

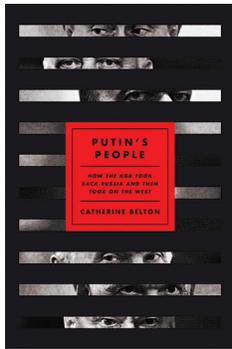
## Reviews by Peter Oleson



### ***Putin's People: How the KGB Took Back Russia and Then Took on the West***

by Catherine Belton

New York: Farrar, Straus and Giroux, 2020, 624 pages, heavily footnoted (101 pages), with Index.



A fascinating book that explains in detail how Vladimir Putin rose to power under Boris Yeltsin and has become Russia's modern day tsar. The book is detailed, well researched, and pulls no punches. Catherine Belton was a journalist for *Moscow Times*, *BusinessWeek*, and the Moscow correspondent for London's *Financial Times*. She

knows how to follow the money, which is what she has done and which shows how Putin, aided by his allies from the St. Petersburg KGB (the siloviki) and criminal organizations, consolidated power, crushed opponents, and took over Russia.

Belton focuses on the personalities that have supported Putin and the roles they have played both inside Russia and in the West, where at Putin's direction his agents and collaborators have stashed vast amounts of "black cash" siphoned from Russian enterprises.

**PUTIN'S MOTIVATION.** Belton writes that Putin was deeply angered by the breakup of the Soviet empire. He has been quoted as saying in 2005 that the breakup of the Soviet Union the "greatest geopolitical catastrophe of the century." He views it as a national humiliation and his aim is to restore Russia's global position as a major power.

**PUTIN'S WEAPON** is money – hundreds of billions of dollars diverted surreptitiously from state enterprises now run by subservient oligarchs to well hidden black cash accounts in the West. These funds, estimated to be over \$800 billion—half the GDP of the country—are used for corruption, influence

operations, and dirty deeds, such as "wet affairs," assassination of regime opponents.

**PUTIN'S KGB ORIGINS.** Putin was sent to Dresden, East Germany in 1985. Not the backwater that some have thought. Because it was out of the Berlin limelight, Dresden became a center for training "illegals" and running illicit technology acquisition efforts from Western Europe and the US. Putin worked closely with the Stasi and supported terror organizations in the West and Middle East, including the Red Army Faction (Baader-Meinhof Gang), the Popular Front for the Liberation of Palestine terrorists, and Libya. Belton claims Putin knew in advance of the 1986 La Belle discotheque bombing in Berlin by Qaddafi's agents that killed two American GIs and wounded 229. In a nuclear world, terror is the chief weapon, according to Ion Mihai Pacepa, the former head of Romanian foreign intelligence who defected to the West, quoting the head of the KGB's First Chief Directorate. Such activities were the "heart and soul of Soviet intelligence" said Oleg Kalugin, the former KGB general who also defected to the US [37].

**ST. PETERSBURG.** When Putin departed the crumbling German Democratic Republic in 1990, he went to St. Petersburg, ostensibly resigning from the KGB. He soon became a deputy to St. Petersburg mayor, Anatoly Sobchak. Putin, as head of the city's international economic affairs and principal liaison to the KGB and law enforcement, became known as Sobchak's fixer. By this time the KGB was active in siphoning funds from various contracts and export licenses to send abroad to preserve its financial position and support its operations via friendly firms, some of which were fronts, others willingly witting. Some in the KGB foresaw the coming economic collapse of the Soviet Union and were hedging bets [69]. Belton observes that the real Perestroika started under Andropov's regime, before Gorbachev, when entrepreneurs were given latitude to engage in "black markets," i.e., not under the bureaucratically planned economy. But these required KGB connections for protection. It was the "beginning of the looting of the Soviet state" [66] and the start of the KGB alliance with organized crime networks in Russia.

St. Petersburg was a tough town. Its port was largely controlled by organized crime. It was used to smuggle drugs from Colombia to Western Europe. A reformer, Mikhail Manevich, was shot dead by a sniper when his actions threatened criminal control of the port in 1997 [104]. Galina Starovoitova, a Duma member and reform activist, who opposed the growing KGB influence in Yeltsin's regime, was gunned

down in her apartment building in November 1998. The KGB has been believed to be behind her assassination [113-4]. Corruption was rife in St. Petersburg. Putin reportedly destroyed many records when the USSR disintegrated and Yeltsin assumed power.

When the August 18, 1991 attempted coup against Gorbachev failed and Boris Yeltsin emerged as the leader of the country and the USSR disintegrated into its regional parts, leaders of the KGB worked to secret abroad much of the wealth of the Communist Party. When Russian Federation investigators attempted to discover what had happened to much of the wealth, they were blocked by Yevgeny Primakov, appointed head of the SVR by Yeltsin.<sup>1</sup> Primakov was a leading conspirator in looting the hidden assets of the Communist Party. Sergei Tretyakov, a senior foreign intelligence official, later said “tens of billions of dollars had been transferred to maintain the foreign intelligence networks of the KGB” [95].

**FROM ST. PETERSBURG TO MOSCOW.** In 1996, after Anatoly Sobchak lost reelection as mayor of St. Petersburg, Putin, unemployed, moved to Moscow. Pavel Borodin, a friend, hired him in the Presidential Property Management Department where ironically Putin was to organize the transfer of Communist Party assets to the new Russian Federation. Soon he was named as a deputy of Yeltsin’s Presidential Staff and then put in charge of relations with Russia’s regions. In July 1998 Yeltsin appointed Putin as chief of the FSB. Thirteen months later, in August 1999, he was acting prime minister of the Russian Federation.

Following increased unrest in Chechnya in September 1999, a series of apartment bombings in Moscow and other locations shook Russia. Putin responded forcefully and initiated retaliatory air strikes on Chechen targets, which helped his popularity and set him apart from other leading Russian figures. This was the start of the Second Chechen War. (Questions remain to this day, Belton writes, as to whether the apartment bombings were a provocation by the FSB and not Chechen terrorist attacks.)

Yeltsin’s regime was rife with corruption, and he suffered from extreme alcoholism. After 1998 the government debt default scandals became daily affairs involving “The Family,” including his daughter, her husband, close associates, and pro-Yeltsin oligarchs, who had become rich by taking over former Soviet

enterprises. On December 31, 1999 Yeltsin resigned as president of the Russian Federation and named Putin as acting president. Later confirmed by the Duma, one of Putin’s first decrees was to prevent any prosecution of “The Family.” Later decrees scuttled other investigations of Putin’s St. Petersburg cohorts including Putin himself, Belton reports.

**THE ST. PETERSBURG ‘SILOVIKI.’**<sup>2</sup> Putin’s insiders largely came from St. Petersburg. He appointed them to critical positions once he assumed the presidency. He moved quickly to consolidate power from the clique that had supported Yeltsin. Putin initially went after the independent media. Vladimir Gusinsky, the oligarch owner of Media Most and NTV, had openly speculated about FSB involvement in the apartment bombings. He was forced to sell his shares to avoid criminal prosecution for misappropriation of funds and left Russia in June 2000. Next were the Yeltsin oligarchs, who controlled vast wealth. Belton estimates seven controlled fifty percent of Russia’s total wealth.

In the summer of 2000, police raids on several oligarch-owned enterprises were meant to scare the oligarchs into submission. With Boris Berezovsky, one of the most powerful oligarchs under Yeltsin, intimidation didn’t work and he quickly fell out with Putin. Berezovsky publicly attacked Putin over proposed legislation and his handling of the Kursk submarine disaster in August 2000. Putin’s government charged Berezovsky of fraud involving Aeroflot, and he fled to the United Kingdom in October 2000. From there he continued his attacks on Putin, despite two assassination plots in 2003 and 2007, until his 2013 alleged suicide. (Conflicting autopsies have never concluded whether it was murder, but some evidence exists that it was.)

A principal target was Mikhail Khodorkovsky, the richest oligarch under Yeltsin. Through currency exchange and importing computers he was wealthy by 1989. He created Menatep Bank through which he amassed an additional fortune and stashed hundreds of millions of dollars in overseas accounts. He gained political power by financing politicians in the Duma. When in 1992 fixed prices were freed the result was inflation. Khodorkovsky and other tycoons loaned funds to the needy government that offered as collateral shares in state enterprises, which they collected when the government defaulted in 1998. Khodorkovsky acquired the Yukos oil network. When he tried to integrate the Yukos oil conglomerate with

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1. Yeltsin broke up the Soviet KGB after its involvement in the attempted coup. The First Chief Directorate (foreign intelligence) was reconstituted as the SVR. Most of the rest by 1995 became the Federal Security Service (FSB) responsible for internal security and counterintelligence.

