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# A REEVALUATION OF THE DAMAGE DONE TO THE UNITED STATES BY SOVIET ESPIONAGE

APRIL PICKENS



*Popular opinion and many historians portray the effects of Soviet espionage on the United States as disastrous. Although covert Soviet efforts undeniably harmed America, their extent and gravity has been greatly exaggerated. This paper evaluates primary and secondary sources on the subject to strike a delicate balance between minimizing and inflating the effects of Soviet activities. It acknowledges that espionage did some damage, but questions the legal status, extent, and effect of much of the Soviets' "stolen" information, ultimately arguing that most Soviet espionage was actually more harmful to the Soviet Union than to the United States.*

**ABSTRACT**

## RUSSIAN COLONEL IS INDICTED HERE AS TOP SPY IN U.S.<sup>1</sup>

### CHIEF 'RUSSIAN SPY' NAMED BY M'CARTHY:

Senator Says He Has Link With State Department—  
Tydings Speeds Hearing on Charge<sup>2</sup>

### ATOM AIDE IN WAR CALLED SOVIET SPY:

Hickenlooper Says Photograph Shows  
Bomb Project Official With Russian Agents<sup>3</sup>

### Telegrams Show Genius In Soviet's Spy Setup<sup>4</sup>

These headlines from national newspapers in the 1940s and 1950s epitomize the popular perception that Soviet espionage was everywhere in the United States and that such espionage was continually exacting disastrous consequences on the nation. Although many historians argue to this day that the results of Soviet spying changed American history for the worse, it was not nearly as devastating as popular portrayals would have the nation believe.

The following pages argue in support of this assertion, based on a delicate balance between belittling and exaggerating the effects of Soviet activities. Although Soviet espionage did result in some damage, most espionage was actually more harmful to the Soviet Union than the United States. The most dangerous spies were actually Americans, not Soviets, and United States counterintelligence substantially reduced the harm done by the Soviet Union.<sup>5</sup>

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1 Mildred Murphy, "Russian Colonel is Indicted Here as Top Spy in U.S.," *New York Times*, August 8, 1957, accessed November 7, 2015, from <http://search.proquest.com/docview/114187738?accountid=11667>. This news article described the arrest of illegal Soviet agent Rudolf Ivanovich Abel.

2 William S. White, "Chief 'Russian Spy' Named by M'Carthy," *New York Times*, March 22, 1950, accessed November 7, 2015, from <http://search.proquest.com/docview/111481689?accountid=11667>. The article reports on M'Carthy's attempt to reveal information based on some vague disclosures by his personal friend, J. Edgar Hoover, hence the inconclusive nature of M'Carthy's accusations and Hoover's refusal to cooperate by disclosing VENONA files.

3 "Atom Aide in War Called Soviet Spy," *New York Times*, July 1, 1951, accessed November 7, 2015, from <http://search.proquest.com/docview/112214568?accountid=11667>

4 Igor Gouzenko, "Telegrams Show Genius in Soviet's Spy Setup," *Washington Post*, August 9, 1948, accessed November 7, 2015 from <http://search.proquest.com/docview/152034537?accountid=11667>. This is a report by the Soviet defector Gouzenko on part of the Soviet's elaborate spy system.

5 My sources are necessarily secondary in most cases, insofar as I have no security clearance to view classified FBI, CIA, and

Any argument downplaying covert Soviet endeavors must begin with an admission that some espionage unquestionably led to detrimental consequences for the United States. Navy Chief Warrant Officer and communications specialist John Walker betrayed nuclear submarine secrets, information about the United States Navy, and plans during the Vietnam War, which led to countless unnecessary deaths.<sup>6</sup> In the words of former CIA National Clandestine Service director Michael Sulick,

