

*Trying To Warm Up the Cold War***A Futile Fling With Sexspionage in Austria (S)**

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In his book on sex and espionage, David Lewis writes that “sex and spying have always been intimately involved. Not only are prostitution and espionage two of the oldest professions, they are also among mankind's most secret and covertly influential activities.”¹ During the Cold War, the Warsaw Pact countries used sex as a key weapon against Western targets. No longer the stuff of Mata Hari, the Soviet Union's KGB and East Germany's Stasi in particular took “sexspionage” to new limits. The Communists trained male and female agents, known as “ravens” and “swallows,” respectively, to attract unsuspecting Western politicians, scientists, intelligence and military personnel, and even secretaries. Taking advantage of basic human vulnerabilities, the Russians and their allies used these “Romeo” operations to extract some of the West's most sensitive secrets.² (U)

Western intelligence services were not oblivious to the fact that sexual entrapment was a two-edged sword that could also be used against the Soviets. The West's efforts at sexual blackmail, however, proved generally halfhearted and unsophisticated. The Profumo affair in Great Britain during the early 1960s is the best known attempt of a Western service to use sexual attraction as a tool to entice a Soviet intelligence officer during the Cold War. The attempt failed, and the ensuing scandal contributed to the downfall of Prime Minister Harold MacMillan in 1963.³ (U)

When asked about sexual entrapment by intelligence services in the midst of the Profumo scandal, former DCI

Allen Dulles remarked, “I think it is worldwide. As long as there is sex, it is going to be used.”⁴ Dulles refrained from discussing whether the CIA used sex as a means of gaining intelligence, but he did admit that the CIA could not compare with the KGB for using sex as a bait for information. (U)

In 1981, a veteran CIA officer commented on the difficulties of using sexual approaches with Soviet intelligence officers stationed overseas:

*From what [little] we have learned around the globe, they are not restrained by a puritan sexual ethic only recently dissolving in Western society, but their fornications and adulteries are, for the most part, confined to the Soviet colony. A man can sleep with a colleague's wife much more securely than he can have an affair with an outside woman, yet most affairs on the record are with single women. Some overt homosexuals are kept on the payroll for their obvious operational attractions. Being overt, they cannot be blackmailed for their homosexuality. Sex and money are the main handles for the KGB: recruitment of foreigners. Neither is an effective weapon against it.*⁵ (U)

The CIA, in fact, used sex infrequently as an intelligence tool.⁶ In contrast to media speculation and a few random cases that came to light during the Congressional investigations in the 1970s, the Agency found sexual entrapment to be difficult to manage and often

counterproductive. REDCAP, an early CIA project aimed at inducing Soviet defections, demonstrated some of the problems associated with sexspionage. (S)

REDCAP

As US-Soviet relations became increasingly hostile by the late 1940s, the United States realized that it lacked intelligence about Soviet intentions and capabilities in Europe. The Iron Curtain made it even more challenging to obtain information about the Soviets.⁷ In 1951, CIA launched Operation REDCAP, "a systematic and concentrated program of penetration and defection inducement operations directed at Soviet official installations outside the USSR." The new program, expanding on earlier ad hoc efforts to recruit Soviets, had the following objectives:

- Agent recruitment in place for local intelligence and counterintelligence coverage.
- Agent recruitment in place for USSR coverage.
- Immediate defection for intelligence procurement.
- Agent recruitment for return to the USSR under official cover.
- Immediate defection for employment as an agent to be dispatched under illegal cover to the USSR.⁸ (S)

The program focused on individual Soviets posted outside Soviet territory, especially in occupied Austria and Germany. A 1952 paper made the following observations:

*We should know the characteristics, habits, weaknesses, (whether sex or alcohol), places of residence, restaurants they frequent, shops they patronize, names and addresses of their secretaries and mistresses if any. We should eventually be in a position to find those in real trouble, who of them are fearful of being recalled. Once we spot them, we can approach them and win their confidence. We must first find out who of them are in mess, whether they be in embassy, consulate, or purchasing mission. Each must be dealt with on his own merits, in accordance with his character, temperament, mental equipment, and background. They must be approached individually by our best trained men who have all the imagination, personality, ingenuity, and linguistic ability to contact these men after we have found out all we possibly can about them.*⁹ (S)

Sergei Lvovich Shebalin

It was not easy to approach Soviet officials in the early 1950s. Language barriers aside, Soviets posted abroad distrusted Western motives and were warned by their own security services to have no contact with Americans, in particular. To overcome these obstacles, the Agency used "cutouts" and friendly liaison services as a means of establishing contact with Russians and other Soviet Bloc personnel. The Agency used four types of approaches: the "cold" approach; the approach based on information that the target desired to live outside of the USSR; the approach that the target was in

trouble for political, criminal, or personal reasons; and the blackmail approach. Cutouts could be useful for each of the four approaches.¹⁰ (S)

Sergei Lvovich Shebalin appeared to be an excellent candidate as a REDCAP cutout. The son of an admiral in the Russian Imperial Navy, Shebalin attended schools in Leningrad and joined the Red Army in 1939. By the time of his capture near Stalingrad in 1942, Shebalin had been promoted to captain and commanded a battery of rocket artillery. Spending only a brief time in German captivity, Shebalin became the adjutant to Andrei Vlasov, a Soviet general who raised the Russian Liberation Army (ROA) to fight with the Nazis against the Soviets. In this position, Shebalin was closely connected with Vlasov's efforts to recruit Russians to take up arms against Communism.¹¹ (S)



Sergei Lvovich Shebalin, 1954. CIA photo. (S)

In the spring of 1945, Shebalin barely escaped from the Russians and sought refuge behind American lines.¹²

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Shebalin avoided forced repatriation by the Americans to the Soviet Union where, no doubt, he faced certain death for his anti-Communist, pro-Nazi activities.¹³ He moved around southern Germany using various names and made his living on the black market.¹⁴ German and American authorities arrested Shebalin as a White Russian collaborator in 1945 and again in 1946 for using several aliases and having different identity papers. The US Army's Counter Intelligence Corps (CIC) also raided Shebalin's house in Memmingen in the fall of 1948.¹⁵ (S)

In June 1951, the Agency recruited Shebalin as an agent to handle cross-border balloon operations in cooperation with a Russian emigre organization in Germany. The Agency observed that Shebalin "loves adventure and interesting deals, loves the black market and plays it with rare skill," and was "a combination of a sincere anti-Bolshevik and is a black-marketeer."¹⁶ (S)

Shebalin, who spoke native Russian and excellent German, was deemed "reliable" and "genuinely anti-Communist" after undergoing Agency testing. Before his recruitment, he had worked for the *Ami Blank*, a predecessor to the West German Ministry of Defense.¹⁷ In short, he fit the mold of what the Agency needed in 1951 to launch the REDCAP program. (S)

Operational Tasks

In late 1951, the Agency decided to send Shebalin to Vienna, Austria, where he would serve as a "contact man" and "spotter in the Vienna REDCAP program." Shebalin, who

preferred to go to Berlin because of his familiarity with the city during the war, was assigned the following targets:

- Exploration of Vienna black-market channels for REDCAP possibilities.
- Exploration of the Vienna underworld for possible REDCAP contacts.
- Spade work and contact man for specific Austrians already in contact with one or more Soviets.¹⁸ (S)

