

MEMORANDUM

NATIONAL SECURITY COUNCIL

USAF REVIEWED 12-Oct-2011: NO OBJECTION TO RELEASE AS SANITIZED

INFORMATION

July 27, 1973

~~TOP SECRET/NOFORN/NODIS~~

REFER TO DOS

REFER TO USAF

MEMORANDUM FOR MR. KISSINGER

FROM: Helmut Sonnenfeldt

SUBJECT: Espionage Matters - USSR

FBI REVIEWED 09-Nov-2010: SANITIZED FOR RELEASE IN PART

State has sent you the memorandum at Tab A informing you of two espionage matters involving the USSR in the United States -- one involving a Soviet claim that the United States has placed bugging devices in the USSR's Consulate General in San Francisco, and the second involving a Soviet oral protest of U.S. treatment of Soviet Embassy First Secretary Chernyshev.

Vorontsov protested both matters to Walt Stoessel on July 24. Stoessel said he would look into the question of the alleged bugging. With regard to Chernyshev, Stoessel flatly told Vorontsov that the Soviet diplomat had been engaged in improper activities, and asked Vorontsov if Chernyshev were, in fact, still in the United States. State informs you that if by the week of July 30 there is no evidence that Chernyshev is preparing to depart, State plans formally to review the desirability of declaring him persona non grata.

COMMENT: The purpose of this memorandum is to call these two US-Soviet espionage matters to your attention; it is quite possible that Dobrynin will raise them with you. I do not believe it would be advisable for you to suggest that you are willing to intervene in either issue.

The question of possible bugging clearly should be left in regular State/security channels. And, judging by the FBI report accompanying State's memorandum, First Secretary Chernyshev would appear to have been directly involved in a rather well developed Soviet effort to buy several classified documents from a U.S. Air Force Technical Sergeant.

DOS REVIEWED 12-Nov-2010: NO OBJECTION TO RELEASE AS SANITIZED

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DEPARTMENT OF STATE

Washington, D.C. 20520

July 26, 1973

TOP SECRET/NOFORN/NODIS

MEMORANDUM FOR MR. HENRY A. KISSINGER
THE WHITE HOUSE

Subject: Espionage Matters - USSR

Soviet Embassy Minister-Counselor Vorontsov called on Assistant Secretary Stoessel on July 24 under instructions to protest orally the placement of listening devices in the new Soviet Consulate General in San Francisco and also the treatment of Soviet Embassy First Secretary V. A. Chernyshev by the FBI on July 21. A Memorandum of Conversation is attached.

Chernyshev was taken into custody by the FBI in New York City for about two hours on July 21. Reportedly he was to have received classified, highly sensitive information from Technical Sergeant James David Wood, on active duty as a Special Agent, Office of Special Investigations, U.S. Air Force. Wood is now in custody.

I am informed that the FBI has given details of the Chernyshev case to the NSC. A copy of the report furnished us is attached. The FBI has cautioned that the source for the information leading to the arrests is highly sensitive and that knowledge that there was advance information leading to the arrests should be closely held.

In regard to the listening devices, Stoessel promised Vorontsov to look into the matter. On Chernyshev, Stoessel said the First Secretary had been involved in activity highly inappropriate for a diplomat. Stoessel said he would inquire further about the handling of the matter by the FBI, but his information was that Chernyshev had been treated correctly.


TOP SECRET/NOFORN/NODIS

XGDS -- 2

TOP SECRET/NOFORN/NODIS

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In the discussion Stoessel pointedly asked Vorontsov whether Chernyshev was still in the country. In replying that Chernyshev was in Washington, Vorontsov did not indicate whether he caught the hint that Chernyshev should be quietly transferred. If by the week of July 30 there is no evidence that Chernyshev is preparing to depart, we intend call in Vorontsov and state explicitly that Chernyshev's early departure from the U.S. would be desirable. If Chernyshev should not then be removed from the U.S., the Department will promptly review the desirability of formal action to declare him persona non grata.


Theodore L. Eliot, Jr.
Executive Secretary

Attachments:

1. Memcon dtd 7/24/73
2. FBI Report dtd 7/23/73

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**TOP SECRET/NO FOREIGN DISSEMINATION****UNITED STATES DEPARTMENT OF JUSTICE****FEDERAL BUREAU OF INVESTIGATION**

WASHINGTON, D.C. 20535

July 23, 1973**JAMES DAVID WOOD
ESPIONAGE - RUSSIA**

25x1

On July 20, 1973, United States Department of State advised the Federal Bureau of Investigation that Chernyshev had requested authorization to travel to New York City on the weekend of July 21-22, 1973.