John Walker's compromising of US naval capabilities cost the government millions of dollars to develop countermeasures. . . . Moreover, the damage caused by espionage cannot be calculated only in dollars. When Walker spied for the KGB, he had access to information about US bombing raids against North Vietnam. He passed that information to the Soviets, who in turn passed it to their North Vietnamese allies. In various towns and cities across the United States, a father lost a child, a son lost a father, or a sister lost a brother who was a pilot shot down over Vietnam because of a spy's betrayal.<sup>7</sup>

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KGB files. But I have located authors who either were former KGB, FBI, or CIA agents, or authors granted special permission to access the archives of these agencies. An excellent overview of the consequences of Soviet espionage is found in Jerrold Schecter and Leona Schecter, *Sacred Secrets: How Soviet Intelligence Operations Changed American History*, (Washington, D.C.: Brassey's, Inc., 2002). A comprehensive analysis of Soviet espionage from the viewpoint of a former CIA agent can be found in the two books by Michael Sulick: *Spying in America: Espionage from the Revolutionary War to the Dawn of the Cold War* (Washington, D.C.: Georgetown University Press, 2012), and *American Spies: Espionage against the United States from the Cold War to the Present*, (Washington, D.C.: Georgetown University Press, 2013). One of the best sources from a KGB defector is Christopher Andrew and Vasili Mitrokhin, *The Sword and the Shield: The Mitrokhin Archive and the Secret History of the KGB* (New York: Basic Books, 1999). One of the authoritative sources on the important Venona documents is John Earl Haynes and Harvey Klehr, *Venona: Decoding Soviet Espionage in America* (New Haven, CT: Yale University Press, 1999), and a good source on the briefly opened KGB archives is John Earl Haynes, Harvey Klehr, and Alexander Vassiliev, *Spies: The Rise and Fall of the KGB in America*, with translations by Philip Redko and Steven Shabad (New Haven, CT: Yale University Press, 2009). A final note concerning my sources: since the nature of my argument is comprehensive (the overall effect of Soviet espionage), I have lightly touched upon dozens of instances and persons rather than delving deeply into any specific instance. For further research into each case, see the bibliographies of the sources listed in this paper.

6 Sulick, *Spying in America*, 240.

7 Sulick, *American Spies*, 14.

Due to the treachery of Donald Maclean and Guy Burgess, two British officials in Washington D.C. who were working for the Soviets, the Soviets “had full access to American strategic planning and operational orders for the Korean War. . . . Maclean and Burgess forwarded the date for MacArthur’s offensive north of the 38th parallel, November 26, 1950, to the Kremlin.”<sup>8</sup>

Because of such advance notice transferred from Moscow to the Chinese, Mao Zedong was able to spring a trap on MacArthur, costing many lives and a strategic setback. Some time later, the same two agents informed Moscow of President Truman and the United Nation’s intention not to use the atomic bomb in the war—information that greatly emboldened the Communists.<sup>9</sup>

In addition to the above instances of true injury to the United States military, John Haynes, Harvey Klehr, and Alexander Vassiliev in *Spies: The Rise and Fall of the KGB in America* list countless other American traitors in the government, military forces, and elsewhere who have now been definitively proven Soviet spies by KGB archives, the decoded VENONA messages, and the testimony of defectors. Strategically positioned traitors included Assistant Secretary of the Treasury, Harry Dexter White and atomic bomb chemist Harry Gold.

White graduated from Harvard with a PhD in economics and quickly started work in the United States Department of the Treasury in 1934, becoming the most influential individual in the department besides the actual Secretary of the Treasury, Henry Morgenthau, Jr. Although not a Communist himself, White was a “fellow traveler,” an agent who was fully aware of the destination of the information that he passed on through spy handler Nathan Gregory Silvermaster. White was also partially responsible for Operation Snow, an indirect Soviet mission that resulted in the United States’ hardline ultimatum against Japan just before Pearl Harbor. In addition, White exposed US diplomatic positions before key conferences following World War II, enabling the Soviets to safely push their own demands because they knew American priorities ahead of time. White also wheedled permission from the Treasury Department to give the Soviets the plates and information necessary to print the new West German currency, Allied Marks (AM), in East Germany. When the Soviets subsequently mass produced the marks in East Germany while the United States was carefully trying to regulate the same marks in West Germany, the entire German economy was completely destabilized. This destabilization forced the United States to reform the currency in West Germany to prevent economic collapse. The irritated Soviets responded to the currency

reform and several other Allied actions with the Berlin Blockade of 1948-1949.<sup>10</sup>

