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## When Intelligence Made a Difference

- COLD WAR -

## **Farewell Dossier**

by Peter C. Oleson

#### **HOW IT STARTED**

He was drunk, lost control of his car, and smashed into a light pole. Afraid of the consequences, he called a friend to help cover up the accident. This incident in Paris in the summer of 1970 was to have enormous adverse consequences for the Soviet Union.

Vladimir Ippolitovich Vetrov was sent to Paris in 1965. He was an engineer and fluent in several languages. And he was a lieutenant colonel in the KGB. By 1970 the Soviets knew they were losing the technological competition with the West. Vetrov's focus was procuring or stealing technology useful for the Soviet military.

Vetrov's friend was Jacques Prévost, a senior employee of the French electronics firm Thompson-CSF. He was also part of the Direction de la Surveillance du Territoire (DST), France's counterespionage unit<sup>1</sup>. Prévost helped Vetrov cover up the incident from Soviet officials in Paris.<sup>2</sup>

In 1970, the KGB established a new directorate — Directorate T — and its operating arm, Line X, "to plumb the R&D programs of Western economies."<sup>3</sup>

Soviet delegations to US industries were discovered stealing technologies. The KGB set up dummy companies. In one incident the US Customs intercepted a shipment of controlled electronics and substituted bags of sand.<sup>4</sup> After several incidents, in 1974 President Nixon signed NSDD 247 restricting the export of powerful computers to the USSR.<sup>5</sup> "Although NSDD 247 removed the West as an open source for technology transfer, the Soviets deployed its enhanced espionage apparatus to obtain the coveted high-tech goods through the back door."<sup>6</sup>

"By 1975 [the KGB] had at least 77 agents and 42 trusted contacts working for Directorate T within US companies and laboratories, including defense contractors."

"At the end of 1970 Vetrov, his tour over, returned to Moscow to Directorate T. His job was to evaluate the intelligence collected by Line X officers, which gave him an overview of the worldwide scope of the program."

Vetrov became disillusioned with Soviet life after living in Paris. He had a fondness for France and saw the lack of basic amenities for Soviet citizens. In 1980, he reached out to his friend, Prévost, who had gotten him out of trouble in Paris. He offered to spy for the DST. His original DST contact was a French businessman in Moscow and then a French military attaché and his wife. Vetrov offered to provide Directorate T archives to the DST. "He passed on secrets by exchanging shopping baskets with the wife in a

<sup>1.</sup> DST – "directorate of the French National Police operating as a domestic intelligence agency. It was responsible for counterespionage, counterterrorism and more generally the security of France against foreign threats and interference." (https://en.wikipedia.org/wiki/Direction\_de\_la\_surveillance\_du\_territoire).

<sup>2. &</sup>quot;Farewell Dossier," The Cold War Channel, https://www.youtube.com/watch?v=c8CDwPdGDbg.

<sup>3.</sup> Gus W. Weiss. "Duping the Soviets – The Farewell Dossier," *Studies in Intelligence*, 39 (5), Central Intelligence Agency, 1996, pp. 121-6. https://www.cia.gov/resources/csi/studies-in-intelligence/1996-2/the farewell-dossier/, p. 1. Directorate T was an upgrade of the previous Tenth Department of the First Chief Directorate (responsible for foreign espionage) established in 1963. (David G. Major. "Farewell," 1999, p. 5, unpublished). This was an evolution from the original organization established in 1918. Lenin talked of the need to obtain

Western technology "with both hands." (Steve Kettman. "Soviets Burned by CIA Hackers?" Wired, March 26, 2004. https://www.wired.com/2004/03/soviets-burned-by-cia-hackers/.)

<sup>4.</sup> Weiss, "Duping the Soviets," p. 3.

<sup>5.</sup> Weiss, "Duping the Soviets," p. 2. National Security Decision Memorandum (NSDD) 247, "US Policy on the Export of Computers to Communist Countries," 14 March 1974. https://irp.fas.org/offdocs/nsdd/nsdd-247.htm.

<sup>6.</sup> Major, p. 7. Since the 1930s, Soviet intelligence had focused on obtaining American and Western "scientific-technical" information. It was successful during World War II in obtaining advanced US military technologies, including for the atomic bomb.

<sup>7.</sup> Derek Leebaert. "How a Harvard Academic Secretly Blunted a Daring Cold War KGB Op," SpyTalk, 5 September 2023. spytalk@substack.com.

<sup>8.</sup> Major, p.20.

<sup>9.</sup> Major, p.21. One DST officer believed that Vetrov also held a personal grudge against the KGB for his lack of career advancement. (Association of Former Intelligence Officers (AFIO), Weekly Intelligence Notes (WIN), 35-09, September 22, 2009.)

<sup>10.</sup> The DST was not a foreign intelligence agency, but was focused on internal French security. Vetrov did not want to involve France's foreign intelligence agency, *Service de documentation extérieure et de contre-espionnage* (SDECE), as he believed it was penetrated by the KGB. So, the DST, that was not well equipped to conduct operations in the Soviet capital, reached out to its CIA contacts. In Moscow CIA helped by providing the French with a "real-false pen" that allowed Vetrov to clandestinely photograph documents. The CIA also provided counter-surveillance for the DST against the KGB. (Major, p. 22.)