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2. “Siloviki” translates as men of force. The term came into use in the Yeltsin years referring to members of the KGB, SVR, FSB, Federal Drug Control Service, and GRU.

western firms, the move was viewed by the Kremlin as a national threat. In October 2003, Khodorkovsky was arrested by FSB agents when his plane landed at Novosibirsk. He was sent to prison for 10 years.

His trial showed the transformation of the “culture of the law enforcement system – the police, prosecutors and the courts – into a predatory machine that took over businesses and removed political rivals...” [275]. This was the result of pressure from Igor Sechin, Putin’s right hand. By 2004 the “free-wheeling oligarchs of the 1990s were soon brought to heel” [11]. “...the ever-present threat of tax fraud charges was part of a process that was gradually turning Yeltsin-era oligarchs into loyal vassals” [345-6]. Vladimir Bogdanov, the head of a major Siberian oil and gas complex, was one who made peace with the Kremlin. When meeting Putin he reportedly said “It’s your company. I am for you in any case. Just tell me how to spend the money” [217-8].

Political opponents were dealt with harshly. Exiled oligarchs and their aides have met untimely deaths, many in the UK,<sup>3</sup> including Berezovsky and Alexander Perepelichny, who in exile shared information on a share-swapping scandal involving Deutsche Bank and exposed the corrupt Hermitage Capital Investors seizure. Perepelichny had a “heart attack” in the UK upon returning from a trip to Paris. (“It’s so obvious that it’s an assassination,” said the former head of Britain’s National Counter Terrorism Security Office. “There’s no way it wasn’t a hit.”<sup>4</sup>) Even Putin’s former boss in St. Petersburg, Anatoly Sobchak, who had gone into exile and returned and wrote a critical article about the post-Soviet KGB corruption in the city, died four months later, just before the 2000 Duma elections, of another apparent “heart attack.” Speculation, Belton writes, is that Sobchak was poisoned by a KGB operative who was his security guard.

**OBSCHAK (A STASH OF ILLEGAL MONEY)**. Belton knows how to follow the money—a strong point of her book. It explains much of the motivation and many of the activities of Putin’s KGB-associated regime. “...all businesses of any scale were dependent on the good will of the Kremlin” [356]. They were extorted to pay for the needs and desires of Putin and his closest advisors. A prime example was the palatial home for Putin

near Sochi. Another was the “taxing” (i.e., extortion of “donations”) of subservient oligarchs to pay for the elaborate facilities for the 2014 Sochi Olympics. The Kremlin created vast secret slush funds that were not accountable to the Duma, hidden behind “Byzantine layers of complexity” [341].

Much of what the Kremlin was doing was exposed by Sergei Kolesnikov of Rossiya Bank in St. Petersburg, who defected to the US in 2010 with USB sticks full of data and tape recordings of conversations. His intelligence showed how funds were being siphoned off to the BVIs and Panama, into Santal Trading, a company called “the safe” [315].

Russia’s foreign intelligence leaders had become experts in Western financial systems and institutions, the knowledge of which they used to hide the vast sums stolen from the USSR and Russian Federation. They used banks in numerous countries to transfer cash to the West. In a scheme called the “Moldovan Laundromat” more than \$20 billion was moved through Moldovan, Latvian, and Estonian banks between 2010 and 2014 from Russia’s Land Bank (RZB). Germany’s Deutsche Bank, whose Moscow head was close to the Kremlin, was involved in the mirror trade scandals. When in 2006 the Russian central banker Andrei Kozlov tried to shut down the siphoning of funds from Diskont Bank he and his three security guards were shot dead in a parking lot. Dansk Bank was involved in massive money laundering (estimated at over \$200 billion) until 2013. The Bank of New York was involved in laundering more than \$7 billion for the Russian mob in New York, which had close SVR connections. Yury Shvets, a former KGB officer in the Washington, DC residentura, who defected to the US in 1994, told a House of Representatives hearing “Wide-scale infiltration of the Western financial system by Russian organized crime started right on the eve of the collapse of the Soviet Union... The main players of the game were high-ranking officials of the Soviet Communist Party, top KGB leadership and top bosses of the criminal world” [412]. Those who tried to interfere were also dealt with harshly. In 2014 two police officers investigating money siphoning from the interior ministry were arrested on orders of Ivan Tkachev, head of the SVR’s Department K. Department K was in charge of funneling monies to the West. One of the police officers, Boris Kolesnikov, “fell” to his death while in custody.

The 2016 leak of the Panama Papers from the law firm Mossack Fonseca revealed much about under-the-table Russian financial activities. More than \$2 billion had been funneled into front companies from Bank

3. See Peter C. Oleson. “Wet Affairs, Part II,” *The Intelligencer*, Vol. 24, No. 1, Spring 2018. [https://www.afio.com/publications/OLESON\\_Wet\\_Affairs\\_II\\_AFIO\\_INTELLIGENCER\\_SPRING\\_2018\\_Vol24\\_no1.pdf](https://www.afio.com/publications/OLESON_Wet_Affairs_II_AFIO_INTELLIGENCER_SPRING_2018_Vol24_no1.pdf).

4. Ibid. The Hermitage Capital Investors scandal involved allegations of tax evasion for which Russian authorities seized the firm. Its lawyer, Sergei Magnitsky, was beaten to death in a Moscow prison, which led to the imposition of economic and personal sanctions by the US and European countries on Russia and several Russian individuals.

Rossiya from 2009 to 2012. Much was in accounts owned by Sergei Roldugin, a cellist, but also the person who introduced Putin to his wife and was godfather to their first daughter. Investigative journalists estimated that as much as \$800 billion had been siphoned out of the Russian economy over the years.

Belton observes that the actions of consolidating economic power in the Kremlin has created a modern feudal economy where everything is subject to the decisions of the ruler.

**CONFLICT WITH THE WEST.** Belton posits that Putin believed that the West, and particularly the US, was conspiring to destroy Russia. He perceived NATO was encroaching on Russia's sphere of influence, especially in Ukraine and Georgia. Russia invaded Georgia in 2008 and seized two provinces setting them up as "independent." Putin became convinced that the US was behind the popular revolutions in former Soviet states and the 2011 anti-corruption demonstrations in Moscow led by dissident Alexei Navalny.<sup>5</sup>

One of Belton's chapters is entitled "Soft Power in an Iron Fist." She addresses how the Kremlin came to use the revived Orthodox Church as a tool. Konstantin Malofeev, as a representative of the church, set up various proxy groups inside Russia and outside that were fronts for Russian intelligence. As a religious figure he was an "ideal foil" for the Kremlin [427]. He interacted and provided funds to right-wing dissident groups in the Donetsk region of Ukraine and to the World Congress of Families which is tied to evangelical groups in the US [442].

The Kremlin and the reorganized security services used its black cash funds to "buy off and corrupt officials... in Russia's neighboring states" and elsewhere [333]. A major target was Ukraine. Ukrainian oligarch Dmitry Firtash, who had ties to Russian criminals, funneled monies to pro-Moscow Ukrainian politicians. He has been accused of bribery, racketeering, and other crimes and fought extradition to the US. He was a major funder for Viktor Yanukovich, the pro-Moscow president of Ukraine, who fled to Moscow after the February 2014 uprising. Later that month Russia seized the Crimean region of Ukraine. The continuing insurgency in the Donetsk is supplied by Russia.

**LONDON.** Black cash was also used throughout the West. London became "awash with Russian cash" [352]. The UK had loose standards regarding where monies came from. Russian money was a "huge

stream of income for armies of bankers, lawyers, consultants and PR firms" [351]. Russians bought expensive London real estate. The monies flowed in from hard-to-trace sources in Cyprus, the BVIs, Panama, Jersey, Guernsey, the Isle of Man, and other opaque financial locations. The Kremlin used the London courts to harass anti-Putin elements. Sergei Pugachev, the former "Kremlin banker," after he fled Russia was sued in London's High Court, which ordered that his assets be seized at the behest of the Kremlin. Such cases have been very lucrative for London law firms, Belton points out.

"Putin sent his agents to corrupt the British elite" [6]. Alexander Lebedev, listed by Forbes as one of the 100 top Russian oligarchs, bought the widely read *Evening Standard* newspaper. Dmitry Firtash, the pro-Kremlin Ukrainian oligarch, donated heavily to Cambridge University and the Conservative Party. Roman Abramovich, formerly the partner of exiled Berezovsky but who remained tied to the Kremlin, was told by Putin in 2003 to buy the Chelsea football club, which was to serve as a "beachhead for Russian influence in the UK" [352]. The Tory government appeared blind to the growing Russian influence and the growing number of deaths of people in the UK tied to Russian exiles.