Despite the gravity of these instances, the Soviet Union acquired most of its potentially harmful information legally. If the war *had* broken out between the two nations, the intelligence gathered would definitely have set the United States at more of a disadvantage than if no such spying had occurred. But according to former head of the Federal Bureau of Investigation, J. Edgar Hoover,

Many phases of Soviet intelligence gathering . . . do not involve violations of [US] laws. The Soviets exploit fully the democratic freedoms of this country and gather legally much data in the public realm. One defector has estimated that the Soviet Military Attaché’s office in the United States is able to obtain legally 95% of the material useful for its intelligence objectives.<sup>11</sup>

In other words, the damage done exclusively by *illegal* espionage was not nearly as devastating as popularly perceived.<sup>12</sup>

*Despite the gravity of these instances, the Soviet Union acquired most of its potentially harmful information legally.*

Another common misconception is that the United States was infested with Russians sent straight from the Soviet Union to steal the top secret files in Washington,

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10 Sulick, *Spying in America*, 221-226; Haynes, *Spies*, 258-262; Schechter and Schechter, *Sacred Secrets*, 119-123; David Rees, *Harry Dexter White: A Study in Paradox* (New York: Coward, McCann & Geoghegan, 1973), 9-13. Schechter and Schechter in *Sacred Secrets*, 122, cite an NKVD message from the Russian Intelligence Archives clearly indicating that the Soviets were responsible for urging White to obtain these plates and permission from the United States: “MAY [Stepan Apresian, NKVD resident in New York] reported 14 April that LAWYER [code name for Harry Dexter White] following our instructions passed through ROBERT [Silvermaster] attained the positive decision of the Treasury Department to provide the Soviet side with the plates for engraving German occupation marks, namely the consent was given to produce for the Red Army two billion occupation marks. Signed OVAKIMIAN. Note: Immediately inform t. [for tovarich Comrade] Mikoyan.”

11 J. Edgar Hoover, “The U.S. Businessman Faces the Soviet Spy,” *Harvard Business Review* 42, no. 1 (January 1964): 143, accessed November 8, 2015, from Business Source Complete, EBSCOhost.

12 Sulick, *American Spies*, 15.

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8 Schechter and Schechter, *Sacred Secrets*, 191-192.

9 Schechter and Schechter, *Sacred Secrets*, 192-193.

D.C. In reality, very few Russians had direct access to anything of interest to the KGB or its predecessor, sister, and successor agencies.<sup>13</sup> In the opinion of Yuri Modin, KGB controller of an English spy ring called the Cambridge Ring, “We [the Soviets] were leery of sending people out of the Soviet Union for fear of defections. Most of our officers worked in Moscow, with the result that the few men posted in foreign countries had a workload so crushing that many of them cracked under the pressure.”<sup>14</sup> Instead, a few Soviet “handlers” operated networks of American traitors who were strategically positioned to acquire valuable information. For example, Viktor Cherkashin, Soviet head of the counterintelligence in Washington, D.C., was trained specifically to recruit US traitors and transmit their harvests of classified materials back to the Soviet Union. Cherkashin did not disappoint. He was responsible for recruiting and collecting information from CIA officer Aldrich Ames (who betrayed several CIA agents operating in the Soviet Union to their deaths) and FBI special agent Robert Hanssen (who sold information to the Soviets). But Cherkashin himself was not invading the FBI files or discovering CIA double agents.<sup>15</sup>

*All major espionage crimes were committed by Americans in positions of high trust and arguably never could have been accomplished by native-born Soviets.*