[redacted] At 5:45 p.m. on July 21, 1973, Chernyshev was observed by Special Agents of the FBI [redacted] At 5:55 p.m., he entered [redacted]

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Classified by Director, FBI
Exempt from GDS, Category Number 2
Date of Declassification Indefinite

TOP SECRET/NO FOREIGN DISSEMINATION**James David Wood**

an outside telephone booth on the corner of Hillside Avenue and Francis Lewis Boulevard. At 6 p.m., an unknown white male entered an adjoining telephone booth. Chernyshev and the unknown male then left the telephone booths, separated and walked in the immediate area. At 6:07 p.m., they were observed meeting at the corner of 89th Avenue and Francis Lewis Boulevard. At this time, both individuals were taken into custody by the FBI.

Chernyshev was brought immediately to the New York Office of the FBI, arriving there at 6:30 p.m. He was searched, photographed, fingerprinted and examined by a physician. He was then permitted to telephone the Soviet Embassy, Washington, D. C., and the Soviet Mission to the United Nations, New York City. Following those telephone calls, Sergeev Ivanovich Golubnichiv, First Secretary, Soviet Mission to the United Nations, and Yuriy Vasilyevich Novikov, employee at the Soviet Embassy, came to the New York Office of the FBI, where they identified Chernyshev as a First Secretary of the Soviet Embassy, Washington, D. C. Following this identification, Chernyshev was released and all items in his possession were returned to him with the exception of a drawn map of the meet area and a road map. Chernyshev left the New York Office of the FBI in the company of the above Soviets at 7:55 p.m.

A search of the unknown male observed in the clandestine meet with Chernyshev revealed that he was James David Wood. Information obtained from Wood's wallet identified him as a Technical Sergeant on active duty with the United States Air Force (USAF), assigned as a Special Agent with the Office of Special Investigations (OSI). Wood, who was born June 28, 1938, is married and the father of two children. He was en route with his family to Turkey on USAF orders.

TOP SECRET/NO FOREIGN DISSEMINATION

- 2 -

TOP SECRET/NO FOREIGN DISSEMINATION**James David Wood**

In Wood's possession was a drawn map of the meet area and a number of index cards which, upon preliminary examination, have been determined to reveal the identities of a number of individuals being operated against Soviet intelligence services (SIS) abroad, as well as the identities of individuals being operated against SIS by the FBI in this country in coordination [25x1] Automobile keys were also located in Wood's possession. Wood was not cooperative and offered no information as to the location of his automobile. Wood's wife was subsequently located by the FBI in a motel near John F. Kennedy Airport. She advised that Wood had left the motel at approximately 4:30 p.m. in their automobile. An expanded search of the meet area was conducted by the FBI and Wood's automobile was located on Hillside Avenue between 182nd and 183rd Streets, Queens, New York. A search warrant was obtained by the FBI and a search of his automobile revealed a substantial number of classified reports concealed in a package in the trunk of his automobile. Preliminary examination of these reports indicates that they are copies of classified FBI memoranda and classified United States military reports.

Also located in Wood's possession was a letter from the Soviets acknowledging receipt of an earlier letter in which the Soviets advised that a meeting in San Francisco was not possible, but proposed a meeting at 6 p.m. on July 21, 1973, in either New York City, Mexico City or Montreal, Canada. A signal was to be placed on a bench in Aquatic Park, San Francisco, California, on April 8, 1973, and for the period April 9-12, 1973, a notice was to be placed in the personal column of the "San Francisco Chronicle" indicating which city Wood had selected for the meeting. This letter also states, "Enclosed you will find the instructions (No.1 - New York, No.2 - Mexico-City and No.3 - Montreal) as well as \$ 1000.00 - a reward in advance. It is understood this amount would be greatly increased provided you supply us with valuable information."

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James David Wood

Wood was released into the custody of OSI by the FBI at 2:30 a.m. on July 22, 1973. In coordination with OSI and appropriate officials of the Department of Justice, a determination will be made as to the best manner to proceed against Wood, bearing in mind national security considerations.

Wood holds a "Top Secret Crypto" clearance and has had access to a considerable amount of highly classified information. He was assigned to the National Security Agency from November, 1960, until November, 1962, which assignment was related to the USSR. The apprehension of Wood during his meeting with Chernyshev and the subsequent recovery of a substantial amount of classified material prevented Soviet acquisition of data of continuing sensitivity to the national security.

In view of the extremely sensitive nature of our source, it is requested that the information in this communication be held most closely.