Specifically, CIA wanted Shebalin to make contact with Soviets dealing in the black market as well as with prostitutes serving Soviet civilian and military personnel in Vienna. Like Berlin, the Allies shared occupation sectors in Vienna—a city in the heart of the Soviet-occupied zone of Austria. Because of the high concentration of Soviet troops around Vienna, the Agency expected that it could readily exploit the city's underworld connections. But CIA's "attempts to use Vienna prostitutes as possible contacts has thus far fallen through, largely because we have been unable to find a reliable Austrian to exploit this possibility."¹⁹ Shebalin's own black-market experience in Germany seemed a perfect match for his projected mission in Vienna. (S)

GRALLSPICE

In January 1952, Headquarters approved Vienna Operations Base's proposal to use Shebalin in its REDCAP program and gave him the new operational cryptonym of GRALLSPICE.²⁰ The Agency backstopped Shebalin as a German national working in Vienna as a representative of a German firm purchasing surplus US Army materiel for resale in Germany. This cover allowed Shebalin to work with local black-marketers in some minor money-changing deals and to move freely about the city.²¹ His monthly Agency salary was \$200 plus 1,000 Austrian shillings. He received another 800 Austrian shillings per month for housing expenses as well as extra funds and supplies for operational purposes. Shebalin's Russian wife, whom he married in 1947, remained in Germany with their young daughter because the Agency felt that their presence in Austria would harm Shebalin's cover. Consequently, the Agency also paid a small per diem to provide for Shebalin's family in Germany.²² (S)

Shebalin's arrival in Austria in mid-April 1952 was less than auspicious and, perhaps, foreshadowed his performance for CIA; the local police arrested him as he entered Austria. En route to Vienna from Munich, Shebalin had to pass German and Austrian border controls. At the Salzburg train station, an Austrian official (who had served with German Army intelligence during the war) grew suspicious because Shebalin claimed to be a German merchant but used outdated US Army travel documents to cross into Austria. The Austrian then opened Shebalin's baggage and discovered a pistol, whereupon Shebalin was taken into custody. The Austrian police later released him to the local US Army

CIC office in Salzburg, which then handed him over to CIA's Salzburg Operations Base. Shebalin then returned to Germany to await better documentation.²³ (S)

Shebalin in Vienna

Shebalin's arrest compounded earlier delays, and he did not arrive in Vienna until early June 1952, when he flew from Munich to the Austrian capital. At his first meeting with [redacted], his case officer in Vienna, the two discussed how Shebalin would operate in Vienna and his general targets. Shebalin said he could approach Russians in Vienna by pretending to be an Austrian door-to-door salesman peddling lipstick, nylon stockings, and other items to wives in the Soviet housing areas. Likewise, Shebalin felt that he could meet Soviets by frequenting certain Viennese cafes. When the subject of illicit liaisons between Soviet officers and Austrian women came up, Shebalin, according to his case officer, expressed "real enthusiasm."²⁴ (S)

In a subsequent meeting, [redacted] and Shebalin expanded on the idea of using Austrian women as a bait to entice Soviet personnel. In his notes after one meeting, [redacted] wrote:

GRALLSPICE was in complete agreement that the exploitation of Soviet-mistress relationships had by far the best chance for success. He said that he did not feel that the use of prostitutes was particularly worthwhile. The difficulty of sporting such Soviet-Austrian mistress relationships was discussed, and [redacted] pointed out that such sporting was the function of the entire AIS (Ameri-

can intelligence service) in the Vienna area and that occasional success could be expected. (S)

Shebalin thought that "it might be sounder to recruit a number of girls with the proper mental and physical attributes and then to assist them to establish contact with selected Soviets." Both [redacted] and Shebalin felt that this approach offered "an excellent chance for success" and was "ideal if suitable girls could be discovered."²⁵ (S)

Shebalin proposed that he enroll in a summer school as "an excellent opportunity to allow him to come into normal contact with Austrian girls, who might be of operational use, and also to establish a circle of Austrian friends on a level most likely to be operationally productive."²⁶ In fact, Shebalin had already made the acquaintance of an Austrian-born woman, the wife of an American soldier in Vienna, who lived above Shebalin's apartment. At hearing this news, [redacted] decided to have Shebalin change apartments to avoid becoming too familiar with the residents.²⁷ (S)

In a review of Shebalin's first weeks in Vienna, [redacted] commented that he "appears to be an exceedingly valuable asset for our REDCAP operations in Vienna." Shebalin's knowledge of the Soviet mentality, his attention to detail, and his willingness to approach targets, whether Austrian women or black-market operators, all highlighted his importance to American intelligence. His operational deployment had progressed slowly because [redacted] wanted to resolve Shebalin's cover problems and to get a better idea of his strengths and weaknesses.²⁸ (S)

Through the summer of 1952 [redacted] and Shebalin considered various schemes for gaining access to Soviets in Vienna, including mailing provocative letters to a Soviet officer in the hope that the fabricated information would fall into the hands of Soviet intelligence. Faced with the incriminating evidence as spelled out in the letters, the officer would be left with no choice but to defect. (S)

Another plan proposed to invite a Soviet officer to an American billet or safehouse, place him in a compromising position, and then have Shebalin, dressed as a Soviet officer, enter the room and place the real Soviet under arrest. The real Soviet's American host would then call the US Army military police and have Shebalin arrested for "trespassing" in the American sector. At this point, the American host would offer all assistance to the Soviet, still shaken from his near escape with the MGB (predecessor to the KGB). [redacted] said that although these plans "may seem a bit fanciful and perhaps Hollywoodish...it allows us to utilize the most important weakness inherent in the Soviet system—the fear of just such a situation which is always possible."²⁹ (S)

A New Case Officer

In the meantime, Shebalin placed advertisements in Viennese newspapers looking for a female Russian-language tutor and a maid while he spent his time getting to know the city. He discovered that a large number of young Soviet women lived in Vienna, "many of whom seem to be very bored and capable of being picked up."³⁰ Shebalin also interviewed an Austrian prostitute about the habits of her Soviet and Ameri-

can customers, and he visited one of Vienna's hotels where the woman conducted her business.³¹ (S)

In late August 1952, [] turned over control of Shebalin to a new case officer, []

[] who had just arrived in Vienna from an assignment in Germany. [] immediately hit it off with Shebalin because of [] excellent Russian- and German-language skills. The departing [] told Shebalin to be patient because "the development of secure defection-type operations necessitated a great amount of planning and checking, recruiting, and training before actual results could be expected."³² (S)

Like [] [] faced similar problems of how to get REDCAP off the ground in Vienna and how to employ Shebalin effectively. [] determined that it would be better to bring women from the American zones of Germany or Austria to Vienna to target Soviets in the city. The women, who would be taught basic Russian, would be brought to the city "legally or quasi-legally for briefing and carrying out their mission." [] would provide the female agents with Prostitute Registration Cards using the names of actual Viennese prostitutes. As far as targeting Soviet officials in the Soviet zone of Vienna, [] believed that it would be more secure to go after existing clandestine Soviet-Austrian liaisons because introducing outside female prostitutes would attract too much attention. Shebalin, as the go-between, would recruit the women at such gatherings as the Vienna Trade Fair, or through newspaper advertisements. In addition, Shebalin pressed [] to bring over a young girl from Germany, who had been convicted of juvenile prostitution, as his first subagent.³³ (S)