Thus, while Soviets were needed to initially recruit and subsequently instruct and receive documents from American agents, all of the major espionage crimes were committed by Americans in high positions of trust (Hiss, White, Weisband, and the Rosenbergs, among many others), and arguably could never have been accomplished by native-born Soviets. As the Schecters point out in *Sacred Secrets: How Soviet Intelligence Operations Changed American History*, “the success of Soviet intelligence depended on Americans being duped

into hurting themselves.”<sup>16</sup> And indeed, those Americans who betrayed the largest secrets actually sought out KGB agents with whom to share their materials. For example, Julius Rosenberg, betrayer of important information on the atomic bomb, was originally an enthusiastic member of the Young Communist League and independently offered his services to Jacob Golos, a leader in the Communist Party of the United States of America (CPUSA) and an agent handler for the Soviets. In the representative examples listed above, Soviets per se did not cause substantial damage to the nation or its interests abroad.<sup>17</sup>

Moreover, the use of American traitors was actually a flaw in the Soviet espionage system that caused considerable angst for them and joy among their American counterparts in the FBI and CIA. Motivations for Americans to turn over information to the Soviets, whether ideological or monetary, often became irrelevant or led to the discovery of American traitors. One of the more common motivations for Americans to betray their country in the 1920s and 1930s that was later abandoned was ideological. Members of the CPUSA and other sympathizers viewed the Soviet Union as the ideal political system and utopia on earth and saw themselves as supporters of a great cause. Such traitors frequently scorned any monetary remunerations offered and considered Soviet medals of honor the highest reward possible.<sup>18</sup>

One such ideologically motivated spy was Harry Gold, a Jewish-American atomic chemist who became an information courier for the Soviet project “Enormous” (the espionage operation that enabled them to accelerate their construction of the atomic bomb). Gold stated that he had “never intended any harm to the United States. For I have always steadfastly considered that first and finally I am an American citizen.”<sup>19</sup> Instead, he said the Soviets “did a superb job of psychological evaluation on me . . . on three principal themes. The first was the matter of anti-Semitism. . . . [T]he only country in the world where anti-Semitism is a crime against the state

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13 For an overview of the evolution of the various Soviet intelligence agencies and their heads see the appendices pp. 305-315 in Robert Pringle, *Historical Dictionary of Russian and Soviet Intelligence*, Historical Dictionaries of Intelligence and Counterintelligence 5 (Lanham, Maryland: The Scarecrow Press, Inc., 2006).

14 Yuri Modin, *My Five Cambridge Friends* (London: Headline, 1994), 133. Cited in Andrew and Mitrokhin, *The Sword and the Shield*.

15 Andrew and Mitrokhin, *The Sword and the Shield*, 434; Viktor Cherkashin with Gregory Feifer, *Spy Handler: Memoir of a KGB Officer, The True Story of the Man Who Recruited Robert Hanssen and Aldrich Ames* (New York: Basic Books, 2005).

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16 Schecter and Schecter, *Sacred Secrets*, 187. This page also summarizes some of the major negative results of espionage by well-meaning American traitors.

17 Haynes and Klehr, *Venona*, 295, 333. Others who sought out Soviets were Theodore Hall, Gregory Silvermaster, Charles Kramer, and Victor Perlo.

18 Haynes, *Venona*, 333-335; Schecter and Schecter, *Sacred Secrets*, 187; Sulick, *American Spies*, 7-10; Sulick, *Spying in America*, 266-267.

19 Harry Gold, Sentencing Statement, July 20, 1950. Legal Papers of Augustus S. Ballard, Special Collections, Paley Library, Temple University, cited in Allen Hornblum, *The Invisible Harry Gold: The Man Who Gave the Soviets the Atom Bomb*, (New Haven, CT: Yale University Press, 2010), 364.