Belton addresses Russian cash used to influence the Brexit vote. Some £400,000 was contributed to the British Conservative Party via Alexander Temerko, a former KGB official, who also wined and dined Tory figures. Arron Banks, whose wife is Russian, was the largest contributor to the Brexit movement. The source of his money has raised questions.

**WESTERN EUROPE.** Throughout Western Europe Russian black cash was used to influence and corrupt officials and political parties. The cash funded the "extreme left and right to disrupt and undermine institutions... [404]. In the Czech Republic, Milos Zeman has been seen as a close Putin ally. His party received more than half of its contributions via a Bank Rossiya-linked Swiss lawyer, according to revelations from the Panama Papers. Others receiving black cash reported by Belton included:

- The National Front in France and its principal, Marine le Pen.
- France's oil company, Total, which later called for the lifting of sanctions on Russia.
- The far-right Jobbik party in Hungary. Its leader, Béla Kovács, whose later investigation for being a Russian agent was blocked

5. Navalny, who has repeatedly accused Putin of corruption, has been arrested numerous times for organizing unsanctioned mass protests and attacked by anonymous assailants.

by Victor Orbán, Hungary's president, who is also seen as pro-Putin.

- The right-wing Lega Nord party and Five Star Movement in Italy.
- The left-wing Syriza party in Greece, which took power in 2015.
- Die Linke, a new leftist party established in 2007, in Germany.
- Austria's right-wing Freedom Party. Russian interests bought Austria's biggest newspaper, *Kronen Zeitung*.
- Bulgaria's right-wing Ataka party.
- Gerhard Schroeder, former German chancellor, who was rewarded with a seat on the board of the Nord Stream company building a pipeline from Russia to Germany.

Daphne Caruana Galizia, a Maltese anti-corruption journalist, was killed by a car bomb in 2017. She had told a British member of parliament "Russian and Azeri money had bought the whole of [the Maltese government]... [417]. And that the money was being laundered via London.

Belton concludes that more than just removing Western sanctions, Putin's regime was trying to "forge their own bloc within Europe and subvert the political landscape of the entire continent" [436].

**THE UNITED STATES.** The US was not exempt from the flow of Russian black cash. Belton's final chapter is entitled "The Network and Donald Trump." She examines the known Russian-linked people associated with Trump since 1987 and the deals made or promised. According to the author, who interviewed former KGB officers, the KGB developed an interest in Trump when he first visited Moscow. When he returned, Trump ran full-page ads in three newspapers parroting Russian positions. According to Shvets, the KGB at that time believed it had "recruited" Trump [477].

Shalva Chigirinsky, an antique smuggler close to SVR head Yevgeny Primakov, and associated with the Russian Solntsevskaya crime group, first met Trump in 1990. Chigirinsky was involved in early Russian attempts at money laundering and was a constant figure at Trump's Taj Mahal casino in Atlantic City [451]. The Taj Mahal became a "favored venue for laundering cash," according to Belton [454]. When facing bankruptcy in 1990, Trump was bailed out via a bond restructuring managed by the lawyer who introduced Trump to Chigirinsky. Chigirinsky also knew Carl Icahn, who with Wilbur Ross, was involved in saving Trump financially. Chigirinsky is linked to

Tamir Sapir, a KGB-linked oil trader, Sam Kislin, and Aras Agalarov.

The Taj Mahal was a favorite retreat for Vyacheslav Ivankov, a Russian crime principal who came to New York City in 1992 and whom the FBI believed was dealing in drugs, extortion, and murder. He was found living in a luxury apartment in Trump Tower on Fifth Avenue in Manhattan [454]. (He was shot dead by a sniper in Moscow in 2009.)

Trump's closeness to Russians is best exemplified by his real estate deals. The Bayrock Group, founded in 2001, became deeply involved with the Trump Organization. Tevfik Arif, the founder, was a former Soviet official and oligarch chrome trader from Kazakhstan, who teamed with Felix Sater for Trump Tower and resort projects, and later entered arrangements to pay the Trump Organization licensing and management fees worth millions of dollars. Bayrock marketed Trump Organization properties to Russians in New York and southern Florida. Projects included a 2003 joint venture for the Trump International Hotel and Tower in Ft. Lauderdale; a hotel in Phoenix (that resulted in a lawsuit that Bayrock was skimming funds from the project); the 2005 Trump Ocean Club International and Tower in Panama (there were allegations of laundering drug money involving two former Russian emigrés living in Canada); the 2006 Trump Tower SOHO in Manhattan, a \$450 million project also involving Tamir Sapir, that resulted in lawsuits alleging fraud and deceptive sales practices (the Trump Organization received 18 percent of revenues for licensing and management fees); and the 2012 Trump International Hotel and Tower in Toronto that was financed by Russia's VEB Bank and ended up with multiple lawsuits.

In 2010 two former Bayrock employees filed suit alleging that Bayrock was covertly owned by the Russian mob. Its sources of funds were always mysterious. A 2018 US Treasury Department investigation concluded that one-third of the top-end sales by Bayrock were suspicious [466]. \$98 million of real estate in south Florida was bought by Russians, and two thousand apartments were purchased via "anonymous ownership vehicles" [467].

In the 2008 financial crisis Trump was hurting for cash. Fortunately, an obscure Russian oligarch, Dmitry Rybolovlev, offered to purchase Trump's Palm Beach mansion for \$95 million in cash, more than twice the \$41 million Trump paid in 2004. Trump's other source of funds was Deutsche Bank. From 1998 the bank loaned Trump at least \$2 billion for various development projects including the Doral Resort and

Spa in Miami, Trump Tower in Honolulu, and the Old Post Office Building in Washington, DC.<sup>6</sup> The loans to Trump became very controversial within the bank and are still under investigation by various authorities. (Deutsche Bank was involved in the illicit transfer of \$10 billion from Russia [479].)

Apparently Trump first expressed interest in building a tower in Moscow during his 1987 trip to the Soviet Union. In 2005 he struck a deal with Bayrock for such a development, but it never materialized. Belton writes that some believe the Moscow tower idea was a dangle from Russian authorities to keep Trump interested and on the hook.

Trump, who owned the Miss Universe pageant, decided to hold it in Moscow in 2013. His Azeri-Russian billionaire partner was Aras Agalarov, who owned a US-Soviet import-export business and became a property developer. Agalarov paid Trump \$20 million. He also acted as a go-between with Putin on a possible Trump Tower in Moscow.

Trump's financial ties to Kremlin-associated Russians and Russian organized crime figures have been extensive for years. More than once, Belton notes, Russians have rescued him from financial difficulties.

**CONCLUSIONS.** *Putin's People* is a most significant book. However, readers need to exercise caution in accepting many of the comments made by those Belton interviewed. Some of her sources are clearly anti-Putin; others likely have things to hide and are not entirely candid.

The siphoning of Russia's wealth by the security services has given them enormous assets, which they are using, often very effectively, to corrupt many officials and others in the West. Putin's regime is a ruthless criminal enterprise as evidenced by its corrupt use of law enforcement and the courts at home and assassinations abroad. Belton's book is a guide to understanding how the Kremlin works and is fair warning to the West of Putin's aggression. He is an implacable foe.

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#### SOME SIGNIFICANT FIGURES WHO ARE PUTIN'S PEOPLE

**Roman Abramovich**—Oligarch oil trader and protégé of Berezovsky, who broke with him and assumed control of his businesses when he fled Russia. Abramovich was the “cashier” to the Yeltsin family and later to Putin. In 2003 he bought the Chelsea football club in the UK.

**Aras Agalarov**—An Azeri-Russian real estate billionaire. Involved in Trump Tower Moscow negotiations. Trump's benefactor for the 2013 Miss Universe pageant in Moscow. His son, Emin, helped arrange Russian lawyer Natalia Veselnitskaya's 2016 meeting in Trump Tower with Donald Trump Jr, Jared Kushner, and Paul Manafort at which she promised “dirt” on Hillary Clinton.

**Andrei Akimov**—A KGB officer in Vienna, Austria, and head off the Soviet Union's bank in Vienna. He became “one of the most important financiers behind Vladimir Putin's regime” [64].

