

The Secrets of Mount Alto

How the Soviets Beat Us at the Embassy Game and Built a Fancy Fortress Within Listening Distance of Almost Everything

By Ronald Kessler

During the building of their new Washington embassy atop Mount Alto above Georgetown, Soviet counterintelligence experts discovered electronic bugs in, among other places, a toilet partition delivered to the construction site. After that, the Soviets insisted on inspecting every inch of building material as it arrived.

Eight Soviets were assigned to observe construction. Nothing moved on the site without their approval. So that listening devices couldn't be mixed into concrete before it hardened, precast concrete was forbidden unless it was formed on the site under Soviet eyes. All structural steel was examined by X-ray, costing the Soviets \$50,000 extra.

Windows and door frames were taken apart and put back together at a cost of \$180,000. Instead of the usual thin marble slabs glued onto backing, the Soviets demanded two-inch-thick marble with no backing so bugs could not be hidden in the epoxy glue holding the two pieces together.

Meanwhile, under a reciprocal agreement, Americans in Moscow worked to construct a new American Embassy. Built of prefabricated parts assembled off-site, the unfinished building is so riddled with bugs that the embassy may never be usable.

The outcry from Congress and the White House over bugging at the new embassies has also focused attention on their relative locations. The American Embassy in Moscow is located on Moscow lowlands, the opposite of the high perch enjoyed by the Soviets here.

"It's a very desirable location," says a former National Security Agency official of the Soviet's Mount Alto site. "The higher the antenna, the more you can pick up. The benefit [of the Soviets' location] is access to any microwave link. You can record it and listen later."

Says a former high-ranking CIA official of the Mount Alto site: "It's the



Splendid in white marble and secure behind the latest technological equipment, the new Soviet Embassy and residential compound affords a high point that makes electronic eavesdropping easy. In the aerial photo below, the compound is bordered by Tunlaw Road at the bottom and Wisconsin Avenue at the top. The compound's apartments are on the left, and the reception building is on the right.



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most serious, single institutional Soviet threat to the US."

The embassy affair involves a congressman who didn't want the Russians as his neighbors in Cleveland Park, Presidents from both parties who preferred not to upset the Soviets, and the same bureaucratic lassitude that allows the government to pay \$640 for toilet seats.

Most of all, says a former FBI official, the embassy affair involves "stupidity."

At night, the new Soviet Embassy complex on Mount Alto looks like an abandoned spaceport, with its white marble buildings and mercury vapor lights that give off an unearthly glow. A self-enclosed mini-city of restaurants, hotels, offices, apartments, health clubs, and a car wash, the embassy is surrounded by twelve-foot-high, electronically operated gates scanned by infrared cameras.

The new Soviet Embassy sits 349 feet above sea level, one of the highest points in Washington. From their aerie, the Soviets have an unobstructed view of the Pentagon, State Department, White House, and the CIA. They can tune in to secret communications between Air Force One and the White House or between the Pentagon and the National Security Agency.

The Soviets can—and do—listen in on most microwave communications, which include most long-distance calls as well as facsimile and data transmission circuits. Using high-speed computers, they can hone in on calls of interest—ones placed between particular phone numbers, for example, or those mentioning "Trident" or "CIA." By briefly listening in on a sampling of calls, they can choose which ones to send to Moscow for transcription.

"I dare say they can hear our conversation if they want to," says a former member of the President's Intelligence Oversight Board, discussing Mount Alto with me over the phone.

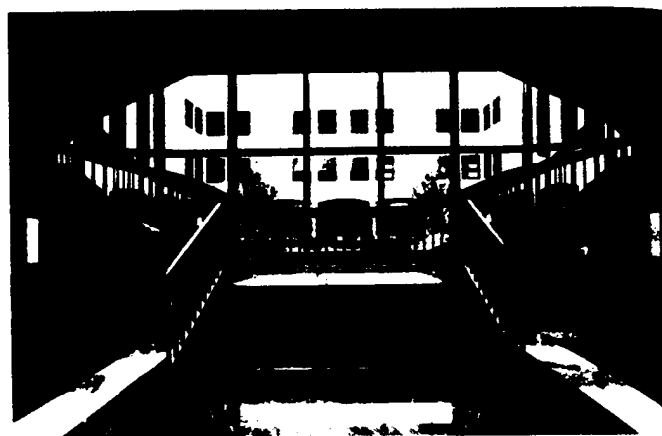
In the long run, the US government's decision to give the Soviets the Mount Alto site may be more damaging to US security, according to intelligence sources, than the fact that the KGB temporarily had the run of the US Embassy in Moscow last year.