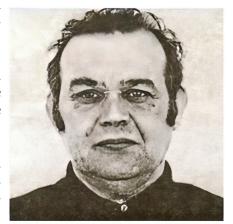
Moscow market. The Russian never asked for money or for a new life in the West. He was an 'uncontrollable man, who oscillated between euphoria and over-excitement,' said his DST control officer. He appears to have been motivated by frustration with the Soviet system and, maybe, a personal grudge."<sup>11</sup>

#### **VETROV'S REVELATIONS**

Beginning in the Spring of 1981 Vetrov provided thousands of documents and identified 250 Line X officers in the West and Soviet moles in Western industry. The papers, some 4,000 pages, became known as the "Farewell Dossier." It showed in remarkable detail how the Soviet Union had hijacked Western advances in electronics and other technology to benefit its military machine. US industry, as well as France and many other Western European nations and Japan and Korea were victims of the Soviet espionage. 12

French President François Mitterand decided to share the intelligence with the US. Although a socialist Mitterand held no love for the USSR. At the G-7 summit in Ottawa, Canada, in July 1981, he informed Pres-

ident Reagan of the "Farewell Dossier." Subsequently, the French delivered the intelligence to the CIA. Thomas Reed. who worked on Reagan's National Security Council, that "It immediately caused a storm."13



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"There were losses in radar, computers, machine tools, semiconductors, and even nuclear weapons. Line X had somehow obtained the most sensitive single item possible: the fusing and firing device for US nuclear weapons, which might be found vulnerable

and then be subject to countermeasures."<sup>14</sup> "[S]ome Soviet weaponry, like the Kirov-class cruiser, debuted sooner than the American models from whose plans they were copied."<sup>15</sup>

"At the same time, the Farewell file revealed that the USSR was much further behind the West in computer technology than the CIA had believed possible.<sup>16</sup>

Former Georgetown professor Derek Leebaert wrote: "It was irrefutable that a system of thefts comparable to the 1940s "super Lend-Lease" of Soviet espionage was in full operation," involving 12 different ministries through the Soviet Military-Industrial Commission (VPK).<sup>17</sup>

Analysis indicated that Line X had fulfilled 66% to 75% of its collection requirements.<sup>18</sup>

The Farewell Dossier revealed that "[i]n effect, the US was in an arms race with itself." The CIA assessed the thefts as extremely damaging and the president tasked Casey to come up with an appropriate response. Initially, the usual arguments are made to expel the offending Soviet agents – but only after their sources could be learned.<sup>20</sup>

### DETERIORATING SOVIET-WESTERN RELATIONS

In 1972 and 1974, Moscow and Washington signed 29 treaties and agreements covering trade, finance, the arts and arms control—including a thousand-word US-Soviet code of conduct regarding the "Basic Principles" of bilateral relations. Each side pledged to renounce "efforts to obtain unilateral advantage at the expense of the other." Foreign policy expert Derek Leebaert noted that a grave incaution characterized much of Washington's political-military thinking about détente.<sup>21</sup>

The Farewell revelations coincided with a deterioration of Western-Soviet relations. In December 1979, with the Soviet invasion of Afghanistan, President Carter "moved swiftly to impose sanctions, canceling several computer sales, and stopping equipment des-

<sup>11.</sup> Major, p. 22.

<sup>12.</sup> https://edwardbetts.com/monograph/Vladimir\_Vetrov:\_Farewell\_Dossier.

<sup>13.</sup> Ibid.

<sup>14.</sup> Major, "Farewell," p. 10.

<sup>15.</sup> Leebaert, "Harvard Academic."

<sup>16.</sup> AFIO WIN 35-09, September 22, 2009.

<sup>17.</sup> Derek Leebaert. The Fifty-Year Wound: How America's Cold War Victory Has Shaped Our World, Boston: Back Bay Books, 2003, p. 525.

<sup>18.</sup> Major, "Farewell," p. 10.

<sup>19.</sup> William Safire. "The Farewell Dossier," Op-ed, *The New York Times*, February 2, 2004.

<sup>20.</sup> YouTube, "Farewell Dossier."

<sup>21.</sup> Leebaert, "Harvard Academic."

tined for Soviet heavy industry."<sup>22</sup> He also authorized limited covert support to the anti-Soviet Afghan mujahideen. After his election President Reagan reaffirmed the covert action versus the Soviets in Afghanistan.<sup>23</sup>

### **ENTER GUS WEISS**

Dr. Gus W. Weiss served on the staff of the National Security Council under Presidents Nixon and Ford. In the Ford administrations he was also executive director of the White House Council on International Economic Policy. Much of his government work centered on national security and concerns over technology transfers to communist countries. During the Carter administration, Dr. Weiss was assistant for space policy to the secretary of defense. He rejoined the NSC in the Reagan administration in 1981,<sup>24</sup> and was the NSC official overseeing the Coordinating Committee on Multilateral Export Controls (COCOM),<sup>25</sup> and the problem of technology transfer.<sup>26</sup> Weiss had been contacting US CEOs to warn them of Soviet intentions.<sup>27</sup> In 1981 Weiss had been concerned about technology transfer to the Soviets for about a decade when President François Mitterrand informed President Ronald Reagan about the Farewell Dossier at the G-7 summit in Ottawa.

Weiss' friend, Alex French, revealed in a lengthy WIRED magazine article that "[o]ne day a year into his tenure, the phone rang as Weiss toiled away in his third-floor nook in the Old Executive Office Building. When he answered, the voice on the other end of the handset said, "My name is Helene Boatner. If



Gus Weiss (family photo via Intel Today)

management knew I called, I'd be fired. Do you know what's going on with the computer delegation?" Weiss' mantra was: 'As computers go, so goes the Cold War'... Days later an old Harvard chum phoned Weiss to report that a delegation of Russian computer scientists had just toured his super-computer manufacturing facility, Amdahl Corporation, in Sunnyvale, California. 'They asked tons of technical questions'... From that day on, Weiss dutifully collected anecdotal evidence of the Soviet's sinister embrace of détente... [W]ith assistance from Boatner, [he] formed a cabal of roughly 30 technologists, scientists, and intelligence analysts-from the CIA, NSA, Office of Naval Intelligence, Air Force, FBI, Defense Intelligence Agency, Department of Defense, and Rand Corporation, which he called the American Tradecraft Society." Technology transfer at that time was not a priority focus for CIA.28

# THE REAGAN ADMINISTRATION REACTION TO SOVIET ACTIVITIES

"Reagan and his senior advisers did not share many of the assumptions of the doctrine of Containment. Problems posed by the Soviet Union, they felt, were not to be resolved through 'behavior modification' (to use the clinical term), they, were inherent in the Soviet system. Instinctively, Reagan wanted to take the strategic

<sup>22.</sup> Major, "Farewell," p. 9.