**Tevfik Arif**—Founder of the Bayrock Group (2001) and partner of Sater. Set up its offices in Trump Tower on 5th Avenue. Founded an import-export business in 1991 trading chrome and raw materials.

**Victor Cherkesov**—Chief of the St. Petersburg KGB, and mentor to Putin. Putin named him as the deputy chief of the FSB. In 2003 he became Putin's representative to the Northwestern Federal District, which includes St. Petersburg. He is an opponent of Sechin and was sacked and given a lesser job.

**Oleg Deripaska**—Became an oligarch by export arbitrage and controlled Rusal metals, the world's largest aluminum producer, until 2018. Has close ties to Putin. Tied to Paul Manafort, who allegedly offered insider briefings to Deripaska on the 2016 US election campaign. Has been sanctioned by the US for money laundering for Putin. Made major investment in Kentucky during the 2018 mid-term elections. Quoted as saying “I don't separate myself from the state. I have no other interests” [362]

**Yevgeny Dvoskin**—A New York City Russian mob-linked financier with FSB Directorate K connections who was the “driving force behind many of the biggest money laundering schemes” [409].

**Dmitry Firtash**—Ukrainian oligarch controlling natural gas. According to the FBI he is an organized crime associate. He has been indicted for bribery and has fought extradition to the US. As a Gazprom middleman he financed pro-Moscow Ukrainian politicians, including the presidential campaign of Victor Yanukovich, who fled Ukraine in 2014 after its uprising. Firtash has been associated with Rudy Giuliani's attempts to dig up negative information on Joe Biden and his son in Ukraine.

**Sergei Ivanov**—Also came up through the St. Petersburg KGB. Was named deputy chief of the SVR and later Secretary of the Security Council, the second most powerful position in the Kremlin.

**Victor Ivanov**—Also a St. Petersburg KGB official and director of the Federal Narcotics Service. In 1999 he was named the chief of the internal security department of the FSB. Then he became the deputy head of the Presidential Staff. Like Sechin, he is one of the closest to Putin.

**Semyon (Sam) Kislin**—In the 1990s invested in the metals industry in the Russian Federation. Made loans to Russians to buy units in Trump World Tower near the UN. Was involved with Bayrock in bankrolling Trump SOHO with Arif and Sapir. Contributor to Rudy Giuliani's mayoral campaigns and friend. According to the FBI (1994) was tied to Russian organized crime in Brooklyn and involved in money laundering.

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6. Belton uses a \$4 billion figures to include loans and bond offerings [478-9].

**Yuri Kovalchuk**—From St. Petersburg. Became head of Bank Rossiya, called “Putin’s bank” by the US Treasury Department. Bank Rossiya was controlled by the KGB after the 1991 attempted putsch and was a major vehicle for siphoning funds out of Russia to safe havens in the West.

**Nikolai Patrushev**—Came up through the St. Petersburg KGB. Succeeded Putin as head of the FSB and served through his first two terms. In 2008 he was named as Secretary of the Security Council, the second most powerful position in the Kremlin. He was sanctioned by the West after the seizure of Crimea.

**Sergei Pugachev**—Known as the “Kremlin’s banker.” Worked for Yeltsin and “The Family” – both relatives and early oligarchs. Early promoter of Putin for the presidency but fell out with him. Fled to London and survived a 2015 car bomb assassination attempt. Fled to France.

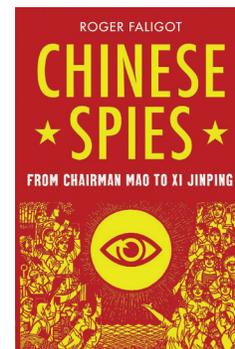
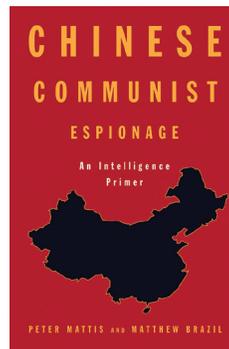
**Arkady Rotenberg**—Head of the St. Petersburg SMP bank. Involved with building the gas pipeline from Russia to Germany under the Baltic Sea. Named in the Panama Papers for suspicious loans.

**Tamir Sapir**—Emigrated from the USSR to Israel in 1973 and then to the US. Opened an electronics store in New York with Sam Kislin catering to Russians. Invested in Manhattan real estate and became a billionaire. Participated as an investor in Trump SOHO in 2006 and pursued Trump Tower Moscow in 2013. Daughter’s husband was friends with Putin and Trump and the Kushners.

**Felix Sater**—Came to the US from the USSR in 1966 at age 8. Former managing director of the Bayrock Group. Involved in Trump real estate deals in Phoenix, Miami, and London. Convicted of assault and accused of a \$40m stock fraud scheme. He subsequently volunteered to be an FBI asset. However, the intelligence he provided of the location of lost Stinger missiles in Afghanistan, Al Qaida cell phone numbers, and location of camps raises serious questions of how he obtained such information and whether he was a Russian double agent. Sater worked with Trump’s personal lawyer, Michael Cohen, on a Moscow Trump Tower initiative.

**Igor Sechin**—Putin’s deputy in St. Petersburg. Vetted everything going to Putin. An undercover KGB officer. Believed to be one of the closest to Putin and the leader of the siloviki faction in the Kremlin. Previously a deputy prime minister, he is now chairman of Rosneft, the Russian state oil company. He is referred to as “Darth Vader.”

**Gennady Timchenko**—A KGB officer who trained with Putin. Became an oil trader in St. Petersburg and was involved in an infamous oil for food scandal in the 1990s that siphoned off funds for KGB slush funds. Became major “trustee” for black cash in Geneva.



Two recent books on Chinese espionage lay bare the long-standing emphasis the Chinese Communist Party (CCP), and its subservient government of the Peoples Republic of China (PRC), have placed on its many intelligence services to control its population and promote its position in the world. Intelligence and counterintelligence have been critical element for the CCP since its early days in Shanghai and rural China in the 1920s. Throughout its history CCP leaders have used clandestine intelligence against personal rivals. Intelligence has been a major factor in China’s many purges that have often affected the intelligence services themselves. Today the Chinese intelligence services are viewed as a major offensive tool against the West to bolster the nation’s military and economic strength as well as to defend against foreign intelligence agencies.

### ***Chinese Communist Espionage: An Intelligence Primer***

by Peter Mattis and Matthew Brazil

Annapolis, MD: Naval Institute Press, 2019. 360 pages with index and very extensive bibliography.

### ***Chinese Spies: From Chairman Mao to Xi Jinping***

by Roger Faligot

London: Hurst & Company, 2019. Translated by Natasha Lehrer. Originally published in French in 2008. Second edition, 2015. Updated for English translation, 2019. 507 pages, 11 appendices, notes and index.

Mattis, a former CIA counterintelligence analyst, and Brazil, a fellow at The Jamestown Foundation and China historian, have teamed to compile a well-researched examination of the history, personalities, politics, successes and failures associated with the Chinese Communist espionage and counter-espionage efforts since their inception in 1927 after the Chinese Nationalist Party (the Kuomintang – KMT) almost eviscerated the communists in a surprise coup, leaving only about 2,000 communist soldiers and 10,000 party members remaining.

Roger Faligot is a prolific French investigative journalist and Chinese speaker, who has studied China for many years and interviewed many of its important officials. His updated book has only recently been available in English. He is the author of *L’Empire invisible: les Mafias Chinoise* (1996), *La Mafia Chinoise en Europe* (2001), *L’Hermine rouge de Shanghai* (2004), and many

articles. Faligot uses many Chinese terms, which he translates.

Mattis and Brazil blend an approach that combines history, with biographies, and synopses of espionage cases in seven chapters. Chapter 1 provides a good historical overview. The first organized intelligence element was the Special Operations Branch (referred to as Teke), founded in 1927. The Special Operations Branch was quickly followed by the Special Operations Section (1927-35), which mixed espionage, counter-espionage, VIP protection, intelligence analysis, and covert action, including assassinations of enemies and turncoats in one element. Organizational stability was not a trademark of Chinese Communist intelligence. Failures of a purge in 1931 resulted in the formation of the Political Protection Department. It lasted until 1939 and was replaced by the Social Affairs Department, which lasted until the Chinese Communist victory over the KMT in 1949. During the Second World War, while CCP intelligence and the KMT intelligence cooperated against the Japanese, each viewed the other as its main enemy.

