

EYE SPY

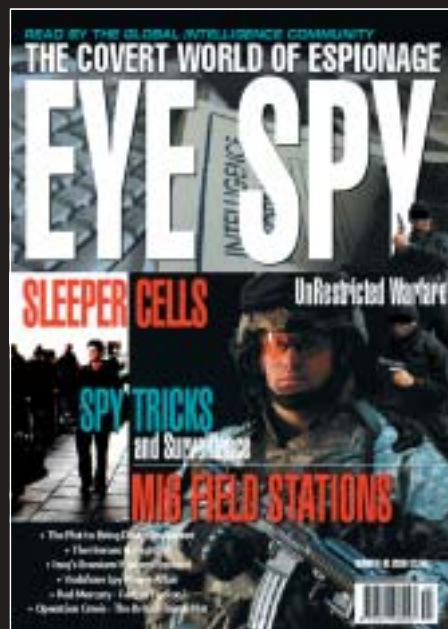
MAY/JUNE 2006

INTELLIGENCE MAGAZINE - NUMBER 40



BRIEF NOTES FROM THE EDITOR

In late April 2006, the Secret Intelligence Service (SIS), or MI6 as it is better known, shocked many in the intelligence world, when it ran two major recruiting advertisements in *The Times* and *Economist*. It was only ten years ago that the government dared acknowledge MI6 even existed, so this is a significant move. The agency has a staff of about 2,500, but facing a variety of emerging and significant problems, not least the menace of the terrorist network al-Qaida, which bizarrely translates to 'the base', MI6 is looking to strengthen its spying operations across the globe. 'Operational Officers' (known in the intelligence community as Field Officers) are wanted for postings in faraway places. It's a candid description of those who often find themselves gathering intelligence and trying to 'turn' or 'convince' foreign nationals to help Her Majesty's Government.



Usually they are based at Britain's overseas embassies. In most countries they are relatively safe, but MI6 officers often find themselves working in 'conflict areas', or situations where intelligence is desperately needed for its 'users'. Recent events in Moscow (the 'spy rock' affair) show that being exposed as a spy, does not necessarily mean "certain death". A hundred years ago it was very different. However, the fate of those uncovered or captured is really dependent on several factors, not least by those in power or the captors themselves. Field Officers rarely play a physical role in actual espionage, but rather use agents, informants and associates to do the intelligence gathering. They can, and do, offer support, guidance and material help, such as providing machines and money.

Britain's MI6 has about 50 field stations, America's CIA, probably close to 150. According to intelligence officers a UK entity is manned by no

more than five officers and operates from a sealed-off area within an embassy. That's too simplistic a description. 'Field stations' are not a 'walk-in' office, nor are they just found in embassies. There are different types of stations - declared and undeclared - for example. Some are 'manned' by just one person, others are found "buried" inside legitimate overseas companies - primed for spying and with a well established communication system. In this edition of Eye Spy, senior writers have "pooled" their knowledge and expertise of Field Station and Officers. The result is an in-depth and revealing article on how MI6 and the CIA operate such facilities, the role of field and desk officers, diplomatic cover, gathering intelligence, communications, staffing levels, dangerous operations, and ultimately, what type of person mans these foreign outposts. An absolute must for those interested in the world of intelligence, and perhaps even readers of The Times and Economist who may have been tempted to write to the world's most secret service....

We are also delighted to introduce a new columnist to Eye Spy readers - David Hamer. David currently serves as Vice-Chairman of Acquisitions at the National Cryptologic Museum Foundation [NCMF], which supports NCM - the museum of the National Security Agency [NSA] - at Fort George G. Meade in Maryland. He is also the foundation's Liaison Officer with Bletchley Park [BP] and with GCHQ's internal museum in Cheltenham. David recently said Eye Spy was "the best of the best of spy magazines" in the world. I hope you agree and decide to take a look for yourself at the incredible world of intelligence and espionage.



Indeed, inside Eye Spy 40, we feature the NSA's museum - and augment David's first column with some stunning photographs and features.

It is just one of dozens of fascinating features, news stories and educational sections relating to the world of intelligence and espionage published in Eye Spy 40. Superb value, reliability of information, and a cast of contributors and consultants who ply their trade in the world's most secret subject...