is the Soviet Union.”<sup>20</sup> Whenever he began to doubt the value of his covert work, Gold reassured himself with “the idea of helping the people of the Soviet Union, helping these people live a little better than they had before.”<sup>21</sup> However, after the general economic poverty and shortcomings of communism began to show during Stalin’s purges and pact with Hitler, many Americans became disillusioned with the system and no longer considered the Soviet Union worth supporting. As a result, they defected and revealed to the FBI and CIA whatever they knew about the Soviet system and the extent of American secrets already betrayed to the Soviet Union. In Harry Gold’s case, he slowly realized that the Soviet Union was not the utopia he had envisioned: “I looked at what was happening in the countries that the Soviet Union was taking over. I thought I was helping destroy one monstrosity, and I had created a worse one, or helped strengthen another one.”<sup>22</sup> When Gold defected, he revealed critical evidence about the entire Soviet “Enormous” project, including the activities of such agents as the Rosenbergs. In short, ideological motivation proved hazardous to the Soviet Union because it quickly vanished as the Cold War progressed.<sup>23</sup>

*The Great Depression made Soviet offers of financial assistance particularly persuasive and undermined some Americans' faith in the West's capitalist system.*

The more common incentive, especially later in the clandestine conflict between the superpowers, was money. The Department of Defense concluded that between 1947 and 2001 “Americans most consistently have cited money as the dominant motive for espionage and over time money has increased in predominance among motives. . . . Of individuals who professed a single motive for espionage, one-fourth of the civilians

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20 Hornblum, *The Invisible Harry Gold*, 305.

21 Hornblum, *The Invisible Harry Gold*, 306.

22 “Scope of Soviet Activity in the United States,” hearing before the Subcommittee to Investigate the Administration of the Internal Security Act and other Internal Security Laws, Committee on the Judiciary, United States Senate, Eighty-fourth Congress, second session, April 26, 1956, p. 1045, cited in Hornblum, *The Invisible Harry Gold*, 306.

23 Hornblum, *The Invisible Harry Gold*, x-xii; Haynes, *Venona*, 333-335; Schecter, *Sacred Secrets*, 187; Sulick, *American Spies*, 7-10; Sulick, *Spying in America*, 266-267. For a detailed description of another such ideologically motivated and then disillusioned Soviet agent, see Whittaker Chambers’s book *Witness* (New York: Random House, 1952).

and three-fourths of the military claimed they had spied for money.”<sup>24</sup> Even before communism proved unable to create an earthly utopia, the Great Depression made Soviet offers of financial assistance particularly persuasive and undermined some Americans’ faith in the West’s capitalist system that had allowed such a global economic disaster. But once again, this motivator had a built-in exposure mechanism: the American intelligence agencies could identify individuals who suddenly and inexplicably became wealthy. This tell-tale sign most often occurred among military enlisted men, such as army administrative specialist Clyde Conrad.<sup>25</sup>

Conrad spent the majority of his espionage career in the 8th Infantry Division in Germany after World War II and funneled to the Soviets information about the United States’ missile sites, oil supply pipelines, and ammunition dumps. In return, he was given over one million dollars; these riches eventually proved to be his downfall. In their search for the source of the information leak, US counterintelligence was able to track down Conrad because of the discrepancy between his meager pay and his suddenly extravagant lifestyle, complete with expensive art and inexplicable bank deposits of nearly ten thousand dollars each. As Sulick observed,

Often the very motives that drive one to spy lead to their exposure. The person who spies for the thrill of it takes unnecessary risks and is caught. . . . And the one who spies for money, in spite of warnings by his handlers, will spend beyond his means; and his sudden, unexplained wealth will raise suspicions and lead to his demise.”<sup>26</sup>

In all, choosing Americans to do their information gathering came with built-in and sometimes debilitating side effects for the Soviets.<sup>27</sup>

Aside from the Soviets’ faulty channels, it can be argued that in most cases the material that they managed to obtain did only limited harm to the United States. Recent revelations (the Mitrokhin Archive, VENONA, and various defectors) have established beyond a doubt that the Rosenbergs, Harry Gold, and others transmitted enough information to the Soviet Union for them to build their first nuclear weapon. But since they would

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24 Katherine Herbig and Martin Wiskoff, *Espionage against the United States by American Citizens 1947-2001* (Monterey, CA: Defense and Personnel Security Research Center, 2002), quoted in Sulick, *Spying in America*, 266.

