have no special knowledge but the so-called case against Nosenko never had any substance and the alleged basis for doubting him is non-existent. I am satisfied that the real reasons was a combination of paranoia and fear of the consequences of what Nosenko reported about Oswald's attitudes and of the KGB suspicion that he was an American sleeper agent or an agent in place. Paisley and any other competent intelligence officer would know immediately that the Intourist people provided all the rundown the KGB needed and that Intourist people not uncommonly are also KGB people. This also is to say that he'd know immediately that there was no real basis for charges against Nosenko and that someone inside the CIA had an interest in fabricating a case against Nosenko.

I am not suggesting that this figures in what happened to Paisley and don't know.

But along with ~~KKK~~ other unusual matters, like the Shadrin disappearance, it is somewhat provocative.

Best,

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The Paisley Affair

CIA mystery wrapped in

By Daniel Burstein
Constitution Special Correspondent

WASHINGTON — It was a sun-swept afternoon, September 24, 1978. A lone sailor — middle-aged, tanned, with a scraggly beard — allowed his 31-foot sloop, the Brillig, to drift across the shimmering waters of the Chesapeake Bay. He studied some documents from his briefcase. He switched on and off his very special radio. He munched on a pickle loaf sandwich.

Then something extraordinary happened. Something violent. Something that shook American national security to its

foundations and is still reverberating around the world in financial scandals, murders and the nuclear brinkmanship of the superpowers.

Exactly what happened to John Arthur Paisley three years ago is not known for certain by anyone who will talk about it. The Central Intelligence Agency, for which he worked much of his life as an expert on Soviet nuclear capabilities, the Federal Bureau of Investigation, and the Senate Intelligence Committee may know. But their reports remain clamped under tight lid of secrecy.

Paisley, 55, never finished his sandwich and never returned from that day at sea. A bloated, blood-drained corpse with a

9-mm bullet lodged in its brain was dragged out of the bay a week after the empty Brillig ran aground.

Soon thereafter, the Maryland State Police identified the body as Paisley's and the cause of death as suicide. Official accounts from the police, FBI and CIA, pictured Paisley as a "low-level analyst" retired from the CIA, who committed suicide in despondency over his estrangement from his wife Maryann.

It took only a few weeks, however, for investigative reporters in cities that dot the Chesapeake area to tear through all three points in the official story with a

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enigma

mountain of evidence and a maze of unanswered questions.

Newspaper investigators disclosed that Paisley was not a "low-level analyst" as Stansfield Turner, then the CIA director, had contended, but one of the most important figures in the U.S. intelligence community. In fact, Paisley had figured prominently in the search for a rumored Soviet "mole" (double agent) hidden in the upper echelons of the CIA (or else, as some suspect, was the "mole" himself).



John Arthur Paisley

SEE Paisley

12A

Paisley

FROM 1A

Investigators also discovered numerous discrepancies in the identification of the body, discrepancies so marked that, to this day, there are serious questions whether the body was Paisley's and whether the cause of death was murder, not suicide.

Paisley's disappearance and possible death rocked Washington in the fall of 1978. One CIA source remarked at the time that "this thing is so big it touchate ratification of the SALT agreement had "a very great deal" to do with concerns that Paisley's disappearance had somehow compromised U.S. satellite verification abilities — the field in which Paisley was most expert.

Three years later, the demand for answers about Paisley has not abated. The mystery has grown only more knotted and troublesome as a continuing tale of blood and intrigue is associated with Paisley's name:

- In mid-1980, the Nugan-Hand Merchant's Bank in Australia collapsed with Francis J. Nugan having been found murdered earlier in the year and his American partner, Jon Michael Hand, having disappeared. Scandalous revelations poured out about the CIA's use of the bank to launder funds for international covert action. It was an important enough institution for former CIA director William Colby to have been Nugan's personal lawyer in America, and it has recently come to light that Paisley was particularly pre-occupied with Nugan-Hand's operations in August and September, 1978, only days before his disappearance. He had specifically asked a former consultant to the bank to join him at Coopers and Lybrand, an accounting firm intimately involved in the CIA's financial affairs where Paisley was employed after his formal retirement as deputy director of the Office of Strategic Research at the CIA in 1974.

- In April 1980, Ralph Madden, a defense intelligence expert who is believed to have known Paisley and was involved in some of the same issues of electronic intelligence, was found stabbed to death in Virginia.

- In June 1980, Irene Yaskovich was shot dead by a sniper as she sat at her desk, typing in her home. Yaskovich, whose Russian was even better than Paisley's nearly flawless fluency, had often worked with him, especially in translations of critical documents relating to Soviet defectors.

