

West-Arbeit des MfS: Das Zusammenspiel von «Auflärung» und «Abwehr» [The MfS's Operations in the West: The Interaction of "Intelligence" and "Counterintelligence"]

Intelligence in Recent Public Literature

By Hubertus Knabe, et al. Berlin: Ch. Links Verlag: Berlin, 1999. 2nd Edition.
598 pages.

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The facts and figures of East German foreign intelligence operations in Western Europe make for impressive, not to say depressing, reading. The *Stasi*—the Main Directorate for Intelligence (HVA), which was the foreign intelligence service of the Ministry for State Security (MfS)¹—recruited

20,000 to 30,000 agents in West Germany during the Cold War. It was a kind of stealth weapon that wreaked its havoc without leaving so much as a trace of its presence. The German counterintelligence authorities estimate that the *Stasi* provided 80 percent of *all* Warsaw Pact intelligence on NATO and its member states. Former Soviet intelligence officers have proclaimed the *Stasi* the best of the Soviet bloc services—"even better than the KGB," said Oleg Gordievsky, a former KGB officer. The KGB residency in East Berlin-Karlshorst was the largest in the world; it produced as much intelligence as an entire directorate back in Moscow thanks to East German efforts. But none of this was known in the West until after the Berlin Wall had fell.

Work of the Gauck Authority

Revelations about East German intelligence continue to appear as researchers at the Gauck Authority in Berlin publish their findings.² *The MfS's Operations in the West: The Interaction of "Intelligence" and "Counterintelligence"* is the most important case in point. Its six chapters and copious supporting documents present a comprehensive picture of the scope and magnitude of the *Stasi's* astounding penetration of the West, especially West Germany. Most of the book is devoted to HUMINT, by now an often-told story in this and other publications. This review focuses on SIGINT, a less-well-known subject.³ The *Stasi's* technical penetrations prove even more shocking than its work with clandestine assets.

Andreas Schmidt, the Gauck Authority's SIGINT expert and staff researcher, is an educator by profession and was a member of the citizens' committee that seized the *Stasi* headquarters in Gera in early 1990. He, like many of the other researchers, is neither a professional historian nor an intelligence specialist, yet he has done a remarkable job of analyzing and synthesizing the *Stasi* files and compiling what is likely to remain the standard source on East German SIGINT.

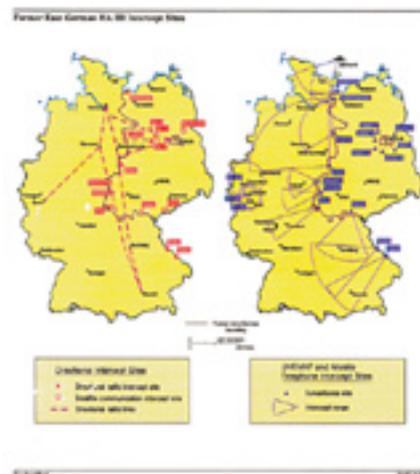
Schmidt's thesis is that the *Stasi's* massive intelligence assault on the West owed as much to SIGINT as to HUMINT, and in some cases more. SIGINT was a rich and reliable source of both positive intelligence and counterintelligence information. It was low-risk, involving no agents who

might be detected and imprisoned. The *Stasi* could run these hidden-hand operations from its own territory or from official installations under diplomatic cover in the West. As a 1982 MfS memorandum put it, the operational divisions relied increasingly on SIGINT because it was a "better, faster, and more comprehensive" method of gathering intelligence on persons and places of intelligence interest than traditional agent operations. Schmidt notes that much of the information found in the *Stasi's* files came from intercepted communications. From various statistics cited in his chapter, it seems that between one-third and one-half of all MfS/HVA information during the 1980s may have derived from SIGINT.

Massive SIGINT Operations

SIGINT came under the direct administration of the MfS rather than its foreign intelligence directorate, but the latter was the main consumer of its product. At its height, the SIGINT directorate (*Hauptabteilung III* or HA III) was one of the largest, with five sub-directorates (collection, analysis, counterintelligence, security, and technology); 25 departments (equal to CIA offices or divisions); 2,360 staff officers; and some 80 installations in East German territory, most under military cover.

East German SIGINT had taken off in the 1970s. From 1971 to 1988, the staff tripled. Before 1974, the MfS had been issuing 2,000-3,000 SIGINT-derived reports a year on West German intelligence and internal security services. Most of the "take" came from shortwave transmissions intercepted and recorded from East German territory. Results began to drop off as new and more secure telecommunications and encryption were adopted. HA III adapted by moving its operations into West Germany in collaboration with the *Stasi* and using official installations under diplomatic cover to target the new VHF communications systems coming on line. At its peak, HA III produced some 100,000 reports a year. Many were used in planning and executing HUMINT operations in the fields of intelligence, counterintelligence, and



"active measures" against persons, groups, and institutions in the West.