<sup>23.</sup> As part of the "Reagan Doctrine," he also supported covert actions in support of the Contras in Nicaragua, against the communist regime in Angola, and in support of Solidarity in Poland.

<sup>24. &</sup>quot;He was awarded the French Legion of Honor in 1975 for helping resolve national security concerns over a joint venture between General Electric's aircraft engine division and a French jet engine company." "Gus W. Weiss, 72," Obituaries, *The Washington Post*, December 7, 2003.

<sup>25.</sup> https://www.cia.gov/readingroom/docs/19821110.pdf. Until its dissolution in March 1994, the Coordinating Committee on Multilateral Export Controls (COCOM) was the primary multinational export control organization through which the United States and the other 16-member countries controlled the export of items for security purposes. COCOM was created in 1949 by the United States and the other NATO countries, excluding Iceland and Spain, plus Japan. Later, Spain and Australia joined COCOM. COCOM-proscribed exports of high technology electronics to countries including the Soviet Union, other Warsaw Pact nations, and the People's Republic of China. Under COCOM, member countries allowed other member countries to veto their export cases that required COCOM approval. (Chapter 9 Summary, "US Export Policy Toward the PRC," https://www.govinfo.gov/content/pkg/GPO-CRPT-105hrpt851/html/ch9bod.html.

<sup>26.</sup> Weiss, "Duping the Soviets," p. 2.

<sup>27.</sup> Leebaert, "Harvard Academic."

<sup>28.</sup> Alex French. "The Secret History of a Cold War Mastermind," Wired, 03112020. https://www.wired.com/story/the-secret-history-of-a-cold-war-mastermind/. Alex French obviously had access to what Weiss wrote in his unpublished monograph, The Farewell Dossier: Strategic Deception and Economic Warfare in the Cold War (An Insider's Untold Secret Story). Weiss distributed this monograph to friends and colleagues.

initiative and not be forced into a reactive position."<sup>29</sup> He turned to Casey on how to respond to the Farewell Dossier.

Meanwhile, in October and November 1981 Weiss read the relevant, highly classified, materials. At the time he was working on "new measures for halting both technology thefts and the bank loans to the Russians, which Moscow was fraudulently obtaining (i.e., by using the same oil and gas reserves as collateral for multiple financings)."30 Aware of the Farewell revelations, National Security Adviser William Clark asked the NSC's international economic directorate to devise a coherent US approach to exploit Soviet economic vulnerabilities. Concerned over the US's failure to secure allied cooperation earlier over the Trans-Siberian natural gas pipeline being constructed, the US was also frustrated about the financial backing being given Moscow by Germany and Britain. Western European countries had become deeply involved in the project.<sup>31</sup> That project would give control of European energy supplies to the Communists..."32

A year later, "[o]n November 12, 1982 President Ronald Reagan signed National Security Decision Directive-66 (NSDD-66), 'East-West Economic Relations and Poland-Related Sanctions,'33... [which] reflected a seismic shift in the US economic warfare strategy from its emphasis on sanctions to other critical tactics. NSDD-66 was tantamount to a secret declaration of economic war on the Soviet Union," wrote Roger Robinson, its principal NSC author. "It is the document that, along with the US military buildup and SDI, 34 charted the ultimate demise of the Soviet Union." Only a few pages in length, NSDD-66 made it US policy to rapidly construct a "strategic trade triad' to curtail "western life-support" to Moscow..." and reduce Europe's dependence on Soviet gas. 35

### THE OPERATION

Casey tasked CIA's Directorate of Operations to develop an operation to counter Line X but was struggling with an appropriate response. His "intelligence analysts spent months trying to develop a strategic approach to the intelligence provided by Vetrov."<sup>36</sup>

In January 1982, Weiss visited Casey. The two had known each other previously and were described as being "sympatico."37 Rather than just deporting Line X officers, Weiss proposed a radical approach. Knowing the Directorate T shopping list, especially the desire for advanced computer technology, he proposed "helping" the Soviets get the technologies they wanted, only "fixing" them before delivery. The catch, as William Safire wrote, "computer chips would be designed to pass Soviet quality tests and then to fail in operation."38 The brilliance of Weiss's plan was that even if the Soviets sniffed out the American trickery, "the stratagem would still work as the [KGB's] Red Star clientele would be forced to test and retest each recalcitrant unit, provoking delays and finger pointing in the [KGB] Center, its puffed up potentates sniffing a Gulag behind their next performance appraisal ... real fake devices, false fake devices ... The Soviets had set themselves up in exquisite fashion."39

Of particular interest was the Soviets' gas pipeline, which had begun operation. As Weiss, the economist, explained '[t]wo-thirds of every [hard currency earnings] came from energy exports and every one dollar decline in the price of oil would cost the Russians between \$500 million and \$1 billion in revenue. What's more, their oil fields were in decline. They possessed gas reserves that were massive but inaccessible using old drilling methods. They needed specialized rotary drills and exploration and offshore technology, and the US had a near monopoly on the licenses for that gear."

Casey liked the idea and took it to Reagan, who approved it in a private meeting. Casey then told the DO to set up a task force for implementation. Casey stressed the need for very close hold or else the effort could unravel. After Reagan's approval, Casey briefed Secretary of State Alexander Haig, Secretary of Defense Caspar Weinberger, Secretary of Commerce Malcolm Baldridge and FBI Director

<sup>29.</sup> Major, "Farewell," p. 14. Also, the December 1981 imposition of martial law in Poland hardened White House attitudes toward Moscow.