[] also faced limitations in using Shebalin. In his first monthly report, the American case officer noted that "we are still trying to keep GRALLSPICE busy while at the same time devoting a great deal of thought to giving him a chance to sink his teeth into a positive operational assignment." [] warned that "we cannot expect to keep him satisfied for much longer just letting him hypothesize." Just months after bringing Shebalin to Austria, the Agency realized that "GRALLSPICE is at an obvious disadvantage with regards to developing any likely candidates himself; first, because he has arrived in Vienna with no contacts of his own and, second, because he is unable to pass himself off as an Austrian—his Russian accent is very noticeable." [] admitted that "therefore we are forced to do the developing, recruiting, and, to a certain extent, spotting though GRALLSPICE can perform a valuable function in the latter respect."³⁴ (S)

Pyotr Semyonovich Popov

During September 1952, Shebalin managed to keep active. He attended the trade fair, where he purchased Soviet cigarettes and other items for the Agency. At the same time, he cased Viennese cafes, hotels, and restaurants suspected of being Soviet hangouts, and he met several women who frequented them. Through these women, Shebalin made the casual acquaintance of a Soviet officer. He also began interviewing several women who had replied to his ad for a maid. In October, Shebalin returned to Germany to visit his wife and to obtain new identity documents. While at home, he interviewed the young German woman as his first subagent.³⁵ (S)

At the beginning of 1953, Shebalin's life took a dramatic change. On 1 January, Edward Harper, the American vice consul in Vienna, was approached by a man who asked for directions to the American Military Commission. Harper offered to drive the man to the office, but he refused, and he gave Harper a letter to deliver. Later that day, Harper opened the letter and found that it was written in Cyrillic. Realizing that the letter could be important, Harper went to the American Consulate and reported the incident to the duty officer.³⁶ (C)

Shortly afterwards, [] the chief of joint operations at Vienna Base, read the translated letter:

*I am a Soviet officer. I wish to meet with an American officer with the object of offering certain services. Time: 1800 hours. Date: 1 January 1953. Place: Plankengasse, Vienna I. Failing this meeting, I will be at same place, same time, on succeeding Saturdays.*³⁷ (C)

There was no way for the Americans to know if this unusual offer was a Soviet provocation. By the time that [] read the translated note, it was too late to surveil the meeting place; consequently, Vienna Base opted to meet the letter writer on 3 January 1953.³⁸ (C)

To avoid exposing an American intelligence officer at this first meeting, [] directed [] to use GRALLSPICE as the go-between. This would buy time until a CIA case officer not based in Vienna could conduct actual debriefings. [] directed Shebalin to establish the bona fides of the unidentified letter



Maj. Pyotr Semyonovich Popov. CIA photo. (S)

writer and to ascertain the meaning of his term "certain services." [redacted] also wanted Shebalin to elicit the presumed Soviet's motivations and to obtain as much information about his background as possible.³⁹ (C)

On the night of 3 January, Shebalin met the mysterious individual at the appointed place, and then the two men adjourned to a safehouse where [redacted] and another CIA officer monitored their conversation. After three meetings, George Kisevalter, a CIA staff officer and Russian speaker, took over from Shebalin. In time, it became clear that Maj. (later lieutenant colonel) Pyotr Semyonovich Popov, a GRU officer stationed in Vienna, would become

one of the CIA's greatest spies. As a CIA agent from 1953 until his death in 1960, Popov, a REDCAP recruitment, provided a wealth of information on Soviet military and intelligence organs and their worldwide operations.⁴⁰ (C)

Exit Vienna, Enter Salzburg

Shebalin's presence in Vienna became increasingly dangerous as the Popov case developed. According to one Agency official in March 1953, "GRALLSPICE's participation in the [redacted] [Popov] project poses an existing and definitely negative security risk." Shebalin was intimately familiar with Popov because he had



George Kisevalter, as a US Army officer, 1946. CIA photo. (S)

interviewed him at the first meetings. Shebalin knew the Soviet officer by sight as well as by true name, position, and activity in Vienna. The Agency feared that the Soviets might pay attention to Shebalin because of his own indiscretions (his case officer had already warned Shebalin when "he childlessly and dangerously extended his cover" in Vienna). Shebalin's past record as a Nazi collaborator and Russian Liberation Army officer also marked him as a target for Soviet kidnapping. Consequently, Vienna Base urged Shebalin's removal from Europe.⁴¹ (C)

In February 1953, [redacted] accompanied Shebalin to Salzburg where they met [redacted], a young CIA officer who had transferred to Salzburg from Vienna in December 1952. In their first meeting, [redacted] noted that

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Shebalin appeared "of better than average intelligence" and that he "displays a more than usual affinity for the opposite sex." Perhaps drawing on word that he had heard from Vienna, [] observed that "agent may also tend to be somewhat rash and indiscreet in what he says and does, in which case it may be necessary to restrain agent in Salzburg, where the size of the town would work against such conduct."⁴² (S)

Once again, a new CIA case officer faced the dilemma of what to do with this Russian agent. Salzburg Base appeared to be at loss of how to employ Shebalin, and it expressed certain frustration because Vienna Base initially failed to provide any information from its files on its agent.⁴³ This meant that [] had to ask Shebalin for basic biographical information that could easily have been obtained from his file.⁴⁴ In the meantime, Shebalin kept himself busy by checking out houses for rent in the Salzburg area, although [] warned him not to enter into any rental agreements on his own. Shebalin also suggested that he might travel to Linz to check out the black-market activities in that city and to see if prostitutes there could be employed against the Soviets. Suspecting that this trip might entail more than simply sightseeing, [] "mentioned in passing that it should be borne in mind that in any dealings with such girls the necessary precautions should be taken against contacting any disease."⁴⁵ (S)

Going to America

Shebalin spent most of his time in Salzburg waiting to hear about his application to immigrate to the United States. As his case officer

reported in the summer of 1953, "due to the sensitivity of GRALLSPICE, he has not been used in any operational capacity whatsoever since his arrival in Salzburg at the end of February 1953. GRALLSPICE's position in Salzburg has been that of a holding case, that is, to keep him 'sweet' and comfortable until his emigration to the U.S."⁴⁶ (S)

As early as 1951, Shebalin had applied to the US Consulate in Munich for a visa, but this had been refused. After his departure from Vienna in early 1953, it became clear to the Agency that Shebalin had to be removed from Europe in order to safeguard both Shebalin and particularly Popov. The Agency felt that Shebalin could still be productively employed in the United States and perhaps later in the Far East, where his prior history was not known.⁴⁷ (S)

[] spent a lot of time preparing Shebalin's application for immigration, coordinating his immigration status with Munich Operations Base and CIA Headquarters, clearing his record with the Army's CIC, and trying to instruct him in the English language and American history. At the same time, [] worked on reuniting Shebalin with his wife and daughter in Salzburg while taking care of his problems. Shebalin's immigration encountered numerous hurdles which proved frustrating for [] For example, the US Army in Germany had a 1948 report in which

an informant stated that Shebalin had been a director in the Soviet fisheries division and a colonel in the Red Army as well as a NKVD officer. The local CIC records also noted that Shebalin was considered as pro-Soviet by other Russian displaced persons in Bavaria. Through Army contacts, the Agency tried to track down the source of these allegations to determine their legitimacy.⁴⁸ (S)