A technical breakthrough in the mid-1980s enabled experts to identify phone numbers from the electrical impulses generated as a user began dialing. Targeted numbers were entered in a database, and special antennas picked up signals from the telephones. The *Stasi* monitored between 30,000 and 40,000 telephones in West Germany on a continuous basis. These were top priority targets, movers and shakers in all walks of West German life, as well as military, diplomatic, and intelligence personnel from other NATO countries. Their conversations were recorded and in many cases monitored in real time.

HA III intercepted telephone calls by targeting the radio signal paths used by the West German Federal Post Office.⁴ Phone calls on landlines in Bonn were not accessible, but intercepting calls to and from West Berlin was easy. Directional radio transmissions in West Germany were more problematic but not impossible. Most of the 73 intercept sites that dotted the inner-German border were dedicated to this activity and covered 63,000 channels.

HA III/Department 9 was responsible for intercept sites outside East Germany. It worked closely with the *Stasi* and with Czechoslovak intelligence. The site in the East German Permanent Mission in Bonn was a typical installation. Occupying 30 square meters, it was equipped with 35 tape recorders and 32 receivers that operated 24 hours a day. From there, HA III targeted the BfV (West Germany's equivalent to the FBI); the BND (West German intelligence); the MAD (Military counterintelligence); and the microwave network for mobile telephones of the Federal Post Office. Other sites covered some of the same targets, offering redundancy and additional intercept opportunities. In 1982, a site in Cologne added a special antenna that allowed it to intercept microwave transmissions from the headquarters of the British Army of the Rhine and NATO microwave transmissions to stations such as in Bonn, Oslo, The Hague, Copenhagen, and Brussels. Two sites in Czechoslovakia intercepted connections to the West German national police data terminals (INPOL-Netz) located in border police installations at Lindau, Bad Reichenhall, and Nuremberg.

HA III/9 was able, among other things, to penetrate the VHF communications used by the BND's surveillance units. Such communications were, of course, encrypted, but Schmidt claims that the East Germans were able to decipher most intercepts, usually by relying on illegally obtained copies of the same encryption systems used in West

Germany. Intercepts also yielded data on BND officers, safehouses, meeting sites, and surveillance vehicles. The resulting "take" was continually recorded, analyzed, and updated.

HA III mined a bonanza of information from car telephones. In this case, it intercepted both the number of the person making the call and the person receiving the call. The target list read like a *Who's Who* in government, politics, industry, and the media. The *Stasi* regularly listened to the phone calls of the West German president, the heads of the BfV and BND, and the Federal Attorney General. As of 1987, the HA III databases included all senior officials of the federal government in Bonn and all members of the *Bundestag* (parliament).

Keeping Up With Technology

By early 1989, HA III was monitoring virtually all satellite-based telephone, telex, fax, and data transmissions into and out of the Federal Republic. HA III had round-the-clock coverage of the MARISAT, FLEETSATCOM, LEASAT, and INTELSAT international communications satellites. These intercept operations yielded an array of commercial, financial, and industrial information, well as political, diplomatic, and intelligence data.

Perhaps the biggest coup was HA III's compromise of a fiber optic cable owned by the Federal Post Office that ran to West Berlin through East Germany. The East Germans did not tap into the cable but managed to attach their own cable (stolen by agents in the West) to the main cable at a signal-regeneration site near an East German military base. The Federal Post Office's cable was commissioned in June 1987 and carried 76,800 channels. By October 1989, the *Stasi* was able to intercept about 6,000 of those and monitor long distance phone calls, telex, and data transmissions.

The East Germans pioneered the use of "clone" phones—portable telephones reprogrammed with "borrowed" phone numbers. In an operation codenamed ZUGRIFF ("Access"), HA III officers used official unlisted—and in some cases classified—numbers to enter sensitive West German databases that were password-protected but not encrypted. The *Stasi* limited itself to about 1,000 "entries" per year to reduce the chance of detection. Data from government and private sector databases was used

to compile profiles of persons who might be vulnerable to pitches. East German clone phones were also used by the KGB to communicate with agents in the West.

HA III also initiated a project with the MfS's Operational-Technical Sector to develop a voice-recognition system. Voice samples of key persons were recorded and stored in a database and used to identify callers. The advantage was that targeted persons could be monitored from wherever they were calling, since the signatures of their voices rather than their telephone numbers identified them. The *Stasi* also had a system for recognizing names of VIPs and other persons of interest so that conversations in which the names were mentioned were automatically recorded for further analysis.