Mark Ian Birdsall
Editor



**New Eye Spy columnist David Hamer and
Japanese 'Enigma' machine**

INTELLIGENCE MAGAZINE - NUMBER 40

SLEEPER CELLS

Reconnaissance and Red Flags: How security services
endeavour to unlock the secrets of a terrorist operation

Sleeper cell or sleeper agent were words often used to describe spies embedded in society that waited patiently, often for years, for a codeword or signal that usually sparked an operation, or that they were needed to help colleagues already undertaking work for a foreign government. Today the word has be-

come synonymous with terrorist groups and their cohorts. Eye Spy examines an array of clues and incidents that exposed a reconnaissance operation on a major target. How do the security services 'piece together' seemingly innocuous data and mundane happenings to expose a legitimate threat?

By examining concerns from puzzled taxi drivers, the theft of fertiliser from a factory, the sale of a decommissioned ambulance for a film set, and the strange behaviour of two tourists, a counter-terrorism team can see the broader picture. In this fascinating feature, Eye Spy delivers some of the clues that the security services endeavour to link...

LOCKERBIE

Who was body 59 - DCF12?

According to campaigners urging the release of convicted Libyan Pan Am bomber Al Megrahi, "earth shattering" information has been found that will create grounds for a major review of the case - including the circumstances which brought down Flight 103 over the Scottish town of Lockerbie in 1988. Over 250 people died in the terrorist attack, but not everyone feels justice has been done... including former police surgeon Dr David Fieldhouse.

He travelled to Lockerbie just hours after the airliner crashed onto the town. In the next few hours, Dr Fieldhouse tagged 59 bodies. However, when official documentation showed he had only 58 numbers on his list, he was puzzled. Where, and perhaps more importantly, who was body DCF12?

This report also looks at the evidence acquired by former FBI contract investigator Juval Aviv. He was hired by Pan Am to investigate the case, and his 27-page report makes interesting reading. Aviv says the bomb may have been placed on the aircraft at Frankfurt Airport by a terrorist group charged with avenging the accidental shooting down of a Libyan airliner by the USS Vincennes just months earlier. The same terror group may have been in contact with a US intel drugs agency trying to uncover the whereabouts of US hostages in the Middle East. A bag, supposedly carrying information may have been switched for the bomb. It's all disturbing material, but Dr Fieldhouse is convinced that after nearly 18 years, the truth about which terror group placed the bomb on the airliner is near.

Eye Spy understands Dr Fieldhouse recently travelled to Scotland from his home in Yorkshire to examine the "new evidence". As for Aviv, once his report was passed to Pan Am, he was discredited by the FBI and called a "fabricator." More on this as it develops...



Al Megrahi - a Libyan intelligence officer



FLIGHT 93

The Public Heroes of United Airlines Flight 93

US authorities finally release Flight 93 tapes that confirm passengers did try and wrestle control back from terrorists who hijacked their aeroplane.



Wreckage from Flight 93

United Airlines Flight 93, one of four aeroplanes hijacked on the morning of 11 September 2001, crashed in a Pennsylvania field about 30 minutes after it had taken off from Newark. Thirty-three passengers and seven crew members died, along with four terrorists. The exact circumstances of how the Boeing 757 fell out the sky has been a relatively guarded secret. However, it has always been suspected that the remarkable bravery of ordinary men and women - some who tried to overpower weapon-wielding hijackers - was to blame. This has been disputed by some analysts, but following the release of audio tapes at the trial of Zacarias Moussaoui in a federal court in Alexandria, few would doubt that at the very least their heroic action unnerved the terrorists and forced them to abandon their mission to destroy either the Capitol Building, or even The White House.

Eye Spy examines the tapes and looks at the astonishing bravery of the public heroes of Flight 93.

