

# FOR YOUR EYES ONLY

INTELLIGENCE REPORTS & COMMENTARY

PREMIERE ISSUE

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Vol.1 - Nr.1

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## KLASS DISMISSED

Part 1 Of 3

### "THREE SPIES: ONE DIES"

In November 1960, Lt. Comdr. Lev Aleksandrovich Vtorygin arrived in Washington, DC, to begin an assignment as Assistant Naval Attache at the Soviet Embassy. Earlier, in 1959, Vtorygin had held a similar position in Buenos Aires, Argentina. Married to the daughter of a high-ranking KGB official, he had left the Soviet Navy to attend the KGB's Military Diplomatic Academy, where he was trained in espionage methods. Having previously established himself as the top pistol marksman in the Soviet Baltic fleet, the newly-graduated KGB officer was assigned to the 13th Department of the First Chief Directorate, the KGB's foreign assassination bureau, or 'wet works' in the vernacular.

The reason for Cmdr. Vtorygin's sudden transfer from Buenos Aires to Washington was simple but bold: he was sent to assassinate a Soviet defector, Nikolai Fedorovich Artamonov, then 32, a Russian Navy Captain who had fled to the West in June 1959. Artamonov and Vtorygin had been friends at the prestigious Frunze Naval Academy, the U.S.S.R.'s

equivalent of Annapolis, and had roomed together after graduating during their first duty assignment.

Vtorygin's murder target, Artamonov, was the highest ranking Soviet naval officer to defect to the U.S., arriving here in August 1959 from Sweden, the point of his defection. Adopting the name "Nicholas Shadrin," Artamonov was debriefed and interrogated by both the CIA and the Office of Naval Intelligence (ONI). He brought with him a wealth of information about Russian naval strengths and tactics, most of it highly useful to the U.S. Navy in preparing a more accurate Order of Battle for the U.S.S.R.

One week after a Soviet court had issued a death sentence for Captain Artamonov (Shadrin), Vtorygin was spotted in downtown Washington, DC, by the man he was sent to kill, Nick Shadrin. Evidently, the KGB assassin did not see Shadrin, but the chance encounter left the defector with a sense of impending doom, and he began to believe the KGB would get to him, one way or another, even suspecting his food had been poisoned when he came down with what turned

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out to be a case of flu.

Enter now a third character into the drama: Philip Julian Klass, then 41, a Washington, DC-based "journalist." Formerly an engineer with General Electric, Klass had made a dramatic career shift in 1952 when he became senior avionics editor of Aviation Week & Space Technology magazine. Later, Klass would write three counter-propaganda books on UFOs, and, in 1971, author a sort of official primer on spy satellites, "Secret Sentries in Space," based on carefully selected information provided by the CIA.

After meeting Vtorygin at a Soviet Embassy party, Klass immediately developed a friendship with the KGB 'wet worker.' Soon, Vtorygin became a frequent guest at Klass's bachelor apartment, and, later, a fellow sailor with Klass aboard the writer's boat, which they sailed out into the bay together on weekends, a situation ideal for clandestine meetings free from surveillance.

Shadrin had reported his sighting of Vtorygin to the FBI, which was charged with tracking suspected Soviet intelligence agents. Thus, Vtorygin's rendezvous with Klass began to be shadowed by FBI counter-intelligence agents, with them going so far as to dress in coveralls (ostensibly disguised as maintenance workers) in order to penetrate Klass's apartment building.

Previous to his relationship with the KGB assassin, Klass had made himself available to the U.S. government to be used as a conduit for propaganda and disinformation. The magazine he worked for, Aviation Week & Space Technology, was considered to be a sort of semi-official government publication, often reporting on issues or new developments either the Department of Defense or the intelligence community wished to make public.

Klass had become, in fact, what is known in the trade as an "asset"—someone who placed himself at the disposal of the CIA for whatever purposes the Agency desired. In turn, the CIA would provide such journalistic assets with scoops, often releasing through them information about Soviet developments which had substantial propaganda value. To be sure, the line between being an asset or an agent often becomes blurred; some assets, much in the manner of Klass, operate like covert "black" agents, working completely outside the physical structure of the CIA, receiving their marching orders from and delivering their reports to middlemen known as "handlers" or "cutouts."