Operational Impact

In his chapter on SIGINT, Schmidt does not offer many concrete examples of the data that such operations yielded, but his statistics suggest that they were impressive. Beginning in the early 1970s, HA III systematically targeted West German intelligence and counterintelligence activities, paying particular attention to "watch lists" and "wanted-persons" bulletins, searching for clues to West German surveillance and investigations of *Stasi* agents and the couriers dispatched from East Germany to meet them.⁵ In a single year—1980—the directorate entered information on 200,000 persons, 30,000 vehicles, and 1,000 sites and installations into a database called FAHNDUNG WEST ("Search Operations West"). This information was shared with the *Stasi* and other operational units of the MfS on a need-to-know basis.

Operation SCHUTZ ("Protection") provided real-time electronic counter-surveillance during operations in West Germany, in effect casting an electronic safety net over agent meetings and deaddrop operations. This support was especially important during infiltrations and exfiltrations of agents and legal travelers across the inner-German border.⁶ HA III closely monitored the communications of the Federal Border Protection Service, the Customs Administration, and local police offices in border areas, looking for hints of West German surveillance.

HA III maintained liaison relations with the SIGINT units of the other Warsaw Pact services. A central office in Prague coordinated requirements, shared information and technology, and ran joint operations, especially operations aimed at detecting and locating clandestine agent communications used by agents working for foreign intelligence services in the Soviet bloc countries. HA III maintained a separate bilateral liaison with its KGB counterpart, the 16th Directorate, that involved extensive sharing with the Soviets.

The East Germans also conducted *ad hoc* liaison operations. In 1983-1984, for example, HA III cooperated with Polish counterintelligence to mount Operation WOLKE ("Cloud") against the US Embassy in Warsaw. WOLKE was aimed at detecting US SIGINT operations in Poland, exploring opportunities for electronically penetrating the Embassy, and identifying covert agent communications. The operation was intended to help Poland's martial law regime combat the Solidarity underground movement. It also targeted Solidarity's clandestine radio transmitter and explored ways of countering its broadcasts. WOLKE continued into 1986, when HA III prepared a comprehensive report on its findings and presented it to the head of the Polish Ministry of Security.

The Bottom Line

Schmidt's chapter in the Gauck Authority book shows that SIGINT played a far larger and more important role in East German foreign intelligence and counterintelligence operations than was previously known. Only a hint of the large-scale intercept program had surfaced, in a 1994 *Der Spiegel* article written by an anonymous ex-*Stasi* colonel, who boasted of his service's success. The West had made a big mistake in thinking that the East Germans "were living in the Stone Age," he said. "We were always listening in."⁷

The use of technical intelligence in tandem with good counterintelligence work was perhaps a major reason why the *Stasi* was able to run so many agents for so long. In the MfS, intelligence and counterintelligence were two sides of the same coin: the East Germans believed that the protection of their agents and the security of their operations depended on systematic penetration of the opposing side's intelligence and security

agencies, using HUMINT and SIGINT in a complementary fashion. Western counterintelligence erred by underestimating the MfS's capabilities, viewing the *Stasi* as an appendage of the KGB, when, in some regards, it was superior to the Soviet intelligence service.

Footnotes

1The MfS, like the KGB on which it was modeled, was responsible for internal security and foreign intelligence.

2. The Gauck Authority is the German Federal agency that was charged in the early 1990s with cataloging and examining some six million East German intelligence files.

3. A 1998 article by Benjamin B. Fischer may be the only English language source. See: "One of the Biggest Ears in the World:' East German SIGINT," *International Journal of Intelligence and Counterintelligence*, 11:2 (Summer 1998), pp. 142-153.

4. The Federal Post Office had a monopoly on telecommunications; there were no private telephone companies.

5. By and large, the *Stasi* avoided using staff officers posted abroad under official cover to handle agents and perform other operational tasks. Rather, it recruited East German citizens who could travel under non-official cover and trained them in tradecraft. This system was cumbersome but relatively secure, since the legal travelers normally did not come under counterintelligence scrutiny.

6. A former *Stasi* officer who defected in 1979 claims that legal travelers made as many 50,000 border crossings a year, with no more than 20-30 arrests. This number seems too high, but the fact remains that very few East Germans crossing the inner-German border on operational assignments were ever detected. See Werner Stiller, with Jefferson Adams, *Beyond the Wall: Memoirs of an East and West German Spy* (Washington: Brassey's (US), Inc., 1992), pp. 58, 133.

7. "Wir Wußten Bescheid," *Der Spiegel*, 19 December 1994, p. 26.

Benjamin B. Fischer, serves on the CIA History Staff. This article is unclassified in its entirety.

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