The struggle between Washington and Moscow to provide their diplomats, and spies, with suitable diplomatic quarters goes back to 1933, when the two countries established diplomatic relations and each wanted to build a large embassy in the other's country.

By 1963, the Soviets thought they had just the right site in Washington. It was the Bonnie Brae estate owned by Na-



These exclusive exterior and interior photographs are of the as-yet-unoccupied reception building on Mount Alto. In the low-lying building are the ambassador's living quarters, reception and banquet rooms, and a greenhouse.



thaniel H. Luttrell Jr., a Woodward & Lothrop heir, at 6036 Oregon Avenue, Northwest, near Rock Creek Park in Chevy Chase DC. But the property was zoned for residential use, and the idea of a Soviet Embassy didn't bring joy to Luttrell's neighbors. In 1964 they got a court ruling that blocked a zoning change.

We, meanwhile, were eager to move out of the old apartment house that served as our embassy on Ulitsa Chaykovskovo in central Moscow. The Soviets proposed that each country lease government-owned land for their embassies, a move that would obviate the objections of neighbors in Washington.

"To be fair to the Soviets, they did offer us some very good properties," recalls Malcolm Toon, a former American ambassador to the Soviet Union. He negotiated with the Soviets for the exchange of land, though the decision of

where to place the American Embassy was left mainly to another American ambassador, Llewellyn Thompson. The State Department said no to some of the more attractive Moscow River locations and chose land behind the existing chancery because it was centrally located.

In Washington, the Veterans Administration in 1965 moved its hospital from Mount Alto to a larger site near what is now the Washington Hospital Center. The General Services Administration notified the State Department that the 12.8-acre plot above Georgetown was available. When the land was shown to the Soviets in 1966, they were not initially overjoyed; they worried about all the Wisconsin Avenue traffic and indicated they were looking for a quieter, more residential neighborhood.

Enter Richard W. Shear, a former Marine who describes his tastes as run-

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key." At 50, Shear, a real estate broker, retains his soldier's crew cut and hard body. Twenty years ago, working for the Weaver Brothers real estate firm, he was looking for a buyer for Tregaron, a magnificent red-brick mansion at 3100 Macomb Street, Northwest, in Cleveland Park. Joseph E. Davies, a former American ambassador to Moscow and former husband of Marjorie Merriweather Post, had died, and Davies's three daughters were looking to sell it.

When he read about the State Department's plan to lease the Mount Alto site to the Soviets, Shear met with the Soviets at their 16th Street embassy and proposed they buy Tregaron instead.

After 30 meetings during a year of negotiations, the Soviets agreed in principle to buy Tregaron. The State Department was willing to approve the purchase. But Congressman John J. Rooney, a Brooklyn Democrat, lived at 3228 Woodley Road, just two blocks up the road from Tregaron's rear entrance at 3029 Klingle Road.

Crusty, pink-cheeked, and balding, Rooney headed the House Appropriations Subcommittee with jurisdiction over the State and Justice Departments' budgets. Delivering frequent tirades against "striped-pants entertaining," Rooney struck terror in the hearts of State officials.

Shear met with Rooney off the floor of the House. Their meeting was brief.

"I'd rather," the congressman said, according to Shear, "have a nigger living next to me than a Russian."

That was the end of Shear's efforts.

In October 1967, the Soviets accepted Mount Alto.

In Moscow, the search for space for an expanded American Embassy had taken on a new urgency. From the start, construction of both embassy compounds was to proceed simultaneously in both nations' capitals, and our State Department wanted to get locations approved quickly.

In a recent official briefing paper, the State Department maintained that US intelligence agencies had been asked for their comments on the proposed Mount Alto site and raised no objections.