Given the urgency to remove Shebalin from Austria, Salzburg pressed Headquarters for action.⁴⁹ As early as October 1952, Frank G. Wisner, CIA's Deputy Director for Plans, wrote the Secretary of State for information regarding Shebalin's ineligibility for immigration to the United States.⁵⁰ By May 1953, []

[] chief of CIA's Soviet Russia (SR) Division, had also taken the matter up with the Agency's Inspection and Security Division. [] wrote that "it has been determined that the entry and legalization of the subject in the United States under Section 8 of Public Law 110, is highly desirable, the normal time delay of several weeks even after the individual concerned receives his Covert Security clearance precludes its use at this time."⁵¹ Instead,

[] wanted the Agency to use "Special Procedures" to bring Shebalin and his family to the United States and that the "legalization of the subject's residence will be completed after his arrival."⁵² (S)

Despite the high level of interest in getting Shebalin to the United States, it was a laborious and time-consuming process. Meanwhile, Shebalin's presence in Salzburg created unforeseen problems. (S)

Shebalin's Indiscretions

The Agency was aware that Shebalin's "wandering eye" was a threat to operational security in Salzburg. In April 1953, Shebalin rented a room in a cleared residence in Salzburg. When [redacted] asked the Russian how he enjoyed his quarters, Shebalin replied that he found it "very enjoyable." He added, "there is even a girl there...she is the owner's daughter. She is 16."⁵³ (S)

That comment came back to haunt both Shebalin and his CIA handler. [redacted] knew that his "agent's life is quite boring in Salzburg. He has nothing to do all day except read, walk, study, and so forth. A continuous diet of such activity," [redacted] cautioned, "over a long period is understandably difficult, especially for a person like GRALLSPICE, who is used to a more adventurous life. It is anticipated that more attention will be paid to agent's private life, his morale and female companionship, because these facets will be most directly affected by a prolonged period of inactivity."⁵⁴ (S)

The arrival of Shebalin's wife and daughter in Salzburg in June created new headaches for [redacted].⁵⁵ Shebalin advised his case officer never to marry, but to always remain engaged.⁵⁶ Even more troubling, Shebalin admitted in early July that he slept with the young granddaughter of his former landlady. According to Shebalin, the girl had tried to run away from home on several occasions. Shebalin even tried to help her to escape from her grandmother and illegally crossed over the German border to look at a home for wayward girls in Bad Reichenhall. Shebalin's current landlady had seen him with

the young girl and reported it to his newly arrived wife.⁵⁷ (S)

[redacted] expressed his "great disappointment" at Shebalin's behavior. He said that the incidents had to be reported to Washington and that it could affect his efforts to move to the United States. [redacted] also told Shebalin that "it was definitely bad taste to carouse with 16-year-old-girls" and that he was forbidden to associate with her. Henceforth, Shebalin, his case officer ordered, would "lead more than ever a life of complete boredom and inactivity." In addition to reading, writing, studying English, and taking care of his family, Shebalin would record his daily events in a diary which he would give to [redacted] every week. While [redacted] expressed his displeasure about this latest breach of security, he also noted that Shebalin had had a hard time settling down after having "more or less been in a struggle for survival for about the last 10 years."⁵⁸ (S)

Several months after Shebalin admitted the facts of his relationship with the girl, he told CIA officials in September 1953 that the grandmother planned to report him to the Austrian police as a black-marketeer and as having contributed to the delinquency of a minor unless he paid her to keep quiet. While not certain as to the seriousness of the threat posed by the grandmother, the Base recommended to Headquarters that Shebalin leave Salzburg "as soon as possible."⁵⁹ (S)

Hanging Around

Even before [redacted] learned about the blackmail attempt, he reported that his "agent's morale took a tumble as a result...however, it rose again slowly

until it seemed to be back almost to normal."⁶⁰ In mid-August, [redacted] took up the issue of what to do with Shebalin while waiting for his immigration case to proceed. He proposed to [redacted], Salzburg Base's chief of joint operations, that Shebalin be assigned the task of spotting "girls who would go to the Russian zone to try to pick up with Sovs for the purpose of defection. These girls cannot be regular prostitutes, but should be smart, up-righteous girls with a high degree of motivation." "But," he added, "still they should have no objection to becoming a Mata Hari."⁶¹ (S)

[redacted] also thought that Shebalin could meet Austrian businessmen to see who in Salzburg had business relations in the Soviet zone. Finally, [redacted] asked his superior, "Have you ever had a bottle of beer at the *Eulenspiegel* restaurant? If so, have you noticed that it is Czech beer imported into Austria. I would like to send GRALLSPICE," [redacted] commented, "out to see how that beer is brought in. Probably by train, but somebody has to order the stuff and do correspondence. It might prove to be a Czech lead."⁶² (S)

It did not take Shebalin long to identify one woman as a potential candidate. At a meeting on 24 August, Shebalin provided his case officer with the name of a divorcee, aged approximately 30, who was "not a common prostitute, but still of 'light conduct.'" He also learned where the *Eulenspiegel* restaurant obtained its Czech beer, and he visited the beer distributor to purchase a few bottles.⁶³ In addition to these tasks, [redacted] approached Shebalin with the idea of writing several letters in Russian that could be used to entice Soviet officers to defect.⁶⁴ (S)

Aktbilder

During a meeting at the Base's safe-house on 2 November 1953, [] asked Shebalin "if he knew where one could procure pictures of naked women in Salzburg." Seeking the photographs for another project, [] thought that Shebalin would be a good conduit for pornographic material. Shebalin responded that he believed that he could find these photos through camera shops or houses of prostitution, but that "such pictures are usually passed from friend to friend since the local populace fears that a stranger asking for such pictures may be an agent of the local CID [the US Army's Criminal Investigations Division.]"⁶⁵ (S)

On 21 November, Shebalin reported that he had been able to obtain some promising leads in obtaining the *Aktbilder*, a German term for pornography, that [] sought. Putting an advertisement in a local Salzburg newspaper, Shebalin received 12 responses offering various forms of *Aktbilder* of which Shebalin felt that three were credible. [] informed his agent not to contact the dealers directly and to obtain whatever photographs were available. [] wrote to his superiors that his "agent's energetic way in which he went about procuring the pornographic photographs would evidence his desire and his ability for larger operational tasks than he has had to do in Salzburg. Case officer gets the feeling that agent realizes only too well that he has been in Salzburg for nine months with hardly any activity and that when he is given such a small task as procuring pornographic pictures he takes it to heart and gives it his all to do the job." [] felt that "agent's secure method of handling the procurement of these

pictures also bears out his ability for clandestine work."⁶⁶ (S)

[] superiors at the Base balked at Shebalin's latest activities. Writing in the margins of [] report, one Salzburg official commented that "the moralists at Headquarters may have slight shock when they see G-1 involved in pornography—maybe we should have used the word art pictures. Unrealistic as it is, there are responsible people at Hq who definitely frown on the use of such 'nasty' methods in our ops." The official added, "I am not advising that we drop this sort of thing—on the contrary—but when reporting it veiled and otherwise, Victorian terms should probably be used. (Also, we have to protect our 1890 niceties.)"⁶⁷ (S)