<sup>30.</sup> Leebaert, "Harvard Academic."

<sup>31.</sup> Patrick J. DeSouza. "Soviet Gas Pipeline Incident," Yale Journal of International Law, Vol. 10:92, 1984. https://core.ac.uk/download/pdf/72839476.pdf.

<sup>32.</sup> President François Mitterrand of France also opposed the gas pipeline. (William Safire. "The Farewell Dossier," Op-ed, *The New York Times*, February 2, 2004.) Safire and Weiss worked at the NSC at the same time and knew each other.

<sup>33.</sup> https://irp.fas.org/offdocs/nsdd/23-1933t.gif. NSDD-66 has since been declassified; Major, "Farewell," p. 12.

<sup>34.</sup> SDI – the Strategic Defense Initiative anti-ballistic missile program (also known as "Star Wars).

<sup>35.</sup> Major, p. 12.

<sup>36.</sup> French, "The Secret History of a Cold War Mastermind."

<sup>37.</sup> Ibid.

<sup>38.</sup> Safire, "The Farewell Dossier."

<sup>39.</sup> French, "The Secret History of a Cold War Mastermind."

<sup>40</sup> Ibid

William Webster. <sup>41</sup> Intentionally, pro-détente White House officials, such as Chief of Staff James Baker or his deputy Michael Deaver, or anyone at State other than Haig, or Congress were not to be briefed on the operation. Any of them could block the effort either through their access to Reagan or by a well-timed leak. Casey's solution was to keep them and other potential opponents in the dark. Even knowledge within CIA was to be very limited. The task force went around senior CIA officials who were skeptical of the plan. <sup>42</sup>

The success of the plan required a high level of collaboration among many elements of the US government, along with the cooperation of US industry. The CIA worked with American industry to alter products to be slipped to the KGB, matching the KGB's shopping list.<sup>43</sup>

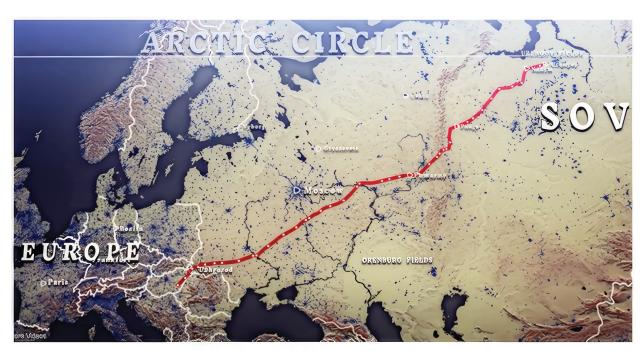
The operation fit perfectly with NSDD-66 philosophy. In early 1982 implementation began. Within a few months the shipments began. These included, among others:

 Deliberately flawed designs for stealth technology and space defense, which sent Russian scientists down paths that wasted time and money;

- Defective turbines and factory plans that found their way into Soviet military and civilian factories and equipment;
- The design for a Soviet space shuttle that was a rejected NASA design (it never flew);
- Flawed, but convincing ideas on attack aircraft and fighter counter-measures;
- Corrupted software that disrupted various factories' output;
- "Improved" that is to say, erratic computer chips designed to pass quality acceptance tests before entry into service; and
- Gas pipeline control software.

Line X swallowed whatever leading-edge tools and methods seemed available.<sup>44</sup> When a Russian factory broke down the manager was blamed. Countering complains of bad technology, which failed, the KGB stated it was the best from the West.<sup>45</sup>

The resulting failures were a severe setback for major segments of Soviet industry. But the most dramatic single failure resulted from a deliberate attack intended to disrupt the Soviet gas supply, its hard



Trans-Siberian Gas Pipeline (Smithsonian Institution)

<sup>41.</sup> Ibid.

<sup>42.</sup> Robert M. Clark. "The Farewell Dossier," A Case Study, The Intelligence Community Officers Course (ICOC), 2007, citing an interview with Jan Herring, May 16, 2006.

<sup>43.</sup> https://edwardbetts.com/monograph/Vladimir\_Vetrov:\_Farewell Dossier.

<sup>44.</sup> Leebaert, The Fifty-Year Wound, p. 527.

<sup>45.</sup> Ibid. "In another instance, the president of Texas Instruments allowed one of his company's chip-testing devices to be made available for Soviet interception in Rotterdam. The machine was modified to work initially as expected. but after a few trust-winning months..." Leebaert, *The Fifty-Year Wound*, p. 527.

currency earnings from the West, and the internal Russian economy.<sup>46</sup>

To automate the operation of the pipeline's valves, compressors, and storage facilities the Soviets needed sophisticated control systems. They bought early model computers on the open market, but when Russian pipeline authorities attempted to buy control technology at an industry trade show in Texas, they were turned down. Undaunted, the Soviets turned to Line X. A KGB operative was sent to penetrate a Canadian software supplier in an attempt to steal the needed codes. The CIA, tipped by Farewell, responded and – in cooperation with some outraged Canadians – "improved" the software before sending it on.<sup>47</sup>

Once in the Soviet Union, computers and software, working together, ran the pipeline beautifully. Yuri Andropov, the KGB chief, and Brezhnev were pleased.<sup>48</sup> Soviet gas was being shipped westward. But that tranquility was deceptive. Buried in the stolen Canadian goods – the software operating this whole new pipeline system – was a Trojan horse. The software that was to run the pumps, turbines, and valves was programmed to go haywire, after a decent interval, to reset pump speeds and valve settings to produce pressures far beyond those acceptable to the pipeline joints and welds.<sup>49</sup>