Faligot's book interlaces Chinese political history with the evolution of its many intelligence organizations and includes interesting stories of spy cases, episodes of deception and betrayals, assassinations (including a 1979 KMT attempt to against Deng Xiaoping in the US [Faligot, 111]), honey traps, licentious behavior and illegitimate children of leaders, and rumors, which often had political impact. The author describes relationships, often *sub rosa*, of the CCP leaders, the importance of ethnic and family ties, and how multiple generations of those involved in the 1934-35 Long March subsequently rose in the communist hierarchy. Faligot's approach is broader than that of Mattis and Brazil.

Mao was the dominating political figure after consolidating his personal power within the Communist Chinese movement in the 1930s. He often drove the organizational and personality changes in the intelligence elements, siding with one or another faction that was competing for primacy. The competition between party organs, the military, and civilian government entities over intelligence was constant. Important to note is that intelligence was never consolidated in one element throughout Chinese Communist history.

Zhou Enlai is known as the father of Communist Chinese intelligence. In 1927 he established the initial Special Operations Branch of the CCP, and the second department of the Peoples Liberation Army (PLA2), military intelligence, in 1932. Zhou often played a

central role in intelligence matters throughout his career, even as Foreign Minister and Prime Minister. At times he was sidelined by internal CCP politics, but he survived his opponents and attempts on his life. Mattis and Brazil include a fairly comprehensive biography of Zhou in Chapter 2 [Mattis & Brazil, 102-9], which also includes biographies of most major intelligence-related historical personages in Communist China. Faligot also includes rich biographical information. Much of the communist intelligence history relates to personalities and cliques.

Deng Xiaoping, the PRC's leader from 1978 to 1992, also had a long history of involvement in Chinese intelligence. His push for economic reforms included employing the PRC's intelligence agencies to steal Western technology and trade secrets.

Modern intelligence organizations emerged after the communist victory over the Kuomintang (KMT) in 1949. Faligot calls that year "the birth of the spy state" [Faligot, 57]. First was the Ministry of Public Security (MPS - Gong'anbu) in 1949. While the Peoples Liberation Army (PLA) always included intelligence elements, 2PLA, part of the General Staff, was reorganized in 1955. It was also involved in a major reorganization of the PLA in 2015 by Xi Jinping. The Ministry of State Security (MSS - Guo'anbu) was established in 1983. Several organizations, not openly intelligence, were also founded that were, in fact, specialized intelligence elements. The United Front Work Department was an early pre-war example, which continued after 1945. The China Institute of Contemporary International Relations (CICIR) was founded in 1965. Faligot comments that CICIR "is one of the rare examples anywhere in the world of a think-tank presenting itself as 100 per cent academic, but having become 100 per cent integrated into the intelligence service" [Faligot, 71, 218] Jiang Zemin, in power from 1989 to 2003, established the International Liaison Department. After the April 1999 Falun Gong demonstration in Tiananmen Square, on the tenth anniversary of the student demonstration, rattled the CCP leadership, the 610 Office was established to specifically hunt down within China and overseas Falun Gong members. The 610 Office, headed by Luo Gao, is referred to as the "Chinese Gestapo." [Faligot, 297, 301].

Spies saved the CCP from extinction on several occasions. In 1931, the operational head of the Special Services Section, Gu Shunzang, defected to the KMT after being captured to avoid being tortured and executed. A well-placed communist spy team (the "Three Heros of the Dragon's Lair") alerted the CCP leaders of the defection, and senior officials, including

Zhou Enlai, managed to escape, although many lower officials and members were caught. Li Kenong, later the head of 2PLA, earlier in his career as a CCP agent, was KMT Generalissimo Chiang Kai Shek's personal cryptographer and sent copies of Chiang's messages to the communists. In 1934, Mo Xiong, another CCP spy on Chiang Kai-shek's staff, learned of the plans to encircle the Red Army's stronghold. Mo's forewarning resulted in the Long March when the Red Army retreated to safer areas in Shaanxi Province but at a terrible cost. Only 20,000 out of 86,000 who began the march survived. In 1947, Xiong Xianghui, a CCP mole on the staff of a KMT general, warned of the plan to attack Yan'an, the CCP's headquarters, and wipe it out. When the Nationalist troops entered the city, it was devoid of CCP elements. In April 1955, Zhou Enlai, by then China's Premier under Mao Zedong, may have been saved by an intelligence tip that Air India Flight 300 from Hong Kong to Bandung, Indonesia, on which he was scheduled to fly, would be bombed. He changed planes and Flight 300 with many of his colleagues was destroyed over the sea near Indonesia [Faligot, 69].

Purges and witch-hunts have characterized the CCP since its earliest days. Often initiated by Mao Zedong, these were aimed at real or perceived opponents and traitors. In 1943-44 Mao initiated a major purge of party members conducted by Kang Sheng, who was the head of the Party's Social Affairs Department (SAD) and 2PLA. Kang was close to Mao and especially his wife, Jiang Qing. Eventually the Soviets urged Mao to rein in Kang's reign of terror. Another purge occurred in 1955. Mao's 1966-76 Cultural Revolution involved a reign of terror that only ended with his death. Kang survived Mao and the subsequent purge of the Gang of Four, including Jiang Qing.

Kang led later purges. In 1971 a purge of the intelligence services occurred after the failed putsch by PLA head, Lin Biao. (Originally, he was Mao's designated heir.) Kang was now head of the Special Cases Section of the Central Committee. As Faligot wrote: "Many comrades in the Party's central apparatus noticed that 'it is better to enter hell than Kang Sheng's office'" [Faligot, 115]. Another purge took place after the Tiananmen Square massacre of 1989, when various PLA and security elements fought a pitched battle against each other in central Beijing. In 1992, Jiang Zemin, purged those not of his Shanghai clique when he became the CCP leader. The latest occurred in 2015 with Xi Jinping's anti-corruption campaign and consolidation of power against Bo Xilai, the powerful but corrupt trade minister and former radical Red Guards participant, and Zhou Yongkang, the head of the Polit-

ical-Legal Commission of the CCP and former head of the Ministry of Public Security (MPS - Gong'anbu). The MSS (Guo'anbu) also underwent a purge at this time when Ma Jian, the head of counterintelligence was arrested and sentenced to life in prison.

Mattis' and Brazil's Chapter 7 brings the history of Communist Chinese intelligence largely up-to-date. It also addresses internal counterintelligence and surveillance within modern mainland China, largely against non-Han minorities, and the use of the national identification card and the "social credit" system for keeping track of all residents.

Mattis' and Brazil's Chapters 3, 4, 5, and 6 address specific cases of Chinese Communist espionage. Chapter 4 focuses on economic espionage. "Beijing operates a centrally directed system that pursues technology through both open and clandestine means." Some is in support of the official PRC Five-Year Plan and "Made in China" program and conducted by the PLA or MSS. "... Beijing allows other PRC organizations to pursue their own technology acquisition operations, all intended to help China catch up with and even surpass the West" [Mattis & Brazil, 145]. Often these operations are "private" affairs for commercial gain. While the chapter does not include all cases of economic espionage against the US, the number included is sobering.

Faligot's treatment of economic espionage has greater international flavor. China's long history of economic espionage dates from the 1930s. Its 863 Program, initiated by Deng in 1982, greatly expanded the effort. Faligot quotes from a British MI5 manual for businessmen visiting China that outlines what are the targets of Chinese espionage and their methods [Faligot, 272-3]. He lists the methods used: open sources, such as Xinhua; exploiting political relations, including scandals and "beautiful women" tactics (i.e., honey pots); international cooperation, including investment; limited commercial acquisition (buying a few items and doing reverse engineering to copy them); scientific cooperation and looting unprotected knowledge; student cooperation; the Thousand Talents Program to bring domestic and foreign expertise to China to support its development; Confucius Institutes for information operations and propaganda; exploiting relationships (guanxi), especially of ethnic Chinese; extortionist negotiating tactics against foreign businesses, and cyber intrusions [Faligot, 282-85]. Often the Chinese play on the naiveté of Western businessmen. Faligot notes that the Chinese success and its growing economy by 2015 resulted in a changed vision – from being the world's factory to being its bank. This is what lies behind initiatives such

as the Asia Infrastructure Investment Bank, the new “Silk Road,” the Shanghai Cooperation Organization (SCO), and the One Belt One Road concept. Consequently, China’s intelligence services, augmented by private companies (which under a 2017 law are required to cooperate) and institutions, such as the Ministry of Foreign Trade.