The Koessler Case

Shebalin's procurement of the *Aktbilder* was his final operational activity in Salzburg before he and his family departed Austria. For the rest of 1953 and into early 1954, Shebalin continued his English lessons with his case officer while also studying American history and government in preparation for his move to the United States. In the meantime, [] organized Shebalin's finances and converted the Russian's Austrian funds into American dollars. The Agency offered Shebalin a six-month contract at the rate of \$3,700 and per diem while in a travel status. Shebalin would also earn 10 days of annual leave but no other benefits beyond employment assistance at the termination of the contract.⁶⁸ (S)

For the most part, Shebalin's time in Salzburg proved uneventful, but frustrating. His immigration paperwork moved slowly, and Shebalin even lamented that all his Russian friends

in displaced persons (DP) camps in Germany had already moved to the United States, while he and his family still waited. [] advised his agent to be patient and gave him make-work projects.⁶⁹ At the same time, Salzburg pressed Headquarters for action on Shebalin's part to avoid his complete loss of confidence in the Agency and possible "return to DP circles Germany on own."⁷⁰ (S)

At Christmastime, Shebalin returned to Germany with his family to visit his mother-in-law in Memmingen. During the holidays, his daughter fell ill, and she remained in Germany to recover. Shebalin returned to Salzburg, where [] asked him to list all of his contacts in the Austrian city. In mid-January 1954, Shebalin provided the names and basic biographical information on several individuals with whom he had contact in Salzburg.⁷¹ This simple inquiry resulted in yet another counterintelligence concern. (S)

Among the four names that Shebalin provided to [] the Russian reported that he was well acquainted with Gertrude Koessler, a young Austrian woman employed by the Salzburg city finance office. Seeing this, [] superior penned, "Exactly what is the relationship? Is G-1 laying her? On basis of his past propensities, I would think it likely."⁷² The young woman visited Shebalin on several occasions, claiming to be a student and a writer for a student newspaper, and she even asked Shebalin if he spoke Russian. Coupled with other suspicious activities, [] grew concerned about the girl's real motives.⁷³ This marked the beginning of a rather lengthy attempt by the Agency to interrogate the young woman; Salzburg Base's efforts proved fruitless as late as August 1954.⁷⁴ (S)

A New World

Within days of learning about Gertrude Koessler, Salzburg Base finally received word from Headquarters approving the immigration of Shebalin and his family under Section 8 of US Public Law 110⁷⁵. [] Accompanied Shebalin, his wife, and daughter as they flew from Salzburg to Frankfurt, where they transferred on a military flight to Washington, DC. Arriving at National Airport on 5 February 1954. [] turned Shebalin and his family over to representatives of CIA's Domestic Operations Base.⁷⁶ Shebalin served on contract with the Agency in Washington until the fall of 1954, although the Agency quickly determined that it could not use the Russian in an operational context in the United States or overseas. (S)

After that point, Shebalin moved with his family to Philadelphia, where he was employed by a local manufacturing company while studying at a local college. An Agency official visited Shebalin in January 1959 and found him "making a successful and satisfactory adjustment to the American way of life."⁷⁷ Agency files indicate that it had no further contact with Shebalin after 1960; ironically, CIA learned from a defector in 1972 that the Soviets had listed Shebalin as an American agent in a classified KGB publication. The Soviets noted that Shebalin had worked with US intelligence in Vienna in 1953 and that he lived in the United States in 1960.⁷⁸ (S)

Review and Assessment

During the early 1950s, CIA's REDCAP project appeared to be a good

means of targeting Soviets outside the Soviet Union for in-place agent recruitment and eventual defection. In reality, approaching Soviets in foreign posts posed immense difficulties; hence, the Agency tended to use its own agents to make these initial contacts. Sergei Lvovich Shebalin presented himself as an excellent REDCAP agent. Russian-born, Shebalin had served in the Soviet Army and later as a leading anti-Communist officer in the Russian Liberation Army. Shebalin emerged unscathed from the war and settled in Germany, where he, lived on the edges. He drifted into espionage activities and became one of the Agency's agents in Austria. (S)

The Agency, however, could not effectively employ Shebalin because he was out of his element in both Vienna and Salzburg. While he concocted numerous schemes to attract Soviets, in reality, sexspionage simply was not an American forte. It was a lesson painfully learned by Shebalin's case officers in Austria. [] Shebalin's third and final case officer in Austria, observed that the Russian agent was a control problem despite his attractive attributes. "In general," [] wrote, "a pretty close watch has to be kept on agent lest he wander off on his own."⁷⁹ (S)

Using sex as part of espionage tradecraft requires discipline, training, preparation, and control. It cannot be turned on and off using ad hoc agents and prostitutes. Shebalin is a fine case in point as he enjoyed sampling the wares and ended up putting himself and the Agency in jeopardy. In the end, the Agency invested heavily with Shebalin with little direct results. Shebalin proved useful in only one unexpected case when he handled the first Vienna meetings

with Major Popov in early 1953. Consistently rated as one of the Agency's best assets, Popov's loss years later raised questions whether he was tainted from the onset because he had been exposed to Shebalin, a contract agent. (S)

By the mid-1950s, the Agency concluded that sexspionage could not be consistently or successfully employed even in an occupied country like Austria. At the end of the Allied occupation of that country in 1955, CIA reviewed many of the US Army's counterintelligence operations. Like the Agency, the US Army had a defection program whose "target personalities were centered mainly in Baden and Wiener Neustadt [in the Soviet zone]. Spotters and contact personnel were usually of a low-level type such as prostitutes, barmaids, and black-marketeers." CIA noted that "The Army's defection operations never really seemed to have gotten off the ground. Apart from the difficulty of the assignment, a study of [project] files suggests two reasons for the failures of these operations: the [project] case officers, as well as the agents, appear poorly trained; so much time was spent on laborious investigations and compilation of data on Austrians in the target areas that little time was left to do an equally systematic job on the Soviets in the area."⁸⁰ (S)

The Agency summarized that the Army's "operations seemed never to get out of the investigative stage and into the operational stage."⁸¹ The same epitaph could be written for the Agency's use of Shebalin and its own stillborn sexspionage efforts in Vienna and Salzburg. (S)

Notes

1. David Lewis. *Sexspionage: The Exploitation of Sex by Soviet Intelligence* (New York: Harcourt Brace and Jovanovich, 1976), p. 3. See also Markus Wolf with Anne McElvoy, *Man Without a Face: The Autobiography of Communism's Greatest Spymaster* (New York: Times Books, 1997), pp. 123-150. (U)
2. Christopher Andrew and Oleg Gordievsky, *KGB: The Inside Story of Its Foreign Operations from Lenin to Gorbachev* (New York: Harper Perennial, 1990), pp. 450-452. For a lengthy discussion of Soviet monitoring the sexual activities of Western diplomats over a 20-year period, as related by a KGB defector, see []
3. Questions remain as to whether Stephen Ward, the British chiropractor, artist, and socialite, worked for the British Security Service (MI-5); or whether he was being used by Capt. Yevgeny Ivanov, Soviet assistant naval attache in London and GRU officer, as an "unrecruited agent." Ward's introduction of Christine Keeler, a young British "showgirl," to both Ivanov and John Profumo, the British Secretary of State for War, proved incendiary. Both men fell sway to Keeler's charms. Ivanov later wrote, "Yet the very fact that both my and Jack Profumo's lover was a potential trump card in any future game involving the ill-fated Secretary of State for War." Shortly afterward, the entire case unraveled with Ward's arrest, trial, and eventual suicide; Ivanov's departure from Great Britain; and Profumo's resignation. Yevgeny

