

The Billion Dollar Spy: A True Story of Cold War Espionage and Betrayal

David E. Hoffman. (Doubleday, 2015), 312 pp., index, endnotes.

Reviewed by Nicholas Dujmovic

The title of David Hoffman’s excellent new book, *The Billion Dollar Spy*, unintentionally (I think) evokes a famous item from *Studies in Intelligence* many years ago, “The Million Dollar Photograph.”^a According to the late Dino Brugioni, CIA director Allen Dulles was impressed by the ability of the U-2 spy plane to dispel the Eisenhower administration’s fear that the Soviet bomber force was large enough to pose an existential threat to the United States—the so-called “bomber gap” of the mid-1950s. The key photograph, in Brugioni’s telling, was a U-2 shot of the Saratov-Engels airfield, which showed fewer bombers than had been estimated. The “bomber gap” disappeared. Dulles was said to have asked Frank Wisner, his chief of espionage and covert operations, “How much would you have paid for the information in this photography?” After a moment, Wisner answered, “About a million dollars.”

Whether or not the Dulles-Wisner exchange took place,^b the greater point is valid—that intelligence activities, though difficult and often expensive, can be extremely valuable for the national security and even, in a cost-benefit sense, a profitable economic investment. President Eisenhower in his memoir praised the U-2 program for depriving the Soviets of the capability to use “international blackmail,” and intelligence historian Christopher Andrew has claimed that the U-2 “saved the American taxpayers tens of billions of dollars and spared the world a major escalation in the arms race.”^c

Hoffman’s narrative concerns the Cold War espionage case of Adolf Tolkachev, a Soviet electronics engineer who wanted to inflict the greatest possible harm on the Soviet Union by giving the United States highly classified information on sensitive military projects. Tolkachev worked as a valuable CIA asset for seven years, from 1978 to 1985. Just how valuable was he? The US Air Force estimated that Tolkachev’s intelligence saved roughly \$2 billion in research and development (121)—and this was in mid-1980, just two years into Tolkachev’s run of espionage. Moreover, as Hoffman makes clear later in the book, the overall benefit to the United States went far beyond this dollar figure.

As is the style of histories published these days, *The Billion Dollar Spy* opens not at the beginning of the story but with a dramatic event briefly recounted—in this case, a CIA officer’s attempt in December 1982 to recontact Tolkachev, who had not been able to communicate for several months. This anachronistic approach works—the vignette is gripping and very effectively draws the reader into the stressful, high-stakes business of clandestine intelligence operations.

There is much to like about this book. Almost every chapter is a gem. Hoffman begins the narrative proper with a superb summary of the Cold War espionage context, including the challenges CIA faced in trying to gather intelligence from the Soviet Union. Some of those challenges came not from the powerful efficiency of Soviet counterintelligence but from the US government itself. Former Director of Central Intelligence (DCI) Richard Helms recalls that the pressure from US policymakers “ranged from repeated instructions to do ‘something’ to exasperated demands to try ‘anything’” (7). Even so, for many years CIA operations against the Soviet Union were hamstrung by excessive caution.

That began to change in the late 1960s and early 1970s, when a younger generation of operations officers, chafing under the prevailing institutional caution, devel-

a. Dino Brugioni, “The Million Dollar Photograph,” *Studies in Intelligence* 23, no. 2 (Summer 1979): 32–33.

b. The photograph in the *Studies* piece was taken by a British U-2 mission in late 1959, more than three years after U-2 imagery had dispelled the “bomber gap” and during the period when CIA was trying to resolve the “missile gap”—alleged Soviet superiority in strategic nuclear-armed missiles.

c. Dwight D. Eisenhower, *The White House Years, vol. II, Waging Peace: 1956–1961* (Doubleday, 1965), 547. Christopher Andrew, *For the President’s Eyes Only* (Harper Collins, 1995), 243.

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oped new operational methods they argued would enable them to operate in the so-called “denied areas.” In chapter two, Hoffman introduces the Tolkachev operation as a turning point for Moscow Station, as one prize case ends (that of TRIGON, Aleksander Ogorodnik, a valuable CIA asset who was caught and committed suicide) and an uncertain one begins, as Tolkachev makes the first of several attempts to contact CIA. Chapter three details Moscow Station’s frustration at having to maintain an operational “stand-down” by a CIA leadership (DCI Stansfield Turner) that discounted the value of human spies and that wanted no “flaps.”

Hoffman relates Tolkachev’s persistence in trying to make contact, the unwillingness of Headquarters to pursue a potential KGB set-up that would result in the expulsion of CIA officers, and Moscow Station chief Gus Hathaway’s arguments to Headquarters that the potential intelligence was worth the risk. Tipping the balance in early 1978 was a timely Pentagon request to CIA for any intelligence about Soviet avionics and weapons systems—precisely the information Tolkachev was offering. Contact was approved.

In describing Moscow Station’s first approaches to Tolkachev, Hoffman emphasizes the care taken with every espionage case: “Running a spy was undertaken with the concentration and attention to detail of a moon shot”—nothing was left to chance. “Photographs and maps were prepared of each site; surveillance detection runs plotted; scenarios scripted and rehearsed; and the question was asked again and again: What could go wrong?” (69).