25 Haynes and Klehr, *Venona*, 333-335; Schecter and Schecter, *Sacred Secrets*, 185-187; Sulick, *American Spies*, 7-10.

26 Sulick, *American Spies*, 10-11.

27 Sulick, *American Spies*, 141-148; Haynes and Klehr, *Venona*, 333-335; Schecter and Schecter, *Sacred Secrets*, 185-187; Sulick, *American Spies*, 7-10.

have developed such weapons independently, given a few more years, such espionage simply accelerated the process and reduced the cost. According to Haynes and Klehr in *Venona: Decoding Soviet Espionage in America*, “Given time and resources, the Soviet Union’s talented scientists and engineers would certainly have been able to construct an atomic bomb without assistance from spies.”<sup>28</sup> And although such an argument is quite tenuous, one could even say that because the Soviet Union developed nuclear power, the Cold War never became hot. Both sides feared what was came to be called MAD (“mutually assured destruction”), which was a realization that a war between nuclear powers would be devastating and might not result in a clear victory for either side.<sup>29</sup>

Another result of Soviet connivance that actually aided the United States was Operation Snow, in which Harry Dexter White drafted an ultimatum against Japan which ultimately led to Pearl Harbor. This operation, though it did contribute to US involvement in World War II, helped to end the Great Depression. Economists and historians alike agree that World War II finally ended the Depression by moving a large swathe of the workforce into the armed forces and by tremendously increasing the demand for workers to produce supplies and weapons for the troops. The war certainly killed millions of people and destroyed much of Europe, but it did end one of the darkest economic periods in America’s history. And the United States’ entrance into the war was helped along by Soviet tool Harry Dexter White in Operation Snow. Although White’s role was not decisive, it did at least facilitate such a decision, and thus initiate the process of economic recovery from the Great Depression.<sup>30</sup>

While this case for Soviet espionage benefiting the United States may be somewhat dubious, such activities almost definitely set the Soviet Union itself at a disadvantage. An inherent flaw in the Soviets’ policy of pilfering as much information as possible from the United States

was that the Soviet Union was necessarily always a step behind the US. No matter how many nuclear secrets, B-25 bomber blueprints, and commercial engine designs they stole, the Soviets could only match their rival’s weapons, not exceed them. In the opinion of Soviet rocket scientist Sergo Beria, whose father Lavrenti Beria had helped produce the first Soviet atomic bomb, “in the 1930s and 1940s, Soviet intelligence was like a vacuum cleaner, sucking up whatever technology it could lay its hands on. The take included atomic bomb secrets, proximity fuses, the design for safety shaving razors, the process for refining sugar, and the formula for synthetic rubber.” But despite all of the benefits, “Beria believed this pattern for developing technology led to the demise of the Soviet Union. No society can prosper, he said, if it always has to try to recreate the technology after it has already succeeded elsewhere.” In a very apt analogy, Beria continued: “Every street thief runs out of the money he has stolen; he can never get ahead because he has not learned how to make money. Thus . . . stealing technology leaves the thief permanently trailing behind those he has robbed.”<sup>31</sup> One can logically conclude, then, that not only did the United States not suffer as greatly as is commonly thought, but the Soviet Union actually experienced negative consequences from its own espionage.<sup>32</sup>

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Another ironic result of increased Soviet activities was the United States’ decision to build and strengthen its own intelligence agencies. Because the Soviet Union refused to share enough information during World War II, the United States decided to break the code of its “ally’s” messages with the original intention of coordinating its efforts better. In the words of William Crowell, Deputy Director of the National Security Agency (1994-1997), “The Russians were a critical part of success in the war. At that time they were the key to victory in Europe. We had no idea from them how they were doing. They just weren’t telling us.”<sup>33</sup> In 1943, Army intelligence suggested decoding the Soviet messages, that they had been collecting since Stalin had

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28 Haynes and Klehr, *Venona*, 333.