Ivanov with Gennady Sokolov, *The Naked Spy* (London: Blake Hardbacks, Ltd., 1992), pp. 71-72, 87-91; Alfred Thompson Denning, *Lord Denning's Report Presented to Parliament by the Prime Minister by Command of Her Majesty September 1963* (London: Her Majesty's Stationery Officer, 1963): (U)

4. David Wise and Thomas B. Ross. *The Invisible Government* (New York: Random House, 1964), pp. 254-55. (U)
5. Harry Rositzke, *The KGB: The Eyes of Russia* (Garden City: Doubleday & Co., 1981), p. 208. For classified reporting on the sex lives of Soviet intelligence officers, see []

[] DO/
CIC/OG/PRB files: []

[] DO/CIC/OG/
PRB files: and FBI Intelligence Division, []

[] DO/CIC/OG/PRB files.
(S)

6. A review of several CIA cases during the 1960s involving sexual entrapment and Soviet personnel offered three insights: sexual relations between Soviet men and non-Soviet women, especially prostitutes, are not uncommon; these relations may reflect a mechanism of escape from some persistent problem or excessive or compulsive sexuality; and that sexual liaison between a Soviet and non-Soviet woman is not an automatic "vulnerability," but may be considered a "susceptibility" because it affords an avenue of approach for assessment and manipulation. []

[] DO/CIC/OG/
PRB files. (S)

7. Throughout the late 1940s and early 1950s, CIA attempted to infiltrate agents into Soviet territory. This project, known generically as RED-SOX, failed in most cases. For a discussion of the evolution of one such operation to penetrate the Soviet Union, see Kevin C. Ruffner, "Cold War Allies, The Origins of CIA's Relationship with Ukrainian Nationalists," in Michael Warner and Scott Koch, editors, *Central Intelligence: Fifty Years of the CIA* (Washington, DC: CIA, 1997). (S NF)
8. CIA History Staff, []

[] This study is on file at the CIA History Staff and at DO/CIC/OG/PRB. (S)

9. *Ibid.*, pp. 14-15.
10. *Ibid.*, p. 29.
11. Shebalin was born in 1920 in Leningrad as Rostislav Lvovich Antonov (his father had changed the family name after the Russian Revolution). Antonov, in turn, took Shebalin (his mother's maiden name) in 1950. For details on the Vlasov and the ROA movement, see Sven Steenberg, *Vlasov*, trans. by Abe Farbstein (New York: Alfred A. Knopf, 1970) and Jurgen Thorwald, *The Illusion: Soviet Soldiers in Hitler's Armies*, trans. by Richard and Clara Winston (New York: Harcourt Brace Jovanovich, 1975). (U)
12. Shebalin's escape from the Soviets is recounted in Steenberg, pp. 203-211 and Thorwald, pp. 295-299. (U)
13. In fulfillment of the terms of the Yalta Agreement, the Americans

repatriated over a million Soviet soldiers who had been German prisoners of war, forced laborers, as well as members of the Vlasov Army to Soviet forces in 1945. By August of that year, the US Army had returned over 90 percent of the Soviet citizens in the American zone in Germany. The remainder, estimated at nearly 40,000, refused to be returned to their homeland. American soldiers forcibly returned these Russians, many of whom were former Vlasov Army members. An unpleasant task, the forced repatriation of thousands of Russians to the Soviet Union by the Western Allies in 1945-46 remains controversial to this day. Earl F. Ziemke. *The U.S. Army in the Occupation of Germany 1944-1946* (Washington, DC: US Army Center of Military History, 1975), pp. 284-291 and 413-421. (U)

14. Among his pseudonyms, Shebalin used the name of Sergei Froehlich in mid-1945. Ironically, the real Sergei Froehlich, a Baltic German, served as Vlasov's German liaison officer. After the war, Froehlich provided information to US intelligence on the activities of Russian emigres in Bavaria, and he later worked for the nascent West German intelligence service. In 1951, Froehlich tried to recruit Shebalin to work for the Americans and later for the German *Amt Blank*. The two men, who had known each other since 1943, had fairly close ties because of their work together in the Vlasov Army. For further details, see Directorate of Operations Records, Sergei Bernhardowitsch Froehlich, file [redacted] (Secret), and "Froehlich and a Branch of the *Amt Blank*," in [redacted] "Meeting with GRALLSPICE on 12 July 1952," 9 August 1952, MIL/8274, (Secret), in Directorate of Operations Records [redacted], CIA Archives and Records Center (hereafter cited by document, DO Records, job, box, and folder numbers, and CIA ARC). (S)

15. Biographical details of Shebalin's life are found in Chief of Station, Karlsruhe to Chief, Foreign Division S, "Transmittal of PRQ Part I for Sergei Lvovich Shebalin," 29 October 1951, MGMA-7327, (Secret), in DO Records. Sergei Lvovich Shebalin, File [redacted] (Secret). (Hereafter cited as Shebalin, File [redacted] Russian informants told the Army that Shebalin had Soviet propaganda material in his house; instead, the raid revealed several suitcases of vodka that Shebalin planned to sell on the black market. (S)

16. Chief of Station, Karlsruhe to Chief, FDM, "Transmittal of PRQ, Part II of CACHUNNO 4," 31 July 1951, MGMA-6603, (Secret), in Shebalin, File [redacted] (S)

17. Shebalin may have also worked for the Gehlen Organization, the predecessor to the West German Federal Intelligence Service, where he debriefed returning German prisoners of war about Soviet missile technology. For information on the early years of the Gehlen Organization, see Kevin C. Ruffner, "A Controversial Liaison Relationship: American Intelligence and the Gehlen Organization, 1945-49," *Studies in Intelligence* (Volume 41, No. 1, 1997), pp. 69-84. (S)

18. Chief of Station, Vienna to Chief, FDM and Chief, FDS, "Project Outline of CATARATA," 5 December 1951, MAV-9998, (Secret), in DO Records. [redacted] CIA ARC. A copy of the same document is also located in Shebalin, File [redacted] (S)

19. *Ibid.*

20. Washington to Vienna, 10 January 1952, WASH 22115, (Secret), and Chief of Station, Vienna to Chief, FDM, "Assignment of Cryptonym," 14 January 1952, MAV-10296, (Secret), in DO Records, [redacted]

[redacted] CIA ARC. (S)

21. Shebalin's cover was periodically updated and expanded during the time that he lived in Vienna and later in Salzburg. He faced continuous scrutiny from Austrian officials due to questions about his travel documents. For example, see [redacted] "Meeting with GRALLSPICE on 16 June 1952, Contact Report No. 4," 26 June 1952, MIL/7751, (Secret), in DO Records. [redacted] CIA ARC. (S)