- Throughout 1980, Maryann Paisley charged her home was broken into, that she was being followed and that her phone conversations were being monitored. Mrs. Paisley, who had at first cooperated with the CIA (she herself had worked on a contract for the agency in the mid-1970s) later accused the agency of a coverup. While originally expressing doubt that the body found was that of her husband, she told The Constitution last week that later fingerprint evidence had convinced her that her husband was dead but she maintained she still believed her husband was a murder victim, not a suicide.

- There have been some half-dozen reports of people seeing Paisley — in the Soviet Union, in Europe, and at several American locales. Bernard Fensterwald, Jr., a lawyer retained by Mrs. Paisley to press the CIA, FBI and Senate committee for information, acknowledges receiving reports of Paisley sightings in the United States, but

he said he has not been able to verify them.

As the third anniversary of Paisley's disappearance nears, it is time to review what is known about the case and entertain some new thoughts on what might have actually happened.

Paisley: The man

John Arthur Paisley first got involved in intelligence work with the Office of Strategic Services, the CIA's precursor, at the age of 22. Under merchant marine cover, he spent two years in the frozen Russian port of Murmansk. Later postings took him to the Mideast at the same time as James Angleton, who would later become the CIA's chief of counterintelligence, and the central figure alleging the existence of a "mole" within the CIA.

A technical innovator, Paisley played a pivotal role in

the development of every U.S. reconnaissance system from the U-2 spy plane to the \$40 billion KH-11 satellite system capable of reading the license plates on Brezhnev's Mercedes. He helped write the operational manual for the KH-11, numerous copies of which were later found to have fallen into Russian hands long before William Kampiles, a young CIA clerk, was convicted of selling a copy to the Russians.

Paisley advised development of SR-71 Blackbird spy planes deployed from Iranian bases to scan large portions of the Soviet Union. He repeatedly met with agency director Turner in September, 1978, to express concern that the U.S. outposts in Iran might fall into the hands of the then-ascending supporters of Ayatollah Ruhollah Khomeini — which they did not long after his disappearance and the collapse of the shah's regime.

Although he had formally retired from the CIA, he was often called in for consultation work after 1974. In fact, when then-director George Bush set up a panel of outside experts in 1975 to make an analysis of Soviet military strength independent from the ones made by CIA specialists every year, Paisley served as the CIA liaison to the outside group, known as "Team B."

The contradictory reports issued by Team A — the CIA team — and Team B came on the heels of a major power struggle between the Angleton and Colby factions of the CIA, and generated considerable controversy because it appeared that the Team A professionals had consistently understated Soviet capabilities and because the very existence of the highly classified Team B, as well as its report, was leaked to the press.

Perhaps nothing else so imbedded Paisley in the deepest layer of CIA secrecy as his work with Soviet defectors, especially his debriefing of Yuri Nosenko, a high-ranking KGB officer. Paisley reportedly had more personal contact with Nosenko than anyone else in the CIA. Nosenko himself stands at the center of the CIA's internecine war, with Angleton and former director Richard Helms charging that Nosenko was not a real defector but a double agent. Helms' successor, Colby, defended Nosenko and brought him into the CIA's inner sanctum, purging Angleton and other doubters at about the time of Paisley's retirement.

Paisley also took part in the debriefing of Nicholas Shadrin, a Soviet naval commander who defected in 1959 and disappeared in Europe in 1975. There was also evidence reportedly found in Paisley's apartment suggesting he also worked on the case of Arkady N. Shevchenko, the top Soviet diplomat at the United Nations who defected to the U.S. in April 1978.

Paisley's standing in the intelligence community is

most demonstrable by the documents and espionage gear in his possession when he disappeared: a burst-transceiver radio system capable of patching into the central Langley computers and transmitting or decoding some 10,000 words of information per minute, agency address books, and, reportedly, his final draft of a blockbusting report on the Team A-Team B conflict, examining why Team A had so underestimated Soviet strength and why Team B had been leaked.

In short, as one highly placed intelligence source told investigators at the time, "Paisley was never not involved in something big."

Paisley: The body

Was the body fished out of the Chesapeake really John Paisley? That is was four inches shorter and 26 pounds lighter than Paisley is presumably explicable by the effects of a week's waterlogging on a human body, although Dr. Russell Fisher, the Maryland state medical examiner, who identified Paisley for some unknown reason "corrected" his entry of 5'7" to 5'11" seven weeks after the cremation of the body. Why the body discovered was wearing size 30 shorts when Paisley wore size 34, has yet to be addressed by those who say it was him.