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July 24, 1973

Soviet Protests on Espionage Matters

**Mr. Yuly M. Vorontsov, Minister-Counselor, Embassy
of the USSR**

**Mr. Walter J. Stoessel, Assistant Secretary for
European Affairs, Department of State**

Mr. William J. Dyess, Department of State, EUR/SOV

**DISTRIBUTION: EUR/SOV
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**INR/DDC
Embassy Moscow**

Vorontsov said he had two not very pleasant cases he had been instructed to raise orally. They were awkward and embarrassing, having occurred at a time when we were embarking on a new road in our relations.

The first case, Vorontsov said, was occasioned by the discovery of listening devices in the new Soviet Consulate General in San Francisco in the course of refurbishing the building. The devices were modern and transistorized and could be remotely controlled by radio. There was one at the Embassy which would be shown to us there if we wished. This attempt at bugging, according to Vorontsov, occurred after the visit of the General Secretary, a further cause for embarrassment. The Soviets had no choice but to lodge an official protest.

Vorontsov said that the second case concerned what had happened to Soviet First Secretary Viktor Chernyshev on July 21 while he was visiting New York City as a tourist with his wife and daughter. Simply walking along the street, Chernyshev had

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been fallen upon by the FBI, roughed up, handcuffed, thrown into a car and taken to an FBI office where he was interrogated for two hours without any explanation. What was most unpleasant for Chernyshev, according to Vorontsov, was that the FBI had suggested that he work for them. Chernyshev had said, of course, that he wanted to hear nothing about any such thing.

Continuing, Vorontsov said that what happened to Chernyshev was common many years ago, but was most unusual and out of place at the present time. Therefore, the Soviets had no choice but to lodge a protest over the action by the FBI against Chernyshev and also over the attempt by the FBI to recruit him.

At this point Vorontsov interjected that the attempted bugging of the Consulate General and the incident with Chernyshev had been reported to Moscow and that Moscow was appalled. The Soviet Embassy had been instructed by Moscow to protest orally and to request that the US take measures to stop this sort of activity.

Vorontsov then stated that in the interests of our new, improved relations the USSR had decided not to make public the attempted bugging in San Francisco. No one wanted fuss and noise which would be useful only to journalists. The Soviets rather wanted to talk with us in a quiet, friendly manner to obtain assurances that this sort of thing would not be repeated.

Stoessel said he agreed that the two matters Vorontsov raised were unpleasant. He knew nothing about the alleged bugging, but would look into it. In regard to Chernyshev, Stoessel said it was his understanding that the First Secretary was apprehended because of his involvement in a very serious matter involving activities highly inappropriate for a diplomat. Moreover, the information he had received, Stoessel continued, indicated that the treatment of Chernyshev had been correct. He was

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allowed to make telephone calls to the Embassy and to the Soviet UN Mission and was released when his identity was established. Stoessel said he could agree that inappropriate activity of the sort Chernyshev was involved in should not continue. Stoessel then asked whether Chernyshev was still in the country.

Vorontsov replied that Chernyshev was still here and that he had reported to the Ambassador and him on Sunday in great detail as to what had happened. Chernyshev was a truthful man and the Soviets had no reason not to believe him. He was walking down the street in New York and just after he asked for directions from a man on the street three cars converged on the spot. Chernyshev was stood against a car and searched. No attention was paid to his statements that he was a diplomat, and when he reached for his documentation, he was beaten. He was thrown into a car and sat upon, taken to FBI Headquarters and grilled with provocative questions for two hours for no reason and with no explanation. Throughout the interrogation Chernyshev's protests that he was a diplomat and had documents to confirm his status went unheeded. Vorontsov said the Soviets had every reason to believe the version of the incident as related by Chernyshev.

Stoessel reiterated that his preliminary information was that Chernyshev had been treated correctly, which was as we would have wished. It was Chernyshev's improper activities which had occasioned the matter.

Returning to the alleged bugging, Vorontsov repeated his earlier remarks and again offered to display a device at the Embassy. Stoessel reiterated he would look into the matter and, in passing, asked how many devices had been reported to Vorontsov as having been found. Vorontsov replied, "several."

Shifting again to Chernyshev, Vorontsov protested that Chernyshev did not know what was

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supposed to have happened to have caused the regrettable incident, and the Embassy itself did not know. The Ambassador and Vorontsov had every reason to believe what Chernyshev had told them. Vorontsov did not want to argue details with us but they had no reason to believe Chernyshev had been anything but truthful. The Soviets just hoped that this sort of thing would not be repeated.

Stoessel said that he would look further into the handling of the matter, but that the obvious way to stop this sort of thing from happening was for diplomats to stick to their jobs. Vorontsov said that he agreed with that and the FBI should stick to its job of apprehending criminals. Stoessel said that was indeed the FBI's job.

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