Readers of this journal will recognize many of the cases detailed in Mattis’ and Brazil’s Chapter 6, including Benjamin Bishop; the FBI’s Kun Shan Chun; the State Department’s Candace Claiborne; DoD’s James Fondren Jr; DIA’s Ron Hansen; CIA’s Jerry Chun Shing Lee, Kevin Mallory, and Larry Wu-tai Chin; the double agent, Katrina Leung; Chi Mak; and others. What is discernable from Mattis’ and Brazil’s book is the emphasis of Communist Chinese intelligence operations on Taiwan. Faligot adds some interesting detail to the Larry Wu-Tai Chin case, as one of the “deep water fish” (i.e., illegals) of Chinese intelligence [Faligot, 124-31].

Both books contain some interesting historical tidbits. For example, the authors of both books note how the US cooperated with Chinese intelligence to monitor Soviet missile tests from Xinjiang after the loss of the CIA’s Tacksman telemetry intercept sites in northern Iran, teaching the Chinese in the process about technical SIGINT [Mattis & Brazil, 17]. Faligot recounts how the Chinese took over control of the Lourdes, Cuba SIGINT site from Russia. He explains how Chinese intelligence played in the return of Hong Kong. His coverage of how Chinese intelligence was involved in the 2008 Beijing Olympics is unique.

Today, Chinese communist espionage uses many means – traditional spies as well as unwitting individuals, who may not know they are being used for intelligence purposes; attachés; journalists, both associated with official news organizations, such as Xinhua (a long-time adjunct of Chinese intelligence), and “independent” travelers; business officials; scientists; students; and increasingly cyber. Beijing allows non-government actors to engage in espionage, especially economic espionage to obtain technology and trade secrets beneficial to the PRC’s economy, and to attract to China experts under its Thousand Talents Program.

Mattis’ and Brazil’s stated purpose for their book was to provide an understanding of how China conducts espionage. In this they succeed. The authors acknowledge the difficulties in researching this subject given the facts that much of the relevant source materials are only in the Chinese language and that archives in the PRC are largely closed to Western

researchers. Mattis’ and Brazil’s book is a good addition to any intelligence bookshelf. For the casual reader Chapters 1 and 7 are the most relevant. Much of the detail in the other chapters will only be of interest to serious students of the subject.

Faligot’s book is in-depth. As such it can be overwhelming for a reader not already familiar with the history of Communist China. Some of his observations of US intelligence miss the mark, but reflect his French point of view, which can be somewhat jaded. But this does not detract from the value of his book. His many appendices on leaders of the many intelligence organizations, the structure of these organizations, principal spy cases, glossary, and more make *Chinese Spies* a valuable reference work.

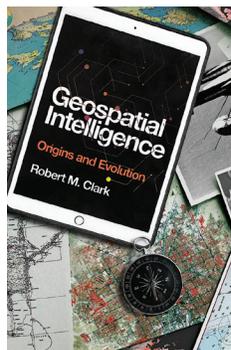
Mattis and Brazil conclude that “Marxist political sensibilities still drive policy and analysis, and China’s current leader, Xi Jinping, has returned to Mao’s policy of demanding personal loyalty from his security services...” [Mattis & Brazil, 58]. Faligot adds that the Chinese secret services remain an “essential pillar of power” for the CCP [Faligot, 402].



### ***Geospatial Intelligence: Origins and Evolution***

by Robert M. Clark

Washington DC: Georgetown University Press, 2020. 368 pages, index, glossary of terms, and selected bibliography.



Clark’s text is a first. Its title describes the book, which covers little-known history and at the end takes an anticipatory peek at the future of the discipline given the impact of emerging technologies, such as artificial intelligence (AI).

There is no other text this reviewer is aware of that addresses the broad applications of geospatial intelligence in many fields, not just national security but also law enforcement, environmental management, medicine, agriculture, business, non-governmental organizations’ operations, and other fields. In twenty chapters Clark walks through history explaining how various inventions and innovations merged to create a new intelligence discipline. Unlike other disciplines, which are collection-centric, geospatial intelligence (GEOINT) is a hybrid of collection from all the other disciplines, non-intelligence information, and analysis. He provides explanations of the various definitions that have been applied to GEOINT, for there are many. With such broad reach

across fields GEOINT also comes with its special terminology. Clark is careful to explain the many terms that may be familiar to geologists or other specialists but could be confusing to the average reader.

For historians, his second chapter covers the evolution of maps and charts and the challenges faced by ancient rulers, generals, and mariners. China's ancient Silk Road is described briefly. Interestingly its modern version has the same motivation and many of the same features as the one from 1000 BCE. Clark explains the early evolution of cartography and its relationship to astronomy. He also explains the how and why of different cartographic representations and the challenges of determining longitude, which was critical for mariners that sailed beyond line of sight of coastlines.

For any prospective geospatial analyst Clark's chapters on terrain, navigation, and geographical information systems are valuable introductions. Several chapters are dedicated to explaining the techniques of geolocation and the physics of visible, spectral, radar, and lidar imagery. He also explains the many tools available to GEOINT analysts.

Interspersed with more technical chapters is a discussion of geopolitics, the geographically-based political theories of Alfred Thayer Mahan, Halford Mackinder, and Nicholas Spykman, all of whom influenced the strategic outlooks of Britain and the US. Seeking the high ground has always been a military objective. Clark recounts the history of efforts to achieve this – from towers to balloons, to kites, to aircraft, to satellites.

One of the most interesting chapters concerns how the National Geospatial-Intelligence Agency (NGA) came about. Clark interviewed key personages, including NGA's coalescing director, James Clapper, who largely bridged the cultural divides between imagery analysts and mapmakers that he inherited when he was named the director of the National Imagery and Mapping Agency (NIMA) in 2001. The history of integrating previously diverse specialties and oft-competing organizations was long and a difficult one.

Clark's chapter "GEOINT Explosion" addresses how broadly geospatial intelligence has been applied by federal, state and local civil government, non-governmental organizations, agriculture, and businesses. The scope of applications is surprising – community planning, crop management, epidemiology, and many socio-cultural uses to name just a few. Clark addresses many more.

The author concludes by (somewhat bravely) looking to the future of GEOINT and how it will evolve. He is clearly a devotee of the field and foresees many uses not currently being exploited. He addresses the links to virtual reality, AI, crowdsourcing of data, blockchain technologies, remote sensing technologies, the Internet of Things (IoT), and modeling and simulation, as well as others. The book is very up-to-date.

While the topic of the book is technical, Clark writes in a way that anyone can understand. It is a pioneering text suitable for everyone's reading list as well as the classroom. *Geospatial Intelligence: Origins and Evolution* is his latest contribution to the academic literature of intelligence. His previous works include *Intelligence Analysis: A Target-Centric Approach* (6th ed., 2019); *The Technical Collection of Intelligence* (2010); and *Intelligence Collection* (2014). He is coauthor, with William Mitchell, of *Target-Centric Network Modeling* (2015) and *Deception: Counterintelligence and Counterdeception* (2018); and he is co-editor, with Mark Lowenthal, of *Intelligence Collection: The Five Disciplines* (2015). He is also the co-author with this reviewer of "Cyber Intelligence," published in *The Intelligencer*, Vol. 24, No. 3, Winter 2018-2019.



***True or False: A CIA Analyst's Guide to Spotting FAKE NEWS***

by Cindy L. Otis

New York: Feiwel and Friends (Macmillan Publishing Group), 2020.  
336 pages, no index, extensive source notes.



Cindy Otis has written an interesting and timely book. Based on her experiences as an analyst at CIA she has examined many of the open sources that are the means by which we today communicate about events and our opinions.

"Fake news has gone by many different names in the past. Yellow journalism, propaganda, junk news, tabloid journalism, disinformation, and hoaxes can all be considered a part of fake news" [xiv]. "Fake news is trying to deceive you," she warns [xiv].

Part I of her book is about the history of fake news. Some of the stories she recounts are fascinating and amusing, such as the preposterous inventions of journalists writing about Jack the Ripper in London. Benjamin Franklin, when the US commissioner (i.e., ambassador) in France during the American Revo-

lution, established his own controlled printing press and used fake news for an elaborate influence operation against the British. The election of 1800 between John Adams and Thomas Jefferson was one of the nastiest in American history. Both used fake news to smear the other. Otis notes “the stories of the founders show us that people have long used false information during the course of political campaigning and elections to try to influence public opinion on issues and candidates” [47].

