

Unlocking the Crypts: Spies Revealed In Venona Code Mostly Eluded Charges

In 1951, FBI Confronted Hall and Sax, but Couldn't Show Its Proof

By Michael Dobbs
Washington Post Staff Writer

Special agent Robert McQueen was convinced that the young man he had invited to accompany him to FBI headquarters in Chicago was a Soviet spy. But he also knew that proving the charge of espionage in front of a jury would be enormously difficult.

The case against Theodore Alvin Hall seemed clear enough. Intercepted Kremlin cables showed that he had handed over top secret information to the Soviets while working on the atomic bomb project at Los Alamos, N.M., during the last few months of World War II. The information provided by Hall and other spies had helped the Russians build their own bomb, which turned out to be a carbon copy of the American original.

By March 1951, when he confronted Hall with the espionage allegations, McQueen had amassed a great deal of information about the Harvard physics prodigy who had been recruited to join the Manhattan Project at the age of 18. An experienced investigator who had worked on some of America's toughest espionage cases, he had spent months sifting through Hall's mail, keeping an eye on his left-wing friends, and observing his "irregular" work habits at the University of Chicago.

But McQueen faced a problem that had become very familiar to investigators seeking to exploit what officials now describe as one of the biggest counterintelligence breakthroughs of the Cold War. The very existence of the code-breaking program known as "Venona" was one of the nation's most closely guarded secrets. Without corroborating evidence, McQueen would be forced to let a Soviet agent go free.

Out of the several hundred Soviet agents mentioned in the Venona intercepts, publicly released early this year, fewer than half have been identified by U.S. counterintelligence. And out of

the 80 or so people who were identified as Soviet agents, fewer than 10 were ever successfully prosecuted.

The FBI's failure to bring charges against Hall and others raises questions about the value of top secret information. In the long run, some experts believe, Venona may prove to be more useful to historians seeking to write the definitive story of a controversial period in American history than it was to the U.S. government at the time.

"What Venona shows is that prosecuting spies is very, very tough," said Harvey Klehr, author of "The Secret World of American Communism" and a professor of political science at Emory University. "Unless you catch them in the act, or have someone like [the former Communist agent] Whittaker Chambers who produced typewritten and handwritten material that could be traced to [Alger] Hiss, it is very difficult to secure convictions."

FBI records made public in recent months show that McQueen and other FBI agents attempted to get Hall and an alleged collaborator to confirm incriminating details contained in the Venona intercepts, but were unable to extract confessions. Now 71, Hall went on to have a distinguished career as a microbiologist and was permitted to leave the United States in 1962. Interviewed at his home in Cambridge, England, last February, Hall refused to discuss the espionage allegations on grounds that it would be "detrimental" to his health.

"I was convinced that Hall was guilty, but I could never develop enough evidence to prosecute him," said McQueen, who has since retired. He described the Hall matter as one of two unresolved cases that continue to bother him after 25 years as an FBI agent and 12 years as a judge.

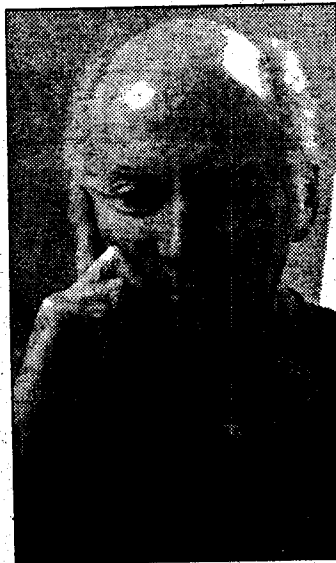
The charges against Hall first surfaced earlier this year when the National Security Agency, the U.S. government entity responsible for code breaking, publicly identified him as the

Soviet agent codenamed "Mlad" (Russian for "youngster"). According to Soviet intelligence documents, "Mlad" tipped off the Kremlin about the testing of the first American atomic bomb in July 1945 and handed over a rough blueprint of the device to his Soviet contacts.

American and Russian documents indicate that the Soviets had five or six informants at Los Alamos, the most important of whom was the British nuclear physicist Klaus Fuchs, who confessed to espionage in 1950 and was sentenced to 15 years in prison by a British court. The documents suggest that "Mlad" provided the Soviets with significantly more information about the bomb than convicted American atom spies such as David Greenglass, or Julius and Ethel Rosenberg, who were executed for treason in 1953. Another important informant, known by the codename "Pers," has never been identified.

Recently released FBI documents and interviews with investigators and family members have helped to resolve several lingering mysteries about the government's handling of the Hall case, including the failure to prosecute. The new information also sheds light on the reasons many Americans of Hall's generation felt attracted to Communist ideology, to the extent that some of them were prepared to spy on behalf of the Soviet Union.

One of the key pieces of evidence against Hall is contained in a coded message sent by the head of the Soviet espionage network in New York to his superiors in Moscow in November, 1944. The message, which was decoded by American cryptographers in 1948 or 1949, referred to Hall by name as a "talented physicist" recruited from Harvard to work on the atomic bomb project at Los Alamos. It describes him as having "an exceptionally keen mind" and being "politically developed."



FILE PHOTO/THE GUARDIAN

THEODORE ALVIN HALL

According to the message, Hall decided to cooperate with Soviet intelligence on the advice of his former Harvard roommate, Saville Sax. "We consider it expedient to maintain liaison with H[all] through S[sax] and not bring in anybody else," the message continued. Subsequent messages refer to Hall by the code name Mlad and to Sax by the code name Star (Russian for "old man"). Sax died in 1980 at age 56.