Thomas Reed observed that "The Soviets checked it out; it looked fine, and ran just fine for a few months. But the Trojan horse was programmed to let it run for four or five months and then the pumps and compressors are told, 'Today is the day we are going to run a pressure test at some significantly increased pressure.'" Reed continued: "We expected that the pipeline would spring leaks all the way from Siberia to Germany, but that wasn't what happened. Instead the welds all blew apart." The result was the most monumental non-nuclear explosion and fire ever seen from space. <sup>50,51</sup>

According to Reed, "At the White House, we received warning from our infrared satellites of some bizarre event out in the middle of Soviet nowhere. NORAD feared a missile liftoff from a place where no rockets were known to be based. Or perhaps it was the detonation of a small nuclear device." The Air Force chief of intelligence rated it at three kilotons, but he was puzzled by the silence of the Vela satellites. They had detected no electromagnetic pulse, characteristic of nuclear detonations. Before these conflicting indicators could turn into an international crisis, Gus Weiss came down the hall to tell his fellow NSC staffers not to worry."53

"In time the Soviets came to understand that they had been stealing bogus technology, but now what were they to do? By implication, every cell of the Soviet leviathan might be infected. They had no way of knowing which equipment was sound, which was bogus. All was suspect, which was the intended endgame for the entire operation." This caused apprehensive Soviet scientists to delay or abandon all work that was based upon the software the KGB had stolen for years. 55

Reed admitted that the pipeline sabotage was just one example of "cold-eyed economic warfare" against the USSR that CIA carried out during the final years of the Cold War."56

<sup>46.</sup> Clark. "The Farewell Dossier," citing a Thomas C. Reed interview with Steve Kettman, March 26, 2004.

<sup>47.</sup> Some accounts suggest that CIA had suggested covertly which Canadian company was relevant to the Soviets' needs. This is unconfirmed.

<sup>48.</sup> Leonid Brezhnev died on 10 November 1982.

<sup>49.</sup> Thomas Reed. At the Abyss: An Insider's History of the Cold War, Novato, CA: Presidio Press, 2007, pp. 268-9.

<sup>50.</sup> Reed, At the Abyss; Clark, "The Farewell Dossier."

<sup>51.</sup> The date of the Siberian explosion is uncertain. Different versions of the story range from April 1982, through the summer (especially June), and up to Halloween. It should be noted that some scholars question Reed's story. There is little contemporary evidence to support what he wrote. SAIS professor Thomas Rid wrote: "There are no media reports from 1982 that would confirm Reed's alleged explosion, although regular accidents and pipeline explosions in the USSR were reported in the early 1980s... The available evidence on the event is so thin and questionable that it cannot be counted as a proven

case of a successful logic bomb." (Thomas Rid: "Cyber War Will Not Take Place", *Journal of Strategic Studies*, Vol. 35, (1), 2012.) The US Government has not released any confirmatory data. Also, journalist Vidisha Joshi, citing an anonymous source, wrote "the pipeline explosion had nothing to do with CIA sabotage. It was a Russian engineer who, when discovering a leak in the pipeline, simply kept increasing pressure to maintain the flow of natural gas. When the gas leak kept building up following the engineer's efforts, a passing Russian train sparked the gas cloud, causing a massive explosion in the middle of Siberia." (https://meaww.com/americas-hidden-stories-busting-myth-cia-involvement-trans-siberian-pipeline-explosion-1982.)

<sup>52.</sup> The purpose of the constellation of Vela satellites was to detect nuclear explosions on Earth or in space. It was an effort to monitor the 1963 partial nuclear test ban treaty with the Soviet Union. Apparently, the Vela satellites did not detect any electromagnetic pulse from the explosion, which would have been normal for any nuclear explosion. Vela satellites operated until 1985 when the nuclear detection mission was taken over by the Defense Support Program (DSP) and Global Positioning System satellites. (https://en.wikipedia.org/wiki/Vela (satellite)).

<sup>53.</sup> David E. Hoffman, "Reagan Approved Plan to Sabotage Soviets," The Washington Post, February 27, 2004. https://www.washingtonpost.com/archive/politics/2004/02/27/reagan-approved-plan-to-sabotage-soviets/a9184eff-47fd-402e-beb2-63970851e130/].

<sup>54.</sup> Hoffman, "Reagan Approved Plan."

<sup>55.</sup> Safire, "The Farewell Dossier."

<sup>56.</sup> Hoffman, "Reagan Approved Plan."

### **DETERIORATING US-SOVIET RELATIONS**

"Ronald Reagan wanted a complementary relationship between the US military buildup (to redress years of neglect), futuristic defense-related technologies like SDI, and economic security policies directed at Moscow," recalled former National Security Advisor William Clark. "Frankly, our intention was to divert priority Soviet resources to meeting future US capabilities beyond their grasp and to persuade Moscow that they would not prevail in a toe-to-toe technological competition."57 On 17 January 1983 President Reagan approved National Security Decision Directive (NSDD) 75, U.S. Relations with the USSR. 58,59 It was a road map for strangling the Soviet economy.

On 23 March 1983 Reagan announced the Strategic Defense Initiative (SDI). This added to other major defense-related policy changes:

- The rejuvenation of the B-1 strategic bomber;
- The announcement of the stealth B-2 bomber and the MX (Peacekeeper) ICBM;
- The deployment of the quick-reaction Pershing II MRBM and the Ground Launched Cruise Missile (GLCM) in Western Europe in response to the Soviet's deployment of the SS-20 IRBM; and
- The initiation of a Continuity of Government (COG) program to deter any Soviet inclination at a decapitation strike of the US government.