22. Chief of Station, Vienna to Chief, FDM and Chief, FDS, "Project Outline of CATARATA," 5 December 1951, MAV-9998, (Secret), and [redacted] "GRALLSPICE," 11 September 1952, MIL/8673, (Secret), both documents located in DO Records, [redacted] CIA ARC. A copy of a contract, dated 15 September 1953, signed by Shebalin is located in DO Records, [redacted] CIA ARC. (S)

23. Chief of Station, Vienna to Chief, Eastern Europe, "GRALLSPICE Search by Austrian Customs and Detention by Austrian Criminal Police in Salzburg," 30 April 1952, MAV-11159, (Secret), in DO Records, [redacted] CIA ARC. See also Salzburg to Vienna, 16 April 1952 (Secret), in Shebalin, File [redacted] (S)

24. [redacted] "Contact Report #1- GRALLSPICE, 5 June 1952," 16 June 1952, MIL/7623, (Secret), in DO Records, [redacted] CIA ARC. (S)

25. [redacted] "Meeting with GRALLSPICE, 9 June 1952, Contact Report No. 2," 26 June 1952, MIL/7750, (Secret), in DO

- Records. []
[] CIA ARC. (S)
26. [] [] [] "Meeting with GRALLSPICE on 12 June 1952. Contact Report 3." 26 June 1952. MIL/7754. (Secret). in DO Records. []
[] CIA ARC. (S)
27. [] [] [] "Meeting with GRALLSPICE. 23 June 1952. Contact Report No. 6." 27 June 1952. MIL/7765. (Secret). in DO Records. []
[] CIA ARC. (S)
28. Chief of Station, Vienna to Chief, EE. "GRALLSPICE Progress Report, June 1952." 27 June 1952. MAV-A-11586. (Secret). in DO Records. []
[] CIA ARC. (S)
29. [] [] [] Approaches to Soviets." 13 August 1952. MIL/8294. (Secret). DO Records. []
[] CIA ARC. (S)
30. [] [] [] "Meeting with GRALLSPICE on 11 August 1952." 21 August 1952. MIL/8347. (Secret). DO Records. []
[] CIA ARC. (S)
31. [] [] [] "Meeting on 14 August 1952." 21 August 1952. MIL/8438. (Secret). []
[] CIA ARC. (S)
32. [] [] [] "Meeting of 20 August 1952." 21 August 1952. MIL/8436. (Secret). DO Records. []
[] CIA ARC. (S)
33. [] [] [] "Meeting of 22 August 1952." 26 August 1952. MIL/8475. (Secret). DO Records. []
[] CIA ARC. (S)
34. Chief of Station, Vienna to Chief, EE. "GRALLSPICE Progress Report for August 1952." 3 September 1952. EAVA-31. (Secret). DO Records. []
[] CIA ARC. This report contains two translated attachments provided by Shebalin on "Comments on the Use of Prostitutes" and "Summary of GRALLSPICE's Suggestions on How to Contact Females in the Soviet Zone." (S)
35. Chief of Station, Vienna to Chief, EE. "Progress Report for GRALLSPICE September 1952." 3 October 1952. EAVA-389. (Secret). DO Records. []
[] CIA ARC. (S)
36. [] [] "Memorandum for the Record," 15 March 1955. (Confidential). DO []
[] CIA ARC (hereafter cited as [] MFR, 15 March 1955). The Popov case has been recounted by former CIA officers in William Hood, *Mole* (London: Weidenfeld and Nicolson, 1982) and John L. Hart, "Pyotr Semyonovich Popov: The Tribulations of Faith," *Intelligence and National Security*, Vol. 12, No. 4 (October 1997), pp. 44-74. Both Hood's book and Hart's article obfuscate Shebalin's identity—the first CIA person to meet Popov. Hood's depiction of Shebalin as Alex Koenig in *Mole* is especially vague (see pages 29-30 and 47-51). (C)
37. [] [] "MFR," 15 March 1955 (Confidential). (C)
38. *Ibid.*
39. *Ibid.*
40. Transcripts of Popov's interrogations (including the first three meetings with Shebalin) and other information from this project are found in DO Records. []
[] CIA ARC (Secret).
41. [] [] Chief, Soviet Section, VOB, to Chief of Mission. "SOV/1—Security factors re [] Operations," 16 March 1953. VIM/1985. (Confidential). DO Records. []
[] CIA ARC. Years after Popov's arrest and execution, the Agency prepared an assessment of the case and examined whether Popov's downfall could have been linked to Shebalin. See []
- [] in DO Records []
[] CIA ARC. A copy is also on file in the Countertelligence Center, Analysis Group. (S)
42. [] [] Chief of Operations, SOB, "Contact with GRALLSPICE 1 on 19 February 1953, Contact Report #1," [no date, no file number], (Secret). DO Records. []
[] CIA ARC. (S)
43. [] [] "GRALLSPICE 1, 27 February 1953, (no classification provided), DO Records. []
[] CIA ARC. (U)
44. [] [] "Contact with GRALLSPICE 1 on 2 March 1953, Contact Report #6," [no date, no file number], (Secret). DO Records. []
[] CIA ARC. At this meeting, [] discussed in detail the different names that Shebalin had used since 1945. (S)
45. [] [] "Contact with GRALLSPICE 1 on 13 March, Contact Report #9," [no date, no file number], (Secret). DO Records. []
[] CIA ARC. The file is complete with floor plans and photographs of prospective houses that Shebalin reviewed in Salzburg. (S)