While there is nothing in Hall's family background to suggest an obvious Soviet connection, his friend Saville Sax could almost serve as a case study in KGB recruiting techniques. He came from a family of poor Jewish immigrants, who left Russia in 1914 during one of the periodic antisemitic pogroms carried out under the czars. His parents settled in New York, living in an apartment bloc with dozens of other Jewish families and never really assimilating into American society.

"It was a very closed community," recalled Boria Sax, Saville Sax's oldest son, a teacher in upstate New York. "They had a rather paranoid view of America. They identified American society with the people who were re-

"We consider it expedient to maintain liaison with H [Theodore Alvin Hall] through S [Saville Sax] and not bring in anybody else."

— message from head of Soviet spy network in New York decoded by the U.S. military's Venona project



FILE PHOTO

SAVILLE SAX

MLAD, From A18

sponsible for persecuting the Jews in czarist Russia."

Boria Sax said his grandparents virtually "barricaded themselves" into their New York apartment building, and spent much of their time dreaming about an idealized Russia that they had left behind. They welcomed the Bolshevik Revolution of 1917, viewing the Communists as the enemies of the hated czarist oppressor. This romanticized view of Russia blinded the family to the new waves of antisemitic persecution under Josef Stalin.

The Venona transcripts indicate that Saville Sax was introduced to Soviet agents by his mother, Bluma Sax, who worked for a Communist front organization. "She was basically a peasant woman who . . . looked up to Stalin

very highly, and thought that his regime would put an end to antisemitism," recalled Saville Sax's former wife, Susan Peters.

The FBI opened a major investigation into the Sax family in 1949, after the names of Bluma and Saville Sax showed up in intercepted Soviet intelligence documents. Peters said she attributed the FBI's interest in her husband to the McCarthyite paranoia that turned American society upside down in the early '50s in a hunt for Soviet spies.

Boria Sax described his father as a "person full of contradictions." "He had a very strong, vivid imagination," he recalled. "He had all kinds of ideas about everything. A lot of them were crackpot, some of them were inspired.

He could be a very impressive intellectual conversationalist, but he was undisciplined and prone to violent fits of temper."

Saville Sax's intuitive intelligence helped get him accepted to Harvard at the age of 17, where he struck up a friendship with Hall. Their former Lowell House roommate, Roy Glauber, who went on to work at Los Alamos and become a professor of theoretical physics at Harvard, recalled that Sax exercised a "mysterious influence" over Hall. Socially awkward and withdrawn from other students, Hall and Sax became natural soul mates.

A former Los Alamos colleague, Arnold Kramish, remembered Hall as being into "screwball ideas," such as mysticism and communism. Other

employees said Hall made no attempt to hide his left-wing sympathies or his contempt for the U.S. Army.

Hall and Sax remained friends after the war, when both moved to Chicago. Hall got a job in the biophysics department of the University of Chicago. Sax drifted from job to job. When the FBI hauled them in for questioning on March 16, 1951, Sax was a taxi driver.

Having worked on other espionage cases, McQueen knew that his best chance of getting Hall to confess was to obtain corroborating information from other members of the spy ring. This was the technique used to build a case against the Rosenbergs, who were also mentioned in the Venona intercepts. The key figure here was Harry Gold, who served as the inter-

mediary between Soviet agents in New York and the atomic bomb project in Los Alamos.

"In order to get convictions [against Hall and Sax], we needed someone like Harry Gold," McQueen recalled. "Unfortunately, we were unable to corroborate the information contained in Venona."

According to recently released FBI records, the showdown with Hall and Sax took place on the afternoon of March 16, 1951, in Chicago. The two men were picked up separately by two teams of FBI agents and invited to discuss "a matter pertaining to the security of the United States." For the next three hours, the agents sought to trap them in inconsistencies or unguarded admissions that could be used to build a case against them.

They made little headway.

Both men denied any involvement in espionage and would admit only to vague recollections about their activities in 1944-45.

Sax conceded he had visited the Soviet Consulate in New York, but insisted that he had only been inquiring about the fate of his relatives back in Russia.

He denied ever meeting the Soviet diplomat, Anatoly Yatskov, who was named in the Venona documents as his controller.

As the agent in charge of the case, McQueen had the task of interrogating

Hall.

He was able to get Hall to admit that, while working in Los Alamos, he had met Sax in the nearby city of Albuquerque, McQueen recalled.

This was a potentially damaging acknowledgment, suggesting that Sax may have served as the initial courier to Hall, but it was not nearly enough to mount a prosecution.

In retrospect, McQueen said he believes that it would have been very difficult to secure convictions against Hall and Sax even if he had been permitted to make public use of the Venona intercepts.

"As a former prosecutor, I can see real problems in getting this kind of evidence admitted into court," McQueen said. "The court would want to know who intercepted the messages, how they were decoded. It would be very difficult to prove."

Hall has refused to discuss details of the case. But Sax family members said that the FBI's interest in them slackened noticeably after 1951, and Sax was never called back for questioning.

"When I was growing up, there was always a kind of supercaution in the family," said Boria Sax. "We were always careful about the publications we subscribed to, about the mailing lists we got on, about not getting our name in the papers. I was perplexed by this. I thought it excessive and strange."