The blunt fact is that no one who knew Paisley well saw the body before it was cremated at a CIA-approved funeral home. Maryann Paisley was told by a CIA-provided lawyer that the body was so ghoulish as to be unviewable, a claim later disputed by the county coroner. She also was told that Col. William Norman Wilson, a friend of Paisley and the owner of the property where he docked his boat in Lusby, Md., had identified the corpse. Wilson, who also works in the intelligence community, later reportedly said he never saw the body and in fact had been told that Mrs. Paisley had identified it.

Fingerprints were not obtainable, according to Dr. Fisher, so he amputated a hand and sent it to an FBI lab for deeper-level skin prints. Remarkably, the CIA first said it had no record of Paisley's prints, having destroyed them "accidentally" a few years earlier during house-cleaning. Later a pre-World War II set would turn up at the FBI.

Whoever the dead man was, did he meet his fate by his own hand or another's?

Lawyer Fensterwald has proposed an interesting image of what Paisley would have had to do to take his own life: "Jumping off a boat with a gun in hand, pulling the trigger while in the water, is a weird way to commit suicide."

Fensterwald conjures up that image because experts say Paisley would have had to shoot himself while jumping from the railing in order to avoid having left any bloodstains or brain tissue on the boat itself. This becomes still harder to imagine when one considers that the body was found with 38 pounds of diving weights strapped to it.

Other nagging questions persist:

- About the proximity of Paisley's navigational course to both a CIA safe house at Hooper's Island and a reputed Soviet communications compound further up the bay.

- About why Paisley chose to live at 1500 Massachusetts Avenue in an apartment building permeated with Soviet embassy personnel, including four known KGB officers on his floor.

Most importantly, questions remain as to why the CIA insisted in the face of so many discrepancies that the body was Paisley's, that it was a suicide, and that its personnel were not to cooperate with any inquiries into the matter.

Paisley: The theories

There are two courses of speculation CIA-watchers have developed about what might have happened in the Paisley case. One is that he was the "mole" and was about to be discovered, so he killed himself or the KGB removed him to avoid embarrassment. Or he may have been working to uncover a mole and the mole, feeling threatened, acted first.

The talk of moles should not be taken lightly. It has now been well-established that Cleveland Cram, former CIA station chief in Ottawa, was called out of retirement in 1978 to investigate whether the CIA had been turned "inside out" by a Soviet mole or moles. Particularly worrisome were the enormous breaches of intelligence such as the loss of the KH-11 satellite manuals. Cram, specifically chartered to leave no stone unturned and look at the highest levels including Angleton, Helms, Colby and Bush, apparently never proved the existence of a mole. But speculation still runs rampant in the CIA that Moscow has, indeed, been successful in penetrating top levels of the CIA.

One of the problems with mole-hunting is that in the twilight world of superpower espionage it is hard to distinguish a deeply buried mole from a brilliant agent doing his job. Virtually everything in Paisley's career is open to either interpretation.

He seemed to be Nosenko's best friend, yet he also seemed to be his chief doubter. He was once accused by the Colby forces of leaking information during SALT negotiations, yet he later assisted the Nixon plumbers in a project specifically designed to plug leaks. He was retired from the CIA, yet he had access to its director, its agents and its communication facilities. In his work with Team B, most of his associates have described him as sharing the group's more "hardline" analysis of Soviet potential, yet former Defense Intelligence chief Daniel Graham, a Team B member, has decried Paisley as a "weepee liberal" overly concerned with disarmament.

Finally, there was nothing in his record to indicate ideological sympathies with the Soviet Union, yet little is known about what he actually did in Murmansk for two years during the heady post-war days of U.S.-Soviet cooperation.

If Paisley was a highly placed mole, it is not hard to understand why he might have killed himself or been killed by his bosses before his cover was blown. In that case, the CIA coverup would have the rationale of reorganizing the agency without making public how deeply it had been penetrated.

Conversely, if Paisley's involvement with the search for a mole was as hunter rather than as prey, then less credence may be given to the notion that he took his own life.

All these various theories make some sense if, indeed, it was Paisley's body that was fished out of the bay on October 1, 1978. But what if the body was not Paisley's? In that case, he could well be alive somewhere, either living quietly in Moscow or else hiding out from people he believes want him dead.

Whatever the truth of this extremely complex case, three very basic questions can be asked about the official line that Paisley, overcome with the ennu of reaching 55 or with bitterness about his separation from his wife, decided to plunge forever into the sea he loved so much:

- Why did the CIA, FBI and Senate all conduct

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Shevchenko



Bush



Colby



Helms



Shadrin



Turner

lengthy and top-secret inquiries into one man's despair with life?

• Why, three years after Paisley's disappearance, must the three major reports on the affair remain totally secret?

• Why do people connected with John Paisley in one way or another keep dying?