In the Fall of 1983 Secretary of Defense Weinberger released a paper exposing Line X and the KGB's efforts at technology espionage.60 On 1 September Soviet interceptors shot down a Korean Boeing 747 airliner (KAL 007) killing all 269 aboard, including a US congressman. And in November the Strategic Arms Reduction Talks collapsed over the deployment of the Pershing II and GLCMs.

"The Reagan administration also was conducting a psychological warfare campaign at the same time (1981-83) that involved military exercises and unusual maneuvers near Soviet territory. These operations consisted mainly of air and naval probes near Soviet

### **FALLOUT FROM THE OPERATION**

**Loss of Farewell.** Not long after the operation commenced, in February 1982, Vetrov failed to show up for a meeting with his contact in Moscow. The reason was unknown at the time. The CIA program manager for the operation, Weiss and DCI Casey expressed concern over Vetrov's disappearance and whether it could compromise the operation.<sup>62</sup> The KGB knew that the US was alerted to its technology operations. Aldridge Ames had revealed that the US had a penetration of the KGB leaking information about Line X including its technology thefts in Japan and Korea. Ames also revealed that the US was possibly feeding shuttle data to the USSR. His subsequent information was somewhat revealing of an undefined US operation. Robert Hanssen revealed that the FBI was investigating many firms over technology leakage, and was tasked to amplify Ames' information, if possible.63

Vetrov, whose marriage had failed, was having an affair with a KGB secretary. One night in Moscow, while the two were parked in his car, another KGB officer knocked on the window. Fearing that he was about to be arrested, Vetrov stabbed to death the officer and then to cover up what he had done, his mistress, but

borders. Like the Farewell operation, there was no paper trail. Its purpose was to keep the Soviets guessing what we might do next, and it certainly heightened their paranoia. It was a major factor contributing to the 1983 Soviet War Scare."61

<sup>57.</sup> Major, p. 16.

<sup>58.</sup> NSDD-75, "US Relations with the USSR," https://irp.fas.org/offdocs /nsdd/nsdd-75.pdf; Major, p. 16.

<sup>59.</sup> The earlier NSDD-32, "US National Security Strategy," of May 1982 stressed US interest in rolling back Soviet power in Eastern Europe..." (Major p. 15; also, https://irp.fas.org/offdocs/nsdd/nsdd-32.pdf).

<sup>60.</sup> Soviet Military Power - 1973, pp. 71-2, 75-8. https://apps.dtic.mil/sti /trecms/pdf/AD1120510.pdf].

<sup>61.</sup> The war scare came during the November 1983 NATO command post exercise, Able Archer. Andropov was paranoid about a possible NATO pre-emptive strike on the USSR and had dictated to the KGB that its highest priority was Project RYaN, which was to uncover indications of such an attack. (Wilson Center Digital Archive, https:// digitalarchive.wilsoncenter.org/topics/project-ryan.) In November 1983, Soviet nuclear forces went on high alert. After months nervously watching increasingly assertive NATO military posturing, Soviet intelligence agencies in Western Europe received flash telegrams reporting alarming activity on US bases. In response, the Soviets began readying their nuclear forces in preparation for a western nuclear attack. Just as nuclear tensions escalated, the threat of war abruptly ended as the buildup was revealed to be a vast NATO conflict simulation named Able Archer 83. Believing Able Archer 83 could have been an actual attack, the Soviets had actively prepared for a surprise missile attack from NATO. This close scrape with Armageddon was largely unknown... until the US government released a ninety-four-page presidential analysis of Able Archer that the National Security Archive had spent over a decade attempting to declassify. (https://www.wilsoncenter .org/event/able-archer-83-the-secret-history); Benjamin B. Fischer, "A Cold War Conundrum," Center for the Study of Intelligence, Central Intelligence Agency, 1997, cited in Clark, "The Farewell Dossier." 62. YouTube, "Farewell Dossier." 63 Ibid

he failed to kill her. He was tried and sentenced to 12 years in prison. Vetrov subsequently betrayed himself by an incautious letter to his wife, which led the KGB to interrogate him. He "did not plan on leaving the Soviet Union until he had dealt it as many blows as possible," according to David Major, a former senior FBI representative on the NSC, and Vetrov defiantly denounced his colleagues. An ideologically driven spy, he had operated from April 1981 to February 1982. In January 1983 he was executed. "All this information was passed to the West thanks to Vitaly Yurchenko, the bona fide defector who sought asylum in the US in 1985."

**French Reaction.** Weiss briefed the French who were upset at the recklessness of the US operation. The loss of gas was an economic blow to France. The French blamed CIA for exposing the source. Nonetheless, the French expelled 47 Soviet "diplomats."<sup>65</sup>

"DST chief Yves Bonnet had planned to have the French daily Le Monde publish the Farewell story, as a message to Russian intelligence that it could no longer operate with impunity on French soil. Bonnet's plan, however, was short-circuited when French television leaked the story, followed by the Le Monde publication. Subsequently, in December 1983, the head of the DST Soviet section published an article in the journal Défense Nationale, detailing what had been learned from Farewell. The leaks did not work out as Bonnet had expected. Mitterrand apparently saw them as an attempt to embarrass his presidency, and on 31 July 1985, Bonnet "resigned" as head of the DST."66

Russian Reaction. Officially, the Soviets denied that there was an explosion caused by faulty software. However, according to Reed, the Soviet Minister for Science and Technology's assessment was that technologies had been sabotaged. The Russian defense minister wondered whether the KGB had supplied bad technology for Soviet troops in Afghanistan. The KGB worried about its reputation and decided to prepare a disinformation campaign. And a vengeful KGB, fearful of its reputation, wanted to know who

In January 1983, Vasily Marchuk, Chairman of State Committee for Science and Technology, of the USSR visited France and stated that Vetrov was a CIA plant all along. French Premier Picard, who was pro-Moscow and had opposed sharing Farewell information with the US, was easily convinced.<sup>69</sup> "Even Mitterrand came to believe this version of events. These allegations were officially denied in Washington and Paris..."<sup>70</sup>