In examining historical examples Otis addresses many of the techniques used for fake news by the Yellow journalists William Randolph Hearst and Joseph Pulitzer and by the Nazi regime in the 1930s. “People are more likely to accept information that they already agree with” [28] and is therefore often written with specific audiences in mind. It is designed to play on peoples’ emotions. And repetition is an essential ingredient. “The key to getting fake news to spread is repeating the same message over and over in as many forms as possible...” [108]. Nazi allegations of Jewish crimes were repeated constantly by its controlled press. And when confronted by independent news organizations the Nazis used the term *lügenpresse*, meaning lying press to discredit them.

Otis details the history of “Big Tobacco” and how it falsified scientific studies about the links between smoking and cancer for decades, even creating a supposed independent scientific organization, the Tobacco Industry Research Committee, which was little more than a fake news façade and apologist for the tobacco companies.

Interesting is the author’s account of Operation INFEKTION, the Soviet’s attempt to convince the world that AIDS was developed by the US Army at Fort Detrick. Stories planted by controlled or compromised news outlets used repetition and citing each other to build a worldwide campaign. This occurred before the instant communications enabled by the Internet.

Advances in communications technology has helped fake news. The telegraph, radio, and television all enabled the more rapid spread of information – true or false. Winston Churchill famously said “A

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... Social media is a hotbed of fake news. Fake news can spread faster than any epidemic.

“Fake news can be dangerous to spread, even when it includes a caveat that it’s been proven not to be true. Spreading the story legitimizes it to a degree by saying it is something worth talking about. It sows doubt into our heads about things we otherwise know are true”

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lie gets halfway around the world before the truth has a chance to get its pants on.” “In 2018, MIT released the results of a study [published in *Science* magazine, March 9, 2018] about the biggest news stories in English that were shared on Twitter from 2006 to 2017... [It] found that fake news and rumors overwhelmingly reached more people and spread [as] a whole six times faster than true stories” [132-3]. This can have great consequences, as Otis notes the time when a false story in 2016 on social media resulted in Pakistan

threatening Israel with nuclear war.

Otis’s final chapter in Part I is about the elections of 2016. Her account of Pizzagate, when in December 2016 Edgar Welch shot up a Washington, DC, restaurant with his AR-15, believing in an Internet conspiracy theory that there was a pedophile ring run by the Clintons operating in its basement, illustrates how fake news can motivate extreme “true believers.” The author differentiates between the trolls of Russia’s Internet Research Agency (IRA) and the many bots (robotic networked computers) that influenced the election. Within a year of the election Twitter found more than four thousand IRA-run accounts and estimated that 1.4 million people had acted in one fashion or another to IRA postings. (Many of these accounts are still active on Twitter, she notes.) Facebook estimated that 126 million people saw IRA-sponsored stories between January 2015 to August 2017 and another 20 million on Instagram. “The Knight Foundation, a nonprofit organization that promotes quality journalism, found that in the month before the 2016 election, over 6.6 million tweets provided links to publishers of fake news and conspiracy news” [144-5]. “*BuzzFeed News* [December 16, 2016] also found that the top twenty fake news articles in 2016 got more shares on Facebook than the top twenty real news stories” [145]. A British study, interestingly found that 60 percent of the visits to fake news sites were from the same ten percent of the people.

Part II of Otis’ book is a useful guide to identifying fake news. She begins by clearly defining the difference between facts and opinions – the former can be proven, the latter cannot. A Pew Research Center

survey in 2018 showed that majority of Americans cannot differentiate between the two. Important for any analyst to understand is the effect of bias on sources of information. Some is unintentional; fake news is intentional. Its purpose is to influence, not necessarily inform. News outlets often have intentional biases the Center for Media and Public Affairs has found. Otis helpfully provides a checklist of how to spot fake news. She includes a listing of fact-checking websites. She warns about how some can cherry-pick facts and use loaded (i.e., emotional or come-on) terms. Headlines of items on Internet sources are often “clickbait,” hoping that the reader clicks on a

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“Most people... will not take the trouble in finding out the truth, but are much more inclined to accept the first story they hear.”

— Thucydides

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link, which often provides revenue to third parties, such as advertisers.

Polling is generally misunderstood by most people. Otis provides hints on how to assess polls and whether they are legitimate snapshots in time or otherwise. She also addresses fake images and “deep fakes” (manufactured, and therefore false, video) and what to look for to determine their authenticity, such as quality and attribution.

Social media is a hotbed of fake news. Fake news can spread faster than any epidemic. Social media is used by malicious actors for influencing many things. “In May 2019, Facebook announced it had found and removed 3.4 billion (that’s a “b”) fake accounts in just one six-month period” [260]. Memes (those beliefs, fashions, stories, etc.) that spread person-to-person are “often fake news traps” [261].

Otis’s book is a good reminder that fake news is ageless. This is a good primer for new analysts and young people who are wrestling with the deluge of information today. It helps teach them how to think critically about what they read, hear, and see. Even this reviewer with over a half-century of experience of analysis found the book useful. While Macmillan is promoting Otis’ text as a children’s book, it is anything but that. It is important to keep in mind the author’s warning: “Fake news can be dangerous to spread, even when it includes a caveat that it’s been proven not to be true. Spreading the story legitimizes it to a degree by saying it is something worth talking about. It sows

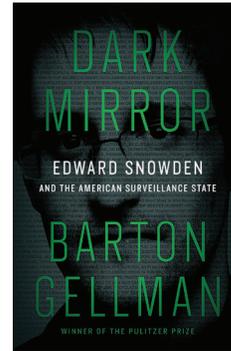
doubt into our heads about things we otherwise know are true [56-7].”



***Dark Mirror: Edward Snowden  
and the American Surveillance State***

by Barton Gellman

New York: Penguin Press, 2020. 411 pages with Notes and Index.



*Dark Mirror* is Barton Gellman’s tale of being drawn into the story of Edward Snowden. It is the tale of what an investigative reporter faced while trying to comprehend and report on the massive leak of classified NSA documents by Snowden. It is an intriguing book that at times can be annoying as Gellman is clearly sympathetic

to Snowden and what he did. But the book sheds a lot of light on the Snowden episode. While most of the official pronouncements following Snowden’s leaks were damning, *Dark Mirror* can be viewed as the other side of the story. As such, it is worth reading.

“I think Snowden did substantially more good than harm, even though I am prepared to accept (as he is not) that his disclosures must have exacted a price in lost intelligence,” states Gellman [xv]. With limited understanding of the complexities of US intelligence gathering, which Gellman admits, the author’s ability to make such a judgment illustrates a predisposition to dismiss the harm done. And what Gellman fails to examine is the damage to US foreign relations and to US corporations caused by Snowden’s revelations.<sup>1</sup>

Gellman was drawn into the Snowden story in January 2013 [8] by Laura Poitras, a US filmmaker living in Berlin. (Gellman never explains how Poitras became involved, although apparently, she was Snowden’s initial journalist contact when he was still in Hawaii and still contemplating the actions he later took. She was controversial already due to events in Iraq that put her on a list of interesting persons for Customs and Border Patrol.) Gellman had previously written a critical book of Vice President Cheney, Angler, that discussed the warrantless NSA surveillance efforts, nicknamed STELLARWIND, following 9/11 that resulted in a major scandal for the Bush Administration.

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1. For a discussion of some of the damage done see Peter C. Oleson, “Assessing Edward Snowden: Whistleblower, Traitor, or Spy,” *The Intelligencer*, Vol. 21, No. 2, Summer 2015, pp 15-23.

Poitras and Gellman exhibited both respect and paranoia about NSA's capabilities and assumed that they would be targets. The author explains in considerable detail the precautions he took to avoid surveillance by either NSA or the FBI.

Gellman spent most of his career as a reporter for *The Washington Post*. He left in 2010, but came back armed with Snowden's encrypted documents in 2013. In his chapter "Homecoming," Gellman gives an interesting narrative of what it took to convince *The Post's* hierarchy to support reporting on the NSA leaks, the legal debates that occurred, and the physical and cyber measures taken to protect the documents everyone recognized as being sensitive and of likely interest to many foreign intelligence agencies.

PRISM was the initial story printed. It revealed that numerous Internet service providers – US companies – were providing NSA stored Internet communications on a daily basis. NSA was paying for the access. Gellman writes: "There was evidence here of domestic espionage that the government has dissembled and sometimes flat-out lied about" [99].<sup>2</sup> PRISM was an important source for NSA – the "most used in NSA reporting," according to the overview slide of the program's PowerPoint briefing [109]. Nearly twenty percent of the articles in the *President's Daily Brief* (PDB) could be traced, at least in part, to the PRISM program [121]. Gellman's description of how the program worked is detailed. The reaction to the *Post's* story was explosive.<sup>3</sup> Gellman writes that he was fearful for his safety, especially as he witnessed in real time the compromising of his iPad, apparently by the Turkish intelligence service [229-232].