According to reliable, informed and sensitive sources, Klass received his instructions from the highest levels of the CIA—to whom he also reported. Thus, in the case of the Shadrin/Vtorygin affair,

Klass was reporting through cut-outs to such officials as James J. Angleton, head of the Agency's Counterintelligence Staff, and Howard Osborn (later Bruce Solie), chief of the CIA's Office of Security.

The Klass/Vtorygin meetings, then, were a CIA op designed to recruit the would-be assassin, or at least keep track of his activities. Klass, of course, in order to maintain the relationship had to provide information about U.S. secret developments to the Soviet spy: Vtorygin, like any good agent, would not waste so much valuable time on a mere friendship—there had to be a payoff.

Therefore, when Klass detected the FBI had he and Vtorygin under surveillance, he could hardly go to the Bureau and offer to take part in their counterintelligence operation: he was already involved in one for the CIA, which was hornning in on what was ostensibly FBI territory. The best Klass could do for the FBI was tell them he'd report anything of significant value should Vtorygin be so generous as to offer it.

Klass continued his clandestine meetings with Vtorygin until August 1965, when the KGB agent returned at last to Moscow. Looming on the horizon was a new Soviet plan to get Shadrin, one that began midway in 1966 with a phone call to Richard Helms, newly-appointed Director of the CIA, by a purported KGB officer calling himself "Igor."

Ultimately, the KGB's plan resulted in Shadrin becoming tangled up in a complex counterintelligence operation in which the defector was to pretend to be recruited by Soviet agents for the purpose of spying on America. Unfortunately, it was the KGB that was doing the best pretending all along, deceiving the CIA into thinking Shadrin was being "turned" when in fact he was being set up for abduction.

The valiant Russian defector disappeared from Vienna, Austria, on Dec. 18, 1975, after leaving to meet with his supposed KGB "handlers," never to be seen again. Recent reports indicate Captain Artamonov was executed shortly thereafter.

With the departure of Vtorygin, Klass's role in the bizarre spy scam was over for the most part. But soon the CIA found a new mission for him. The year 1966 was not only the beginning of the end for Nick Shadrin, it marked the start of death's drumroll for Project Blue Book, the government's conduit for UFO disinformation. A new outlet and debunking mechanism was needed. And the CIA just happened to have the perfect candidate.

NEXT ISSUE: KLASS DISMISSED PT.2  
"KLASSICAL DISINFORMATION"

## NATIONAL INSECURITY

All the bluster about leaks, recently, and threats to prosecute

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news organizations because of their reports of them, obfuscates the real issue: that "national security" has been most damaged and jeopardized by those charged with upholding and guarding it.

This is by no means a new development. One can trace the roots of such malfeasance back to the beginning of national police and intelligence agencies.

The FBI, for example, under the directorship of J. Edgar Hoover resisted for years the idea there was an organized syndicate of criminals in the country, commonly known as the "Mafia." Hoover simply decreed that organized crime did not exist, all the while the Cosa Nostra (Our Thing) was dividing America into a scheme of interlocking criminal fiefdoms ruled by sleazy brutes of Sicilian descent.

Later, in the 1960s and 1970s, the FBI concentrated its efforts in monitoring civil rights and peace groups, always searching for a "communist connection" but never finding proof of one.

Meanwhile, the KGB was paying hundreds of thousands of dollars to Sgt. (E-5) Jack Edward Dunlap, an Army Security Agency member stationed at NSA's Ft. Meade headquarters. (The Army Security Agency is one of three service units that comprise NSA, along with a considerable number of civilian employees, all of whom are actually working for NSA and whose status and access depends upon ones particular mission or assignment.)

By virtue of his job of changing teletype rolls on the printers in NSA's numerous offices, the seemingly lowly sergeant was one of a very small number of persons with access to virtually every NSA secret. Although living the lifestyle of a Philipino dictator, owning a mansion, a string of expensive autos, a luxury cabin cruiser and a hydrofoil racing boat, plus supporting a bevy of beautiful mistresses and a bad gambling habit, Dunlap attracted little attention from anyone except his KGB bankrollers.