"My recollection is we vetted this to the intelligence community," says Malcolm Toon, who had just returned from serving as American ambassador in Moscow and was then director of Soviet affairs at State. "While some said they would prefer another site, they said they could live with it."

Officials who were with the FBI, NSA, and CIA tell a different story.

"The NSA wasn't even given the privilege of commenting on it," says a

former NSA official. Even in the late 1960s, 80 percent of all long-distance calls traveled by microwave rather than wire. Because of the curvature of the earth, microwaves require repeaters every 28 miles, and the fact that the Soviets could easily intercept long-distance calls was well known.

Another former intelligence official says the CIA, NSA, and FBI each prepared studies critical of the Mount Alto site. Former CIA counterintelligence chief James J. Angleton says President

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Johnson's national-security adviser, McGeorge Bundy, made the key decision on Mount Alto. Neither Toon nor Dean Rusk, who was then Secretary of State, saw the Soviet site as a security problem. They still don't.

"All this Mickey Mouse stuff was not considered a central problem," says Rusk, "because the technology is such that it doesn't make that much difference. There are other ways of doing it—and I'm not going to get into it."

Rusk knows, as do American intelligence experts, that the Soviets listen to Washington communications from their seven other sites around town—from their scattered trade, military, and other embassy offices.

But FBI sources argue that while the Soviets eavesdrop and intercept from other locations, none gives them the range and access of Mount Alto. And as techniques for sorting massive data from electronic communications become more refined, the problems resulting from our handing Mount Alto to the Soviets may become clearer.

But the State Department wanted a new embassy in Moscow, and fast. Security didn't seem that much a factor. In 1969, just after President Nixon took office, the US signed the Embassy Sites Agreement, giving each country an 85-year lease on their respective sites.

In 1972 the Nixon administration and the Soviets signed a second agreement governing how the Mount Alto construction was to proceed.

Together with a Soviet architect, American architect John Carl Warnecke drew up plans for a Soviet Embassy of marble that would be built in two phases. Originally Warnecke wanted red marble, but the Soviets decided on white.

The first section, on the right of the complex as one looks at it from Wisconsin Avenue, is a living area with a school, social club, and swimming pool. The second phase, on the left of the complex, includes a two-story reception hall, an eight-story administration building, and a three-story consulate.

The reception building includes the ambassador's residence (the Soviet ambassador now lives above embassy offices at the Soviet Embassy on 16th Street between L and M streets, Northwest), six reception rooms, banquet facilities, an auditorium, a greenhouse, two halls, and a banquet hall. The administration building houses the offices of embassy personnel. An underground level has parking for 62 cars and car-repair and car-wash facilities. The consulate has a projection room, conference library, offices, and visitor parking.

There are 160 units in the nine-story apartment building. They range in size from studios to two-bedrooms, plus twenty suites for visitors. There is parking for 85 cars. The apartments do not have private phones; Soviets living there must make calls from a community phone. Only Soviet journalists or very high-ranking diplomats can live outside the compound.

Adjoining the apartments is a two-story building that contains a club, a school with eight classrooms, medical facilities, a gym, and a pool.

The George Hyman Construction Company won the contract to build the first phase, completed in 1979, but it found the Soviets to be tough customers. Despite the fact that the Soviets always paid their bills quickly, the company declined to bid on the second phase, which was taken over by a Towson, Maryland, firm, Whiting-Turner Contracting Company.

When Sharon Credit heard that Whiting-Turner was going to build part of the new Soviet Embassy, she asked if the company needed an interpreter. Then 22, she had majored in Russian studies at the University of Pennsylvania and spent five months in Moscow as an exchange student. The daughter of an architect, she had worked as a clerk at the construction company for the previous four summers.

For the next two and a half years, Credit wore a hard hat and ran interference between the Soviets and Americans. Five feet, two inches tall and weighing only 98 pounds, she stood out on the site not only because she was the only woman in a group of 200 to 300 men, but because of her eating habits. While the construction crews brought lunch pails filled with hefty meat sandwiches, Credit ate yogurt or an apple.

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But appearances can be deceiving—she has a handshake like a trash compactor.