29 Haynes and Klehr, *Venona*, 333; Haynes, Klehr, and Vassiliev, *Spies*, 143. The independent development of nuclear capacity by other nations is also proof that the Soviet Union would have eventually developed such weapons even without the assistance of US traitors. A detailed treatment of the MAD policy and variations on it can be found in Corbin Fowler’s “U.S. Nuclear Warfighting Policy: A Critique,” *Public Affairs Quarterly* 2, no. 3 (July 1988): 85–95, accessed November 21, 2015, <http://www.jstor.org/stable/40435686>.

30 For one treatment of WWII’s role in ending the Great Depression, see J. R. Vernon’s “World War II Fiscal Policies and the End of the Great Depression,” *The Journal of Economic History* 54, no. 4. (December 1994): 850–68, accessed November 21, 2015, <http://www.jstor.org/stable/2123613>. Schecter, *Sacred Secrets*, 22-45.

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31 Interview with Sergo Beria by Vyacheslav Luchkov, Kiev, 1996, quoted in Schecter and Schecter, *Sacred Secrets*, 298.

32 Hoover, “The U.S. Businessman Faces the Soviet Spy.”

33 Interview with William Crowell, Maryland, September 23, 1997, quoted in Schecter, *Sacred Secrets*, 93.

signed the Non-Aggression Pact with Hitler in 1939, and started amassing intelligence officials to carry out this job. In this way, the United States uncovered what has come to be called VENONA, about 2,900 Soviet messages containing a wealth of evidence that hundreds of Americans in high places were spying for the Soviets in ways that an ally should not have been. The small extant intelligence agencies in America were greatly expanded and invigorated once the United States realized the threat posed by Soviet and other espionage: "World War II created a vast expansion in the nation's security and counterintelligence apparatus that included an expanded and powerful FBI, an active military intelligence division in the War Department, the Manhattan Project's vigilant, if not always effective, security staff, and the officious House of Un-American Activities Committee."<sup>34</sup> In other words, thanks to Soviet attempts at infiltration, the United States' counterintelligence improved markedly.<sup>35</sup>

*In other ways, too, US counter-intelligence proved successful in retarding or ameliorating Soviet damage.*

Nor, as some would argue,<sup>36</sup> was US counterintelligence ineffective. Persistent naïveté did indeed delay Americans from admitting that there were traitors in their midst. According to Sulick,

Despite increased security measures and offensive counterespionage attempts to penetrate hostile intelligence services, America remained plagued by its chronic tendency toward disbelief that its citizens in positions of trust would betray the nation's secrets. . . . During the Cold War every US government agency involved in national security, with the exception of the Coast Guard, fell victim to espionage.<sup>37</sup>

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34 Katherine Sibley, "Soviet Military-Industrial Espionage in the United States and the Emergence of an Espionage Paradigm in US-Soviet Relations, 1941-45," *American Communist History* 2, no. 1, (June 2003): 21, accessed November 8, 2015, from *Humanities International Complete*, EBSCOhost.

35 See Haynes and Klehr's excellent book *Venona* for more information on the decoding of these messages and their contents; Schecter and Schecter, *Sacred Secrets*, 96.

36 One historian that supports this view is Athan Theoharis in his book *Chasing Spies: How the FBI Failed in Counterintelligence but Promoted the Politics of McCarthyism in the Cold Wars Years* (Chicago: Ivan R. Dee, 2002).