Athens Phone Tap Mystery

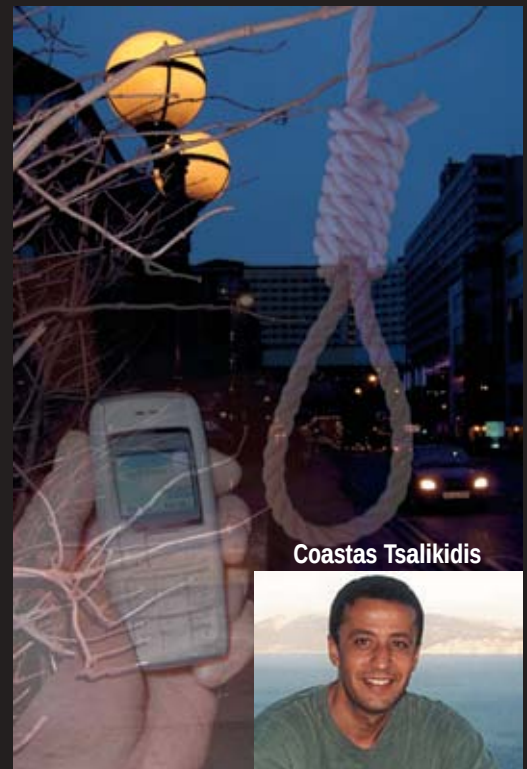
Espionage, Blackmail and Suicide

It seemed like a tragic suicide when the body of Costas Tsalikidis, 38, a senior network manager for Vodafone Greece was discovered on the morning of 9 March 2005. Apparently Mr Tsalikidis had hanged himself in his apartment. A few hours later, the head of Vodafone Greece contacted one of Prime Minister Costas Karamanlis' aides and quietly advised him that his phone, along with most of Greece's cabinet had also been tapped in 2004 - the year Athens hosted the Olympic Games.

Phone calls made leading up to the event had been intercepted for eight months and lasted until March 2005. It is understood as many as 100 mobile phones may have been bugged. Some belonged to several high-ranking military officials.

Giorgos Koronias, Vodafone CEO in Greece told the parliamentary committee investigating the wiretaps: "There must be an organisation behind this that combines technology and financing. It was not just hackers, this is something bigger. Such know-how does not exist in Greece." The stealth bugging software had been installed at two of Vodafone's main Athens facilities, in Peania and Kifissos.

Who was behind the phone tapping?



Coastas Tsalikidis



Yellow Brick Road

Niger Embassy officials
identified as Iraq
uranium document
forgers...



NATO sources have revealed that two members of staff at Niger's Italian embassy were behind the bogus 'yellowcake' documents - used in part to justify the war in Iraq. An investigation has allegedly revealed that Niger's consul Adam Maiga Zakariaou, and the ambassador's personal assistant Laura Montini, created a 'contract document' in 2002 that showed Saddam Hussein had purchased yellowcake (uranium ore) from their country.

Though the 'Niger Documents', as they have since become known, have been dismissed as "poor forgeries", investigators are keen to discover the background of their origin, not least because several shadowy figures in the intelligence world became involved in the affair. Rumours abounded that they were forged by the CIA and MI6 (with a little help from SISMI - the Italian intelligence service) to help build the case for war. There was even a story that France's intelligence service, the DGSE, wanted to embarrass Washington and London as war loomed with Iraq.

In the end, it seems the lure of money prompted the two embassy officials to embark on the mission. Amidst reports of genuine intelligence that Saddam had sent officials to Africa to examine the possibility of acquiring uranium ore, the two Niger officials allegedly doctored an authentic contract. The finished article showed a government agreement between Iraq and Niger discussing the supply of 500 tons of yellowcake.

Eye Spy associate editor Michael Smith has learned that the genesis of this extraordinary incident began in a Rome bar in February 2000. A meeting was arranged by Antonio Nucera, an officer in the SISMI, and two of his former agents, Rocco Martino and Laura Montini.

Eye Spy looks at what happened next.

Patriot Games

British 'spy' shot dead in Ireland



Denis Donaldson

Denis Donaldson, a former senior Sinn Féin politician who recently admitted spying on the IRA and his own colleagues for more than 20 years, was found dead on 4 April. He had apparently been shot twice with a shot gun at a remote farmhouse near Glenties, Co Donegal, owned by his son-in-law, Ciaran Kearney. Donaldson was killed after he answered a knock on his front door. In December 2005, Donaldson, also a former IRA volunteer, caused mayhem in the intelligence world when he told reporters that he had worked for years as a 'British intelligence asset'. Sinn Féin promptly expelled its former head of administration at Stormont, the seat of power in the North of Ireland. Full background...

SpyCraft - The Watch Trick

Eye Spy tests one of the easiest 'tricks of the trade'

Undertaking surveillance of a target, vehicle or location can be a time consuming business. It can also prove expensive. However, if an operation simply entails finding out what time a vehicle was driven away, then there is a very inexpensive method that is almost always successful - it's called the 'watch trick'.

Besides being applied to covert surveillance, the trick can provide lots of interesting data. Managers can monitor the length of time a person attends a business meeting or the hours worked in a shift - just in case an employee starts to add a few hours to his time sheet. Suspicious spouses can discover just how long their partner has spent at a specific location. Undoubtedly readers can add to this list.

