

B O D Y O F  
S E C R E T S

FROM THE COLD WAR THROUGH THE DAWN OF A NEW CENTURY

JAMES BAMFORD

DOUBLEDAY New York London Toronto Sydney Auckland

the entire area—everything classified must be removed—so it is seldom offered.

Following their forty-eight hours at FANX, the recruits head back to school to finish their last semester and, in the meantime, to sweat out the background investigation.

For many years, NSA security officials rated homosexuality near the top of its list of security problems to watch out for.

In 1960, during the Eisenhower administration, irrational fear of homosexuality extended right into the Oval Office. "The Soviets seem to have a list of homosexuals," Attorney General William P. Rogers nervously told Eisenhower during a Top Secret National Security Council meeting. What really concerned him, he said, was "the possibility that there is an organized group of such people." Rogers, who would later become President Richard Nixon's secretary of state, apparently feared a worldwide conspiracy of homosexuals. "The Russians had entrapped one individual," he told the president, "who, in his confession, had stated that there was an international group of homosexuals."

A month before, two NSA cryptologists had appeared before cameras on a stage in Moscow, asked for political asylum, and confessed the agency's deepest secrets like sinners at a revival meeting. It was the worst scandal in NSA's history. All evidence pointed clearly to ideology as the reason for William Martin and Bernon Mitchell's drastic action. But once it was discovered that one of the men had engaged in some barnyard experimentation as a youth, sexuality was quickly seized on as the real cause of the defections. According to documents obtained for *Body of Secrets*, the fear of homosexuals caused by the men's defection became pathological within the White House. The FBI secretly drew up a nationwide list of everyone it thought might be gay and, in a throwback to McCarthyism, Eisenhower ordered them blacklisted.

At the National Security Council meeting described above, Treasury Secretary Robert Anderson was also concerned. He asked "how good a list we had of homosexuals." J. Edgar Hoover replied that his bureau "did have a list and that local authorities notified federal authori-

ties when they obtained such information." Eisenhower then ordered a secret, systematic blacklisting of the listed individuals throughout the federal government. "Such lists," he said, "should be given to someone who would have responsibility for watching to ensure that such individuals were not employed by other Government agencies. Everyone who applied for a job should be fingerprinted. Then if you had a fingerprint and an indication that the individual had been rejected for such reasons [as homosexuality], you would have a basis for preventing his future employment." Hoover agreed. "This was a useful idea." Eisenhower concluded the meeting with the comment, "It was difficult to get rid of such people once they were employed and that the time to catch them was when they came into the Government."

The harsh attitude of the White House translated into a massive purge at NSA. Anyone who showed even the slightest gay tendencies, whether that person was actively homosexual or not, was out. Dozens were fired or forced to resign. The fear would last for decades. But by 2001, the attitude had changed considerably. The most striking example is the authorized formation within the walls of NSA of GLOBE, the group for gay, lesbian, and bisexual employees, whose regular monthly meetings, in NSA offices, are advertised in the *NSA Newsletter*.

Less than a year after the Berlin Wall crumbled, the first post-Cold War conflict erupted. Following the Iraqi invasion of Kuwait, U.S. and coalition forces launched the Desert Storm operation against Saddam Hussein. As the smoke began to clear, NSA director Studeman rated the performance of U.S. spy agencies during the conflict as mixed—except for what he called the excellent monitoring of sanction-busters. The principal problem, he said, was converting a former friend into an enemy almost overnight. "Clearly during the Iran-Iraq war," Studeman said, "we viewed Iraq as an ally. So, Iraq was an area where we didn't have a lot of basic collection, or a lot of idea of the depth and breadth of the Iraqi capabilities. We had that on a monitoring basis, but few would call it in-depth knowledge of the target, the kind you would want to have if you go to war. We simply didn't have that."

Studeman also said that because Saddam Hussein had been an in-

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A no-holds-barred examination of the National Security Agency—packed with startling secrets about its past, newsbreaking revelations about its present-day activities, and chilling predictions about its future powers and reach.

**T**he NSA is the largest, most secretive, and most powerful intelligence agency in the world. With a staff of thirty-eight thousand people, it dwarfs the CIA in budget, manpower, and influence. Recent headlines have linked it to economic espionage throughout Europe and to the ongoing hunt for the terrorist leader Osama bin Laden.

James Bamford first penetrated the wall of silence surrounding the NSA in 1982, with the much-talked-about bestseller *The Puzzle Palace*. In *Body of Secrets*, he offers shocking new details about the inner workings of the agency, gathered through unique access to thousands of internal documents and interviews with current and former officials. Unveiling extremely sensitive information for the first time, Bamford exposes the role the NSA played in numerous Soviet bloc Cold War conflicts and discusses its undercover involvement in the Vietnam War. His investigation into the NSA's technological advances during the last fifteen years brings to light a network of global surveillance ranging from on-line listening posts to sophisticated intelligence-gathering satellites