37 Sulick, *Spying in America*, 267.

Even the CIA and the FBI were infiltrated by Soviet agents Aldrich Ames and Robert Hanssen, respectively. But, in many cases, counterintelligence succeeded. They decoded VENONA and used it to neutralize the effect of many Soviet breaches into top secret information, removing various suspects from positions of access and changing military plans and locations. Even though American counterintelligence did not release the VENONA files to the public—thus depriving the courts of much-needed evidence to prosecute American traitors—this decision was extremely well thought out. In the analysis of J. Edgar Hoover, "the defense attorney would immediately move that the messages be excluded, based on the hearsay evidence rule [because] neither the person who sent the message [a Soviet official] nor the person who received it [a Soviet official] was available to testify and thus the contents of the message were purely hearsay as it related to the defendants." Hoover went on to explain that even if the VENONA messages were accepted as evidence, "the fragmentary nature of the messages themselves, the assumptions made by the cryptographers in breaking the messages, and the questionable interpretations and translations involved, plus the extensive use of cover names for persons and places, make the problem of positive identification extremely difficult." But the strongest argument against using VENONA as evidence in court was that the defense would demand access to the messages, and as FBI Assistant Director Alan Belmont noted in a February 1, 1956, memo,

request to have its cryptographers examine those messages which [the Army Security Agency] has been unsuccessful in breaking...on the premise that such messages, if decoded, could exonerate their clients. This would lead to exposure of Government techniques and practices in the cryptography field . . . [and] act to the Bureau's disadvantage since the additional messages would spotlight individuals on whom the Bureau had pending investigations.<sup>38</sup>

Summed up briefly, the VENONA messages stood little chance of standing as convicting evidence in the courts and, if left unexposed, they were useful in providing leads for collecting actual convicting evidence. So the counterintelligence, far from being the incompetents depicted by some historians, very probably made the wiser decision in keeping VENONA classified.<sup>39</sup>

In other ways, too, US counterintelligence proved successful in retarding or ameliorating Soviet damage, forcing the Soviets to abandon methods of espionage.

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38 FBI Office Memorandum from Belmont to Boardman, 7, quoted from Schecter and Schecter, *Sacred Secrets*, 142.

39 Sulick, *Spying in America*, 267-268.

Although Kim Philby (a British spy recruited by the Soviets as a double agent with access to US, Canadian, and Australian counterintelligence) and William Weisband (a US Army Intelligence cryptanalyst) eventually told the Soviets about VENONA, allowing the Soviet Union to change its codes and methods, so many US traitors had been exposed that the Soviet Union could no longer actively use these sources. Almost no one was prosecuted for espionage (FBI agent Judith Coplon was successfully convicted of transferring classified information to Moscow but never sentenced, and the Rosenbergs were some of the only American traitors to suffer the death penalty for their crimes), and yet hundreds of agents were neutralized for fear of providing the FBI hard evidence for prosecution and confirming the testimony of such defectors as Whittaker Chambers, Elizabeth Bentley, and Harry Gold. Thus, the KGB ceased using Harry Dexter White after Elizabeth Bentley defected and betrayed incriminating information about him.<sup>40</sup>

Any assessment of Soviet espionage that claims the consequences were minimal must begin, as this essay did, with an admission that the Soviet Union managed to injure the United States through agents such as John Walker and Harry Gold. But popular opinion has exaggerated the extent and nature of the harm beyond all reasonable proportions. The purpose of this essay has been to correct these misperceptions by demonstrating that the damage was done primarily by American agents, that many of the consequences proved mildly beneficial to the United States and harmful to the Soviet Union, and that US counterintelligence successfully combatted or neutralized the effects of much of Soviet infiltration.

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40 Sulick, *Spying in America*, 211-217; Sulick, *Spying in America*, 209. Haynes, Klehr, and Vassiliev, *Spies*, 261; “Plan of measures,” March 1949, KGB file 43173, v.2c, pp. 25, 27, Alexander Vassiliev, *Black Notebook [2007 English Translation]*, trans. Philip Redko (1993-96), 75, cited in Haynes, Klehr, and Vassiliev, *Spies*, 402-403. For a full account of Julius and Ethel Rosenberg’s nuclear espionage for the Soviet Union, see “Chapter 2: Enormous: The KGB Attack on the Anglo-American Atomic Project,” from Haynes, Klehr, and Vassiliev, *Spies*, 33-144.



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