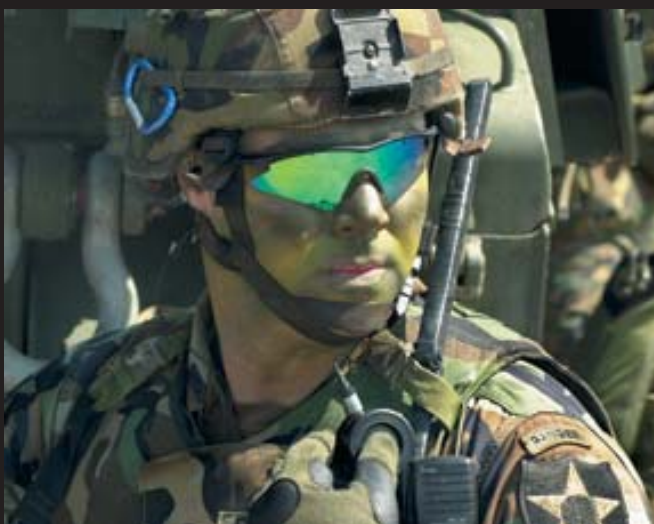
To perform this 'time old' 'off-site' surveillance trick, you must first obtain a watch, scissors and tape....



Spy in the Camp or Agent April Fool?

Did Russia give Saddam Iraq Battle Plan?

According to information contained in two captured Iraqi intelligence documents released by the Pentagon in March, it appears someone from US Central Command headquarters, which is sited at Camp As Saliyah just outside Doha, the capital of Qatar, tipped-off a Russian agent who in turn forwarded the battle plans to a senior Russian diplomat in Baghdad. Russia's ambassador then allegedly forwarded the information to Saddam's military commanders.



Intelligence and military officials have thus far refused to launch an investigation, though the CIA and other agencies are puzzled how the Russians acquired the highly secret information.

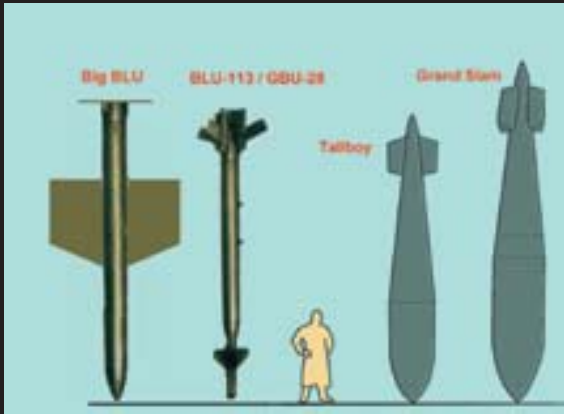
The reasons behind the decision not to investigate are unclear, but speculation is rife that the material contained a great deal of disinformation and that the entire affair may have been a careful military intelligence ruse carried out by a US military intelligence agent code-named April Fool.

The facts and more.

Opening Pandora's Box

Iran's Nuclear Programme and 'Big Blue'

Since 1999, Iran embarked upon a programme building vast underground facilities in strategically placed positions that aircraft or missiles would find difficult to access. Even advanced 'bunker busting' bombs would be of limited use. With that in mind, news has emerged that a specially designed warhead - codenamed Big Blu -



is allegedly being readied for

trials by the Pentagon. The 30,000lb bomb would be dropped by B-2 stealth bombers and guided to its target by advanced GPS. What makes this weapon far more deadly to underground sites, is its Cobalt-alloy body that allows it to penetrate an astonishing 150ft through solid rock. At this point the warhead is detonated igniting 6,000lbs of high explosives - enough to penetrate reinforced concrete hundreds of feet thick and disable sensitive equipment inside.



Anatomy of a Hypothetical Terrorism Case

FBI Director Robert Mueller provides a fascinating insight into how the security services work to investigate and capture terrorists

FBI Director Robert Mueller recently delivered a lecture that provided a fascinating insight into how the FBI investigates suspected terrorist situations. The effort often involves working with a variety of local authorities and international law enforcement agencies. To explain (and simplify) the often complex work of investigators, Mr Mueller created a hypothetical case...

Red Mercury

Court hears attempt to purchase deadly material

The trial of three men, accused of conspiring to purchase Red Mercury - a supposedly highly dangerous material, has started at the Old Bailey Court in London. According to the prosecution, the suspects planned to sell hundreds of pounds of Red Mercury to a Middle East terrorist via an intermediary. Unbeknown to the men, the 'middle man' was none other than Mazher Mahmood, an undercover reporter.