Gellman did not travel to Hong Kong to meet Snowden in late May, 2013. Poitras was accompanied by Glenn Greenwald, known as a leftist activist that Snowden enticed into his activities. Gellman and Greenwald were not friendly. Greenwald was an anti-establishment activist, living in self-imposed exile in Brazil. Gellman describes how Greenwald rushed to publish first and has consistently tried to take credit as being the first to support Snowden. However, Gellman presents a detailed timeline indicating that Greenwald came to the effort later than Gellman did [FN#138, 388-9]. Obviously, no love lost between the two. Gellman goes to considerable length to describe how he

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2. Gellman states that Vice President Cheney controlled STELLARWIND, which he concealed from the judges of the Foreign Intelligence Surveillance Court (FISC) and from members of the intelligence committees in Congress [170].

3. The US Government was "unprepared for the suspicion and anger aroused when ordinary people caught a glimpse of the [domestic surveillance] machinery" [183].

and *The Post* protected the sensitive documents that had not been revealed to date. He questions whether Greenwald was as careful in keeping foreign intelligence services from acquiring the documents secretly.

"Snowden is a complicated figure... He can be fine company: funny and profane, an autodidact with a nimble mind and eclectic interests. He can also be stubborn, self-important, and a scold" [xiii]. And Gellman admits that Snowden was not always honest with him [324-5].

Gellman says that Snowden's "disaffection came gradually." He traces Snowden's evolution from a bored high school student addicted to computer games and programming through the jobs he had until he arrived at NSA's Kuna, Hawaii facility as a Booz-Allen contract employee. The picture painted is far more sympathetic (and in this reviewer's opinion probably far more accurate) than what many pronouncements by government officials have made. Snowden was smart, but not in a conventional sense. This said, Gellman does not appear to be very critical in some of his judgments about Snowden. Snowden was (is) self-absorbed and often a scofflaw. He... "valued his own judgment over the rules" [34], a tendency he exhibited in all of his employments. He "repeatedly found his way around conventional barriers" [40]. He had strong libertarian tendencies and disliked security rules. He exaggerated his experiences. An acquaintance in Geneva, where Snowden worked for CIA from 2007 to 2009, "remembered him as an introspective computer genius with a tendency to brood" [55]. Snowden told Gellman that he was really affected when he read a STELLARWIND memo and realized that NSA's director, at that time, Lt. Gen Hayden, had initiated the program illegally in Snowden's opinion and that the American public ought to know [71]. When Snowden decided surreptitiously to collect NSA documents "by lifelong habit," Gellman writes, he "looked for side channels" to cover his tracks [68].

There is no doubt that Snowden intended to expose NSA capabilities. While still in Hong Kong after he had gone public he "told the *South China Morning Post* that he had sought out the contract with Booz for its access to NSA documents that he wanted to expose" [84]. Confident in his own judgment of right and wrong, Snowden told Gellman that "I felt that I had an obligation to act [304].

According to Gellman, Snowden did not intend to end up in Russia. He preferred a nation with strong protections for journalists, such as Iceland. But with his passport revoked once he arrived in Moscow, accompanied by a Wikileaks official, he was stuck.

Gellman writes that it was the US Government's action that had an unintended outcome.<sup>4</sup> Gellman also writes that no government official ever claimed evidence that Snowden was a Russian agent [xv].

Much of Gellman's book revolves around the debate over near-universal surveillance. He explains in considerable detail NSA's capabilities to do so, the techniques, and the tools. It was uncomfortable for this reviewer to read what could easily be considered sources and methods secrets. Gellman dissects what he perceives to be the callous culture of young "crippies" in the NSA complex. He also reveals details of many other NSA efforts, such as compromising Google's Cloud environment and millions of mobile phones [219, 280ff]. He explains the "minimize" procedures implemented by NSA to screen out intercepts involving "US persons," but notes the exceptions (some of which are secret and therefore unknown), and rightly observes that policies can easily change with administrations.

Admiral McRaven, former commander of the Special Operations Command and leader of the raid that killed Al-Qaida leader, Usama Bin Laden, later said to Gellman "My issue has always been with the safety and security of Americans in harm's way... I'm sure it's a good reporter's concern too... How do you balance what you think the public needs to know with the potential to put lives at risk?" [154].

Do America's adversaries have the files that Snowden stole? Richard Ledgett, the former deputy director of NSA, told Gellman "My take is, whatever you guys had was pretty immediately in the hands of any foreign intelligence service that wanted it... Whether it was the Russians, Chinese, French, the Israelis, the Brits. Between you, Poitras, and Greenwald, pretty sure you guys can't stand up to a full-fledged nation-state attempt to exploit your IT" [241].

Is Snowden working for the Russians? He claims not to be. At least not directly. He claims he subsists on Bitcoin donations [254]. He also claims he did not bring any classified materials to Russia when he fled Hong Kong [257]. The unanswered question is: What happened to the four computers (and other media) he brought to Hong Kong from Hawaii? But his pro-bono Russian asylum lawyer, Anatoly Kucherena, is also a member of a board that oversees the FSB – the Federal

Security Service.<sup>5</sup> Since being in Russia, Snowden has participated in numerous international meetings and symposia spreading his message against NSA. Even if not actively controlled by Russian intelligence, he supports the Kremlin's influence operations by spreading dissension in the West. Gellman does not address this in *Dark Mirror*.

"Dark mirror" conjures up the image of a one-way mirror in police stations where a suspect can be seen but cannot see who is observing him. Gellman's book is on one hand fascinating and on the other disturbing. He tries to convince the reader that what Snowden did was a positive development. But as McRaven commented, Gellman cannot know what the costs are of Snowden's actions.



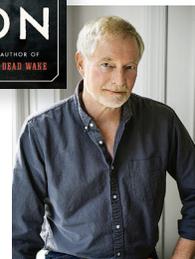
***The Splendid and the Vile: A Saga of Churchill, Family, and Defiance During the Blitz***

by Erik Larson

New York: Crown. 2020. 608 pages with notes and index.



Many books have been written about Winston Churchill, but this one is different. Its subtitle, *A Saga of Churchill, Family, and Defiance During the Blitz*, describes the book. It is an intimate look at Churchill, the



contemporary of others in during 1940-1945. Larson often get left

biographies of Churchill, either because there's no time to tell them or because they seem too frivolous [506]. One of the author's main sources was the diary of John Colville, one of Churchill's private secretaries, who spent days and nights with the prime minister in official and social gatherings. Colville's observations, while sympathetic, were often disturbing. Another important source was Mary, Churchill's coming-of-age daughter.

Without telling too much about the book, which could spoil the reader's pleasure, this reviewer found

4. The State Department revoked Snowden's passport after he went public and was still in Hong Kong. His ability to board an Aeroflot flight to Moscow, accompanied by Sarah Harrison, an associate of Wikileaks founder Julian Assange, required active assistance by the airline (and probable involvement by Russian intelligence authorities, who undoubtedly viewed Snowden with considerable interest.)

5. Steven Lee Myers. "Snowden's Lawyer Comes With High Profile and Kremlin Ties," *New York Times*, July 27, 2013. <https://www.nytimes.com/2013/07/28/world/europe/snowdens-lawyer-comes-with-high-profile-and-kremlin-ties.html>.

it a fascinating supplement to many other Churchillian descriptions. It was interesting to be a “witness” to the dealings Churchill had with his closest circle of officials, friends and family. I found enlightening the insights into other people, especially Lord Beaverbrook and Averill Harriman. There are insights, often oblique in Larson’s book, into how intelligence, delivered in a yellow “Most Secret” box, that included Enigma and other intercepts, affected Churchill.

One figure who shows up in the book is R.V. Jones, the legendary scientific intelligence official who was important in the “battle of the beams,” trying to defeat the Luftwaffe’s electronic guidance for its bombers during the Blitz. It was also interesting to see behind Churchill’s oratory. Colville wrote about what went into constructing Churchill’s speeches to the populace and the House of Commons. Much of what he said was also aimed at Roosevelt to encourage him to increase support for Great Britain in the face of America’s isolationist Congress. Larson intersperses the book

with observations of Churchill by Josef Goebbels, the Nazi minister of propaganda. One gets insight from Larson into the thinking of the Nazi leaders and the oft-toxic relationships between them.

Once started, Larson’s *The Splendid and the Vile*, is hard to put down.

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