**The Counterintelligence Fallout.** From a counterintelligence perspective, the documents Vetrov provided contained valuable insights:

- Many of the documents were technical reports; the date and place from which they had been taken were marked on them, thus facilitating the identification of those responsible for their compromise.
- Directorate T was inserting intelligence officers into delegations dealing with technology of interest to them. One of the Soviet cosmonauts who participated in the joint US-USSR Apollo-Soyuz space flight was a KGB science officer.
- While US industry was the primary target, much of the successful targeting was indirect that is, against Japanese and European offices of US firms. The Even though Japan didn't have the large defense industries that Line X was targeting, they had extensive consumer and electronics industries that were easy targets for technology espionage, both against the Japanese and as entries into US firms. Line X shipments to Moscow from Tokyo not uncommonly totaled a ton of documents every two weeks. The Europe State of the St

was responsible for this. Hanssen's intelligence identified Weiss. 67,68

<sup>64.</sup> Major, pp. 22, 25.

<sup>65.</sup> YouTube, "Farewell Dossier."

<sup>66.</sup> Yves Bonnet, Contre-espionnage: Mémoires d'un patron de la DST (Counterintelligence: Memoirs of a former head of the DST), Paris: Calmann-Lévy, 2000. p. 555. Also, Clark, "Farewell Dossier." "In May 1990 the former head of the DST, Marcel Chalet, publicly unveiled details of the Farewell operation when the book Visitors Out Of Darkness was published in France. Chalet was ultimately responsible for organizing the handling of Farewell, whom Ronald Reagan dubbed "one of the greatest spy affairs of the 20th century." (Major, p. 20.)

<sup>67.</sup> YouTube, "Farewell Dossier."

<sup>68.</sup> There are many who believe the story of the exploding pipeline is apocryphal. A former KGB official has denied the tale and believes Reed and Weiss confused their facts. Regardless, the Farewell Dossier operation did exist and served as inspiration for later sabotage schemes focused on Iran's nuclear program, according to Edward Betts. One such operation occurred after the CIA infiltrated A. Q. Khan's nuclear supply network around 2000 and began inserting doctored parts into components headed to Iran and Libya— where Khan had also begun peddling his illicit nuclear services. "https://edwardbetts.com/monograph/Vladimir\_Vetrov:\_Farewell\_Dossier.

<sup>69.</sup> YouTube, "Farewell Dossier."

<sup>70.</sup> In France the allegations were likely driven by jealousy among the competing French spy services. Farewell was "run" – at his own insistence – by a relatively small, French counter – espionage agency, the *Direction de la Surveillance du Territoire* (DST), which was not supposed to operate abroad." That was the bailiwick of the SDECE. (AFIO Weekly Intelligence Notes 35-09, September 22, 2009.)

<sup>71.</sup> Christopher Andrew and Vasily Mitrokhin. The Sword and the Shield, Basic Books, New York, 1999, p. 218.

<sup>72.</sup> Christopher Andrew and Vasily Mitrokhin, *The World Was Going Our Way*, Basic Books, New York, 2005, pp. 306-7.

- The agent recruitments were not following the normal pattern of relying on embassy KGB officers. Instead, the KGB was using Soviet scientists who visited their US counterparts, and Soviet students in US universities, as recruiters. False flag recruitments were being used where appropriate.<sup>73</sup>
- The KGB also was relying heavily on East European intelligence services because they were not as closely monitored as Soviet officers were in the US. Approximately half of the Line X material came from the East Europeans, particularly the East Germans and the Czechs. The East Germans were especially good at acquiring IBM technology.<sup>74</sup>
- Vetrov also provided the names of more than 200 Line X officers stationed in 10 KGB posts in the West and Japan, along with more than 100 leads to Line X recruitments.<sup>75</sup>

After the explosion Weiss briefed the FBI Director that it was OK to now act against Line X sources. Robert Hanssen was one of FBI CI agents present at the meeting. Knowledge of the operation started to spread and hit the newspapers.<sup>76</sup>

Over the next year, besides those in France, another 150 Line X officers were expelled from other nations. Additionally, the KGB hurriedly pulled another 200 officers before they could be arrested or expelled.<sup>77</sup> This effectively neutered Line X.

"The agents whose careers were shortened by Farewell's activities included Pierre Bourdiol, a French engineer who worked for the KGB from 1973 to 1983, and the West German Manfred Rotsch, head of the Planning Department of the Messerschmitt-Bolkow-Blohm (MBB) aircraft company. Bourdiol was able to deliver information on the Ariane rocket, while Rotsch delivered specifications of the Tornado fighter and several army missile systems. Information from Vetrov also led to the arrest in New York of the spy Dieter Gerhardt, a South African naval officer who had been passing secrets to the Soviets for 20 years and his handler, Vitaly Shlykov, arrested and imprisoned in Switzerland.

The information Vetrov provided "bore proof of the fragility of NATO's vital defense systems. It allowed the West to appreciate fully the intensity of Soviet intelligence service efforts directed against the entire Atlantic Alliance."<sup>80</sup>

### THE IMPACT OF FAREWELL

The pipeline explosion interrupted gas deliveries westward from the Urengoy fields in northern Siberia to Russian industry and Western buyers. Losses in hard currency were in the billions of dollars. Through the operation the Reagan administration achieved what it could not through negotiations with European allies. 81 Columnist William Safire wrote that "all the software [the KGB] had stolen for years was suddenly suspect, which stopped or delayed the work of thousands of worried Russian technicians and scientists." Edward Betts concluded "...the betrayal of the KGB's entire military-industrial intelligence network by Vladimir Vetrov... seriously undermined a branch of the service critical to meeting the American challenge presented by the Strategic Defense Initiative..." 83

The Soviet leadership knew it was in trouble strategically vis-à-vis the US. Derek Leebaert noted "Andropov's protégé, the sharp apparatchik Mikhail Gorbachev, who would follow in March 1984, knew that, too. Still, Gorbachev initially boosted military spending by a third, expanded Russia's arsenal of deadly pathogens, and tried cracking down in Eastern Europe and Afghanistan (before he realized it was futile). Nonetheless, he recognized how grievously US policy was choking the Soviet Union."84

Alex French reported that author and historian Anthony Cave Brown "believed that Weiss was the intellectual engine fueling bluffs and deceptions that cost Moscow untold billions and ultimately led to the fall of the Soviet Union. "I can see Gus Weiss' fingerprints all over it," [Cave Brown] wrote in his notebook." "No one would care to speculate as to what would have happened without Farewell's reporting.