MIND GAMES

The plot to overthrow the British Government

When MI5 renegade Peter Wright (below) wrote about a plot by the intelligence service to force the resignation of British Prime Minister Harold Wilson, the public were astonished, the media fascinated, and the Security Service silent. Wright's book - *Spycatcher* was banned in the UK though the revelations inside soon reached the shores of Britain with lightning speed. Many political and intelligence experts rejected the allegations, and even those who suspected some aspects of the story were true, called it an "exaggeration of facts." Now new evidence about the affair has again surfaced in a BBC drama documentary.



**British Prime Minister
Harold Wilson**

Broadcast in March 2006, *The Plot Against Harold Wilson* showed that far from being a 'flight of fancy', elements in the 'Establishment' and MI5 genuinely believed Harold Wilson, a staunch pipe-smoking socialist from Yorkshire, who never wavered from his working class upbringing, was considered a threat to the UK.

Journalists secretly tape-recorded Wilson in the mid-1970s. The contents of these tapes, plus other information paint a very dark picture, indeed they seem to confirm Wilson's paranoia of an intelligence-led plot using the SAS to remove him from power - and place a member of the Royal Family in Downing Street.

UnRestricted Warfare

Learning and Understanding Intelligence

UnRestricted Warfare is a relatively new concept first defined in 1999 by two Chinese colonels in a book written in the late 1990s for the Chinese People's Liberation Army. The authors, colonels Qiao Liang and Wang Xiangsui describe unconventional tactics that could be used by an enemy against more powerful targets. This concept has continued to evolve and now consists of fifteen different modalities of warfare employed against an enemy and poses a unique threat to leading world powers that have increasingly been targeted with small scale, stealth-focused attacks on non-military targets. Since no consideration has been given to these aspects of conflict, major powers are highly vulnerable to attacks along these lines.

FULL SPECTRUM OF WARFARE MODALITIES

Warfare is defined as organised conflict between groups for political, economic, or religious purposes. Each group is motivated by a common purpose. We can categorise it using modalities or types of warfare. Traditionally we have only considered two types - Conventional and Weapons of Mass Destruction. However with the technological advancements that have been occurring in the world, 15 new areas, or modalities of warfare are recognised. These are now known as the modalities of UnRestricted Warfare.



Threat Level System

The British Government is formulating plans to introduce a 'terrorist threat level system' for alerting the public

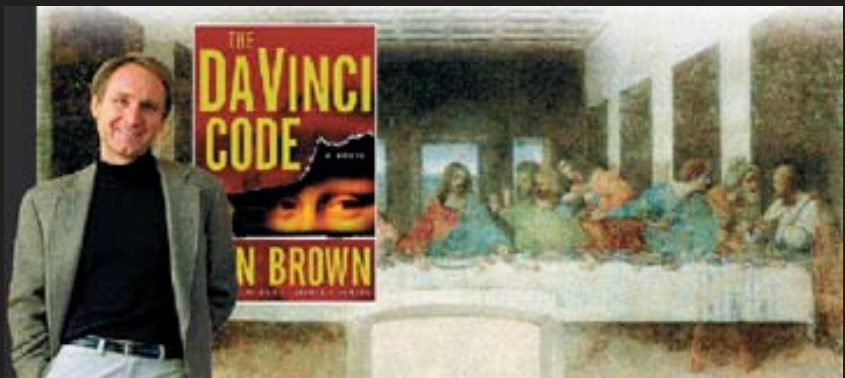


There was confusion in the UK when the public learned that the government had actually lowered the threat level just four weeks before terrorists attacked London on 7 July 2005. For those charged with assessing the danger to Britain, it was a huge embarrassment. Now, a cross-party committee investigating the background to the bombings is expected to recommend an official public warning system that will be 'visual' in various forms - from computer adverts to newspaper inserts to billboards. The levels will almost certainly be shown on all government websites; council and city websites are expected to follow. Intelligence sources say it will be virtually identical to that introduced in 2002 in the United States following 9/11.

The 'Smithy Code'

Judge inserts his own code in The Da Vinci Code ruling

The judge presiding over a court case involving Dan Brown's best-seller *The Da Vinci Code*, actually embedded a coded message in his judgment. Justice Peter Smith admitted his secret after London solicitors became puzzled by a series of odd italicizations in the judgement. The lawyers thought the wording unusual and embarked upon a mission to see if Smith had indeed created a code of his own.