Credit was often in the middle of disputes between the Soviets and the Americans. For example, in addition to taking precautions against materials arriving on the site implanted with bugs, the Soviets insisted on being told at least a day in advance of the arrival of any supplies or materials. That led to scenes when deliveries arrived early or when the markings on the packing didn't quite match what the Soviets had been told to expect.

It was Credit's job to explain to the Soviets that "mortar" marked on bags was really the same as the "cement" they were expecting. Brand names had to be translated into generic names. And Credit had to explain carefully any slight deviations in procedures because of weather conditions or changed schedules before the Soviets would approve.

For the most part, the Soviets and Americans worked smoothly together. At the end of a particularly heated meeting, the Soviets broke out vodka. And they gave workers bottles of Stolichnaya for holidays.

The American workers were surprised that the Soviets were like everyone else. The Soviets asked the Americans where to find stereos and where to find women.

One day, a painter cleaning his brush painted a hammer and sickle on the wall, then painted over it. Within an hour, the Americans escorted him off the site, and he was never allowed back in.

"You could have gotten away with it anywhere else," says Robert Dunn, project manager for Howard P. Foley Company, the electrical contractor on the job. "On a sensitive job, it was a stupid thing to do. Every crew was schooled: 'This job is different.'"

The construction people didn't have their usual worries about protecting their equipment. When a young man broke into a Whiting-Turner trailer one night looking for calculators, Soviet security guards apprehended him and called the police, reportedly after beating the man up.

Conditions on the work site seemed to mirror US-Soviet relations. Whenever an incident caused strain between the two countries internationally, the workers found that they were subjected to more security checks.

"It was a microcosm of the Cold War," says H. Russell Hanna Jr., a principal of EDAW Inc., which did the landscape design for the project. "The relationship would go from friendly to cool, from cool to friendly."

Every few weeks, a US Army helicopter flew over the site to take photographs. When that happened, everyone

looked upward. The result was that US intelligence agencies got good pictures of them.

When the Mount Alto embassy was finished in May 1985, it had cost \$65 million, or \$119 a square foot. It was built on time and within one-half percent of the budget.

The American Embassy on Ulitsa Konyushkovskaya so far has cost \$190 million, or \$271 a square foot. The cost overrun has been \$100 million, or 111 percent.

The Soviets got an embassy that is well built. Its roofs are warranted against leakage for ten years. The uncompleted American Embassy in Moscow leaks and is plagued by floods.

Although the Soviets were not supposed to be able to move into their new complex until the American compound in Moscow was completed, the State Department in 1980 bowed to requests from then-Soviet Ambassador Anatoly Dobrynin that some of his employees be able to occupy the living quarters on Mount Alto. In exchange, the Soviets made available to the American Embassy in Moscow some additional apartments, a warehouse, and a recreational area.

The State Department is hanging tough on the chancery, forbidding the Soviets to move into their new offices, which are ready for occupancy, until Americans can do the same in Moscow. Some sources claim that the Soviets are using parts of the office buildings in the

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project's second phase anyway.

Meanwhile, the static over the new embassies continues to increase. The debate about the embassies includes the suggestion that the Americans tear down their new structure in Moscow and begin again—and force the Soviets to relocate in Washington.

"The Nixon administration and others made political judgments to go ahead," says James E. Nolan Jr., director of the State Department's Office of Foreign Missions. "They could have ab-

rogated. Even the fact that you signed an agreement doesn't mean you can't impose other restrictions—even revoke the agreement and take whatever consequences there are. You're always free to break it and pay the penalty.

"The intelligence [oversight] boards have opposed [the Mount Alto construction] under Nixon, Carter, Reagan, and probably Ford, too. But it's equally true that they have never made a case convincing enough to have a President change it."

Instead of forcing the move from Mount Alto, the Carter and Reagan administrations spent billions of dollars to install scrambler phones at federal agencies and lay underground cable.

But that does not really solve the problem for either the government or private citizens.

Inevitably, said a September report of the Senate Select Intelligence Committee, government employees and contractors working on secret projects discuss sensitive information on unsecured phones.

A Soviet Embassy spokesman sees the issue simply: "We were given this land by mutual agreement with the US government."

Senator Daniel P. Moynihan, the New York Democrat, sees it equally simply: "We just got snookered." □