In fact, it wasn't until after Dunlap left the Army to work for NSA as a civilian in order to avoid reassignment and he flunked the requisite lie detector test administered by NSA to civilian employees, that anyone expressed the slightest concern about him. But even then the FBI and NSA remained ignorant of Dunlap's terrible treason.

Dunlap, sensing his foray with fortune was about to end, attempted suicide twice and failed. Still, the nation's Security agency suspected nothing, did nothing. Finally, a third suicide effort—gunshots to the head—succeeded. Yet, it wasn't until after Dunlap's wife found a stash of TOP SECRET NSA documents in their home and phoned NSA to ask if they wanted them back that the FBI was called in.

By then, however, two of the three primary intelligence targets (at the time)—mainland China and North Korea—had gone into radio

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silence for several months, then changed transmission schedules, scrambled nets around, stopped using old codes that NSA had been breaking and started using secure transmission methods such as landlines. Worse yet, a number of U-2 spyplanes being operated by NSA out of Taiwan and Okinawa were shot down over China, resulting in the death or capture of the planes' Nationalist Chinese pilots. All told, it was an intelligence disaster beyond repair.

More recently, an NSA communications specialist, Ronald W. Pelton, reportedly sold a number of major secrets to Soviet intelligence agents, including details of some of NSA's most productive and sensitive intelligence gathering methods. Most disturbingly, Pelton began his alleged treason by phoning the Soviet Embassy, then walking in to meet with KGB officials. Both the phone call and the walk-in should have been easily detected by the FBI, but evidently were not. Moreover, Pelton's subsequent meetings with KGB handlers should have brought him under suspicion, but again the counterintelligence apparatus seems to have failed completely.

And in the Walker spy net case, about which so much has been written, it appears Walker would have continued to operate ad infinitum had it not been for his wife finally turning him in. Walker was able to pass classified documents to the KGB for over 18 years, apparently not once being detected by the FBI or any other agency, even though he utilized the classic "dead drop" method of trans-

mitting material—one that requires the KGB to collect the stashed documents from a remote location, a maneuver that normally arouses the suspicion of a good counterintelligence agent. (Note that when Walker was finally busted after making a drop, the Soviet agent clearing the drop was either allowed to escape or escaped the trap on his own. Only the FBI knows for sure, but either way the operation failed.)

Very few of the modern espionage cases, if any, have involved sympathy with communist ideology—the primary motive has been financial gain—yet government screening tactics and counterintelligence methods are still aimed at detecting the ideologist in their midst. This blindness has made intelligence agencies all the more vulnerable to deep penetrations.

Most troubling of all, though, is the fact the current administration has taken to shooting the bearers of bad news—putting the blame on news organizations rather than where it belongs: on themselves and their minions.

All this banging the barn door shut after the horses have gotten out can only be intended to frighten reporters from detailing the disasters the government's malfeasance has wrought. None of their actions have anything to do with preventing future treasons, but have a great deal to do with attempting to lessen the embarrassment they cause.

Sadly, that seems to be all they are concerned about. There have

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been no fundamental changes or reforms in counterintelligence in spite of the obvious gaping holes in it. NSA toodles along on its merry way, still pretending it is the "super-secret" spy agency, and continues to claim to be exempt from the Freedom of Information Act or any other sort of scrutiny or redress. Its most sensitive secrets, however, have nothing to do with codes it has or has not broken; rather, they pertain to the exact extent the Agency has been penetrated and pumped dry by enemy intelligence—secrets they guard and protect more determinedly than any related to communications intelligence. NSA would like to pass itself off as a fresh white virgin, but in reality it is a raped, soiled slut just putting on airs.

So while NSA intercepts American citizens' phone calls, and the CIA and FBI take turns reading our mail, and all of them collectively chase the ghosts of the past, targeting peace groups and church organizations as the main threats to "national security," the Russian fox has been stealing the unguarded chickens, the eggs and even the whole damn henhouse.

And at the very top, the sabre rattles endlessly—instilling some sort of silly pride and false sense of well-being in the fearful populace. He, like all the misguided ones before him, searches for enemies in the faces of friends, casting the web of suspicion over those who dare to question the tyranny of his folly.

One should hold before them a mirror, and say, here is the face

of your real enemy. And propose to them: All along, instead of spying on us, you should have been watching each other.

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