Justice Peter Smith told reporters his action was just a bit of fun. He secreted a reference to the inventor of the Royal Navy's first modern warship into his ruling using the "Fibonacci Sequence." This simple code is a combination of a mathematical progression and letter substitutions also used by Dan Brown in his book. Solicitor Dan Tench, who works at the law firm Olswang, is claiming "first code-breaking rights" - the message reads: "Jackie Fisher who are you Dreadnought."

EYE SPY



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Not So Secret

MI6 Looks for Spies... in the Times



Not that everyone need apply, but Britain's Secret Intelligence Service, better known as MI6, broke a near 100-year old tradition by actually advertising for staff! On 27 April, The Times ran MI6's inaugural advertisement accompanied by a number of photographs that featured exotic locations, from the Middle East to Africa. It is just another example that the world's most secret service is prepared to show a 'human touch'.

All applicants must be British, resourceful, in good health and be able to keep a secret.

Operation Crevis

US informant gives evidence against six men accused of involvement in a case called 'The British Bomb Plot'

Muhammad Babar, a terrorist-turned-informant, said he conspired with several followers of Osama bin-Laden to attack numerous targets throughout the UK. Flown into London with a US Marshal escort, Babar has been giving evidence at the Old Bailey Court.

On 30 March 2004, British anti-terrorist officers supported by various personnel launched Operation Crevis. Several addresses in and around London were raided, including an Access storage facility close to Heathrow Airport. Inside the unit, officers discovered a huge amount of ammonium nitrate fertiliser. Unbeknown to the media, MI5 and the FBI had been conducting a major intelligence operation months prior to the raid, gathering information from across the globe on those suspected of targeting the UK. GCHQ had also intercepted numerous calls that suggested an attack was imminent. Operation Crevis involved 700 police and support staff.



Counter-Terrorism Centre

UK reveals advanced technical facility to help defeat terrorism

The UK has established an elite new centre that will "co-ordinate the government's technical response" to terrorism, both in Britain and abroad. The Ministry of Defence (MOD) Counter-Terrorism Science and Technology Centre will be staffed by a variety of experts from government, industry and academia. Intelligence sources say the move is a direct result of the London terrorist attacks in July 2005, the increasing problems posed by improvised explosive devices, chemical and biological threats and suicide bombers. Besides research into counter-measures' technology the centre will help identify and respond to a variety of general terrorist operations. Its science wing will help develop new technologies that can be quickly assigned to all parts of the UK and beyond.

Other Features

A brief round-up of additional reports and features

MAGIC. How codebreakers used an innocent signal to trick the Japanese into revealing its military intentions following the attack on Pearl Harbor

RUSSIA'S 'TRUTH VERIFIERS'. Passengers flying in and out of Russia will soon have to answer a series of questions on a telephone-based truth detector to determine if they pose a threat

UN DIRTY BOMB FEARS. Officials at the United Nations believe huge quantities of radioactive material is going missing every year - and warn that it could be used in 'dirty bombs'

NEW ISRAELI SPY SATELLITE. Israel has successfully launch Eros-B - a new advanced satellite that will probably be used to monitor Iran's nuclear sites

AL-ZARQAWI IN VIDEO PRODUCTION. Al-Zarqawi, one of the world's most wanted terrorists has appeared in a 'polished' video production

CIA SPY FLIGHTS. A politician at the EU says the CIA has made over 1,000 "illegal" spy flights over European countries - often transporting suspected terrorists for interrogation

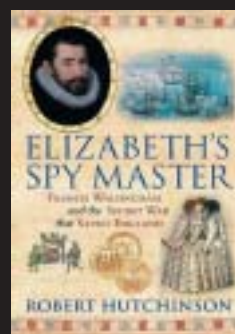
FAILED LONDON BOMB PLOT. Four men have gone on trial over the failed 21/7 London terrorist attacks

FBI OVERLOAD. A number of FBI officers have complained that the NSA forwarded "too much intelligence" shortly after 9/11

LIFE FOR 9/11 PLOTTER. Zacharias Moussaoui has been given a life term for his involvement in the 2001 attacks on the United States

SOCA - BRITAIN'S 'FBI'. Government appoints Stephen Lander, a former Director-General to head a new security service - Serious Organised Crime Agency (SOCA). SOCA will have wide-ranging powers including allowing suspects to use "Queen's Evidence"

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