46. Chief of Base, Salzburg to Chief, EE, "GRALLSPICE 1: Progress Report for 13 April - 31 May 1953," 9 July 1952 [no file number]. (Secret), DO Records, CIA ARC. (S)
47. [] to Chief of Mission. "Sov/1—Security Factors re [] Operation." 16 March 1953, VIM/1985. (Confidential), DO Records, CIA ARC. See also Vienna to Director, 31 March 1953, Vienna 9784. (Secret), DO Records, CIA ARC. (S)
48. Munich to Salzburg, 20 March 1953, Munich 2887. (Secret), DO Records, CIA ARC. For SOB's reaction to the news of the allegations against Shebalin in the Army's files, see Salzburg to Frankfurt and Munich, 12 March 1953, Salzburg 1083. (Secret), in Shebalin, [] This same cable is cited as Salzburg to Director, 13 March 1953, IN 45697. (Secret), in Shebalin, [] Shebalin answered the Agency's questions regarding this charge in a polygraph examination. See Chief of Base, Salzburg to Chief, EE, "LCFLUTTERING of GRALLSPICE 1," 30 September 1953, EASA-2174. (Secret), enclosing Chief of Base, Salzburg to Chief, EE, "LCFLUTTER Test of GRALLSPICE 1," 28 September 1953, EASA-2167. (Secret), DO Records, CIA ARC. (S)
49. Vienna to Director, 28 March 1953, IN 10543. (Secret), in Shebalin, [] (S)
50. Frank G. Wisner, Deputy Director, Plans, to Secretary of State, ATTN: Mr. Charles E. Luckett, "Sergey Lvovich Shebalin," 24 October 1952. (Secret), in Shebalin, [] (S)
51. [] Chief, SR Division, to Chief, Inspection and Security Division, "Sergei Lvovich Shebalin," 19 May 1953. (Secret), in Shebalin [] This memorandum superseded [] 8 April 1953 memo ("Preferential Entry into the United States of Sergei Lvovich Shebalin") to the same office. A copy of this memo is located in Shebalin [] (S)
52. Section 8 of the Central Intelligence Agency Act of 1949 (later amended as Section 7), also known as the "One Hundred Persons Act," stated that the DCI, the US Attorney General, and the Commissioner of Immigration "shall determine that the entry of a particular alien into the United States for permanent residence is in the interest of national security or essential to the furtherance of the national intelligence mission, such alien and his immediate family shall be given entry into the United States for permanent residence without regard to their inadmissibility under the immigration or any other laws and regulations, or to the failure to comply with such laws and regulations pertaining to admissibility." The Director of Central Intelligence, however, could only admit no more than 100 aliens in a single fiscal year. See John S. Warner, Acting General Counsel, to Chief, FI, "Laws Relating to the Central Intelligence Agency," 6 March 1953, DO Records, [] CIA ARC, enclosing "Text and Explanation of the Central Intelligence Act of 1949 as Amended, Provisions Pertaining to the Establishment of the Central Intelligence Agency from the National Security Act of 1947 as amended, and a Compilation of Extracts from Other Statutes Referring Specifically to the Central Intelligence Agency or the Director of Central Intelligence." (S)
53. [] "Contact with GRALLSPICE 1 23 April 1953 Contact Report #18," [no date, no file number]. (Secret), DO Records, CIA ARC. (S)
54. Chief of Base, Salzburg to Chief, EE, "GRALLSPICE 1, Progress Report for 13 April - 31 May 1953," 7 July 1952 [no file number]. (Secret), DO Records, CIA ARC. (S)
55. [] Memorandum for the Record, "Transfer of GRALLSPICE 1's Wife to Salzburg," 11 June 1953 [no file number], (Secret), DO Records, CIA ARC. (S)
56. [] "GRALLSPICE 1, Contact Report #28 - Meeting on 12 June 1953," 12 June 1953 [no file number], (Secret), DO Records, CIA ARC. (S)
57. [] "Contact with GRALLSPICE 1, 7 July 1952[3] Contact Report #32" [no date, no file number]. (Secret), DO Records, CIA ARC. (S)
58. *Ibid.*
59. Vienna to Director, 22 September 1953, Salzburg 1725 (Secret), and Chief of Base, Salzburg to Chief, EE, "Blackmail Attempts on GRALLSPICE 1," 24 September 1953, EASA-2166 (Secret), both documents in DO Records, CIA ARC. (S)
60. Chief of Base, Salzburg, to Chief, EE, "GRALLSPICE 1: Progress Report for July 1953," 13 August 1953, EASA-1885 (Secret), DO Records, CIA ARC. Case officer [] continued to provide updates on the blackmail effort until Shebalin departed Salzburg. (S)

61. [] [] "GRALLSPICE 1's Operational Activity," 12 August 1953. [no file number, no classification], DO Records [] [] CIA ARC. (S)
62. *Ibid.* [] made these operational requests of Shebalin on 14 August 1953. [] explicitly directed the Russian to "spot the girls and obtain the necessary background information on them. He was to make no attempt at recruitment." See [] "GRALLSPICE 1: Contact Report #39," 20 August 1953. [no file number]. (Secret). [] provided further guidance and cautioned him against approaching girls under the age of 20. See [] "GRALLSPICE 1: Contact Report #41," [no date, no file number]. (Secret). both documents in DO Records. [] [] CIA ARC. (S)
63. [] "GRALLSPICE 1: Contact Report #40 Meeting of 24 August 1953," 31 August 1953. SIM/12. (Secret). DO Records [] [] CIA ARC. (S)
64. [] to Chief of Operations, "CR #45—[] Meeting with GRALLSPICE 1 on 30 September 1953." 7 October 1953, SIM/102. (Secret). DO Records. [] [] CIA ARC. The defection letters prepared by Shebalin are discussed in later contact reports; a final copy is found in Chief of Base, Salzburg, to Chief, EE, "Forwarding of GRALLSPICE 1 Defection Letter," 30 December 1953, EASA-2719 (Secret). DO Records. [] [] CIA ARC. (S)
65. [] to COPS, "[] Meeting with GRALLSPICE 1 on 2 November 1953 - CR #50," 3 November 1953, SIM/190. (Secret), DO Records. [] [] CIA ARC. (S)
66. [] to COPS, [] Meeting with GRALLSPICE 1 on 12 November 1953 - CR 351," 16 November 1953, SIM/206. (Secret), DO Records. [] [] CIA ARC. Shebalin provided [] with a log detailing his efforts to obtain the photographs in addition to the responses to his newspaper advertisement. (S)
67. [] to COPS, [] Meeting with GRALLSPICE 1 on 16 November 1953 - CR #52," 16 November 1953, SIM/209. (Secret). DO Record: [] [] CIA ARC. (S)
68. Director to Salzburg, 23 November 1953, Director 28077, (Secret). DO Records, [] [] CIA ARC. See also Chief of Base, Salzburg to Chief of Base, Vienna, "GRALLSPICE 1 Finances," 1 December 1953, SOB/2399. (Secret). in the same folder. (S)
69. [] to COPS, [] Meeting with GRALLSPICE 1 on 30 December 1953 - CR #57," 5 January 1953, SIM/331, (Secret), DO Records [] [] CIA ARC. (S)
70. Salzburg to Director, 30 December 1953, Salzburg 2107. (Secret). DO Records, [] [] CIA ARC. (S)
71. [] to COPS, "[] Meeting with GRALLSPICE 1 on 14 January 1954 - CR L#59," 20 January 1954, SIM/375. (Secret). DO Records, [] [] CIA ARC. (S)
72. *Ibid.*
73. Salzburg to Director, 25 January 1954, Salzburg 2198, (Secret), DO Records, [] [] CIA ARC. (S)
74. Chief of Base, Salzburg to Chief, EE, "Gertrude Koessler, Suspected IS Agent," 23 August 1954, EASA-3659. (Secret). with attachments, in Shebalin [] [] (S)
75. [] [] Chief, SR Division, to the DCI, "Entry of Sergei Lvovich Shebalin into the United States under the Provisions of Section 8, Public Law 110, Eighty-first Congress," 4 January 1954, (Secret). in Shebalin. [] [] See also Director to Salzburg, 27 January 1954, Director 35896. (Secret), in Shebalin. [] [] (S)
76. [] to COPS, "GRALLSPICE 1 Final Report Concerning the Events for the Period 25 January to 7 February 1954," 25 February 1954, SIM/449, (Secret), in Shebalin. [] [] (S)
77. Chief, Contact Division, OO to Chief, SR Division, "OO/C Case 16667 - Status Report on Sergei Schebalin," 16 January 1959, [no file number], (Secret), in Shebalin, [] [] (S)
78. Counterintelligence Information Report, "Rostislav Lvovich Antonov [] []," 3 October 1972, SBSR-651, (Secret), in Shebalin, [] [] (S)
79. [] to COPS, "GRALLSPICE 1 Final Report Concerning the Events for the Period 25 January to 7 February 1954," 25 February 1954, SIM/449. (Secret), in Shebalin, [] [] (S)
80. Chief of Station, Austria to Chief, EE, "[] Operational Review," 28 July 1955, EAVA-11331, (Secret), DO Records, [] [] CIA ARC. (S)
81. *Ibid.*