Hoffman has an insider’s feel for how the spying business is conducted. His description of dialogues between the field and Headquarters (59–63) illustrates the inherent and eternal tension in that relationship. Chapter 11 (“Going Black”) is the best primer on the hows and whys of SDRs—surveillance detection routines or routes—I have seen anywhere, and it is must-reading for any would-be case officer. “On a surveillance detection run, the case officer had to be as agile as a ballet dancer, as confounding as a magician, and as attentive as an air traffic controller” (140). Hoffman covers innovation in operational technology with a passage on the Discus agent communications system—CIA essentially invented text messaging in the late 1970s—and relates the operational pros and cons of using it (111–14).

At the same time, Hoffman is very good about the personal side of espionage. Chapters 12 and 13 delve into Tolkachev’s background and motivations for betraying the Soviet system and also highlight the importance for CIA of treating a spy as a human being with personal considerations, not just “a robot with a Pentax [camera].” Likewise, Hoffman’s portrayals of the CIA officers handling Tolkachev are sensitive and personal. When Tolkachev is finally caught—as a result of the treason of former CIA officer Edward Lee Howard (a well-told sub-story)—Hoffman’s straightforward and unsentimental descriptions of Tolkachev’s arrest (235–39) and sentencing, along with that of his last meeting with his son (246–47) are nonetheless almost heartbreaking.

Was running such a spy worth the risk? In addition to the \$2 billion estimate by the US Air Force in 1982, Hoffman points to the one-sided scorecard of its fighter jets against Iraq’s Soviet MiGs in 1991—39 to zero—and when aerial engagements in the Balkans are counted, the score becomes US Air Force 48, Soviet built fighters zero (254). All this, Hoffman persuasively argues, was the result of many factors, but one of them was the intelligence provided by a brave electronics engineer who wanted to help the West.

Others have written about the Tolkachev case in shorter, more focused accounts, including former CIA officers Barry Royden, Bob Wallace, and Milt Bearden.^a Royden emphasized the operational tradecraft used, while Wallace’s narrative is mostly about the technical means to facilitate Tolkachev’s espionage. Bearden’s treatment is episodic and after-the-fact, focusing on the counterintelligence aspects of this case among many other cases compromised in 1985 during the “Year of the Spy.” All these have value; indeed, Hoffman is aware of these sources and cites them all. Hoffman’s achievement is to integrate these threads into an impressive tapestry that includes much new information from his access to newly declassified CIA documents (remarkably including declassified cables between CIA Headquarters and Moscow Station) as well as from his contacts with Tolkachev

a. Barry Royden, “Tolkachev: A Worthy Successor to Penkovskiy,” *Studies in Intelligence* 47 no. 3 (2003): 5–33. Robert Wallace and H. Keith Melton, *Spycraft: The Secret History of the CIA’s Spymechs from Communism to Al-Qaeda* (Penguin, 2008), 119–37. Milt Bearden and James Risen, *The Main Enemy: The Inside Story of the CIA’s Final Showdown with the KGB* (Random House, 2003), passim.

family members and from extensive interviews with CIA participants in the operation.^a It helps that Hoffman previously served (1995–2001) as Moscow bureau chief for the *Washington Post*; *The Billion Dollar Spy* benefits both from his knowledge of the city and from his ability to tell a compelling story that brings out the human factor in espionage operations.^b

a. Hoffman makes a few of the cables available on his website, www.davidhoffman.com/documents. All told, CIA declassified 944 pages of mostly operational material. Curiously, none of it is posted on CIA's public website.

b. A former CIA historian, Ben Fischer, has written a speculative article dismissing Tolkachev as a KGB deception operation; one of Fischer's few factual statements is that Tolkachev's workplace was too far from his home to photograph documents during the day as he claimed. Without citing Fischer or his theory, Hoffman nevertheless uses his knowledge of Moscow to demonstrate that Tolkachev could easily go home from work on his lunch break and photograph documents. Benjamin B. Fischer, "The Spy Who Came in for the Gold: A Skeptical View of the GTVANQUISH Case," *The Journal of Intelligence History* 18, no. 1 (Summer 2008): 29-54.

After 10 years of reading and reviewing intelligence books as a CIA historian, I've seen the gamut. A few are poisonous—*Legacy of Ashes* comes to mind—but most are at least satisfactory, with good points as well as flaws. Very few are nearly flawless, demonstrating the author's mastery of the subject: factual accuracy; insight into the atmospherics of the business, i.e., what it is like; and a fair assessment of what it all means. I would put Hoffman's *Billion Dollar Spy* into this category of the best intelligence books available.^c Every intelligence officer should read it.

c. My only quibble—and it takes nothing away from what Hoffman has achieved with his book—is his recounting of the Soviet gas pipeline sabotage story. CIA allegedly modified pipeline technology bound for the Soviet Union, creating conditions in 1982 that resulted in a spectacular explosion and fire. Though at least one such gas pipeline disaster occurred in 1982, CIA apparently had nothing to do with it. Policy discussions about such covert action went on for years, into 1986, but no decisions were made or findings signed, in large part because of the ethical implications. Yet it remains a persistent myth.