<sup>73.</sup> Andrew and Mitrokhin, The Sword and the Shield, p. 474.

<sup>74.</sup> Ibid, p. 219. Also, Major, pp. 24, 26.

<sup>75.</sup> Clark, "The Farewell Dossier."

<sup>76.</sup> Ibid.

<sup>77.</sup> Major, pp. 24, 26.

<sup>78.</sup> Ibid, p. 24.

<sup>79.</sup> Wikipedia – citing André Pretorius, "Spioen-Spioen 'n Ware(?) Verhaal," 11 November 2011, (https://web.archive.org/web/20120612083115/http://www.beeld.com/By/Nuus/Spioen-spioen-n-Ware-verhaal-20111111 -2) [Spy-Spy A True (?) Story]. Beeld (in Afrikaans). Archived from the original (http://www.beeld.com/By/Nuus/Spioen-spioen-n-Ware-verhaal-20111111-2) on 12 June 2012.

<sup>80.</sup> Major, p. 24.

<sup>81.</sup> Brandon T. von Kannewurff. "Undermining 'The Deal of the Century:' The Siberian Natural Gas Pipeline & the Failure of American Economic Pressure on the Soviet Energy Industry," *James Blair Historical Review*, Vol. 9, Issue 2, William & Mary, 2019. https://scholarworks.wm.edu/cgi/viewcontent.cgi?article=1152@context=jbhr.

<sup>82.</sup> Safire, "The Farewell Dossier."

<sup>83.</sup> https://edwardbetts.com/monograph/Vladimir\_Vetrov:\_Farewell \_Dossier.

<sup>84.</sup> Leebaert. The Fifty-Year Wound.

<sup>85.</sup> French, "The Secret History of a Cold War Mastermind."

His intelligence was certainly decisive in the outcome of the Cold War."86

Weiss and the CIA team received awards at the White House.

# WAS WEISS MURDERED IN RETALIATION?

Gus Weiss died on 25 November 2003 at age 72. His body was found on the walk beneath his upstairs apartment in the Watergate East Building. Some have opined that his death was under "mysterious circumstances,"87 although the Washington, DC medical examiner ruled it a suicide.88 Weiss's identity and role in the program had been revealed in part by Aldridge Ames and by Robert Hanssen. As the KGB had been embarrassed by the success of the US's operation, former KGB officials, now in the FSB and SVR,89 vowed revenge for the sabotage of the USSR's economy. Russia's history of extra-territorial assassinations of opponents led to speculation as to whether Weiss' suicide was, in fact, that. Alex French wrote in an article for WIRED magazine, that "[s]oon after Weiss' obituary appeared in the Post, [a close friend of his] received a call from the wife of one of Weiss' old intelligence community colleagues: 'After what he and my husband did to the Soviets,' she said stiffly, 'there's no way they would let that pass. If you think Gus committed suicide, then you believe in fairy tales." French, who knew Weiss well and had access to many of his private writings, noted that Weiss left no suicide note but was "insecure, troubled [and] repressed." This leaves open the issue of the nature of his death. His legacy, however, is well established. 11

Editorial Note: As indicated in the footnotes, this article is based entirely on a wide array of public source materials. It may contain factual errors of which the author is unaware. The Farewell Dossier makes a good story. The question for historians is how much of it is true. Clearly the operation was real and devastating for the Soviets. Less certain are the details surrounding the explosion of the Trans-Siberian gas pipeline. This article has been revised to comply with the redactions by CIA's Prepublication Classification Review Board.

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<sup>91.</sup> The Soviet regime and its successors have used assassinations, among other means, to silence critics. The infamous axe murder of Leon Trotsky in Mexico City in 1940 was just the start of extra-territorial murders. At least six have occurred on US soil and many more in Europe and the Middle East. (See this author's articles at https://www.afio.com/publications/OLESON\_on\_Putin\_from\_AFIOINTEL\_FALL2016\_Vol22\_no2.pdf; https://www.afio.com/publications/OLESON\_Wet\_Affairs\_II\_AFIO\_INTELLIGENCER\_SPRING\_2018\_Vol24\_no1.pdf; and https://www.afio.com/publications/OLESON\_Putin\_PartIII\_UPDATED\_AFIO\_INTEL\_SPRING\_2021\_Maro5.pdf.



Sunset on the Potomac River and Watergate Building, Washington, DC

<sup>86.</sup> Major, p. 17.

<sup>87.</sup> John Litchfield, "How the Cold War was won... by the French," *The Independent*, 17 September 2009.

<sup>88. &</sup>quot;Gus W. Weiss, 72: White House Adviser," Obituaries, "The Washington Post, December 7, 2003.

<sup>89.</sup> The KGB was disestablished in 1991 after its chairman, Vladimir Kryuchkov, participated in the unsuccessful post-USSR coup in Moscow.

<sup>90.</sup> French. "The Secret History." https://www.wired.com/story/the-secret-history-of-a-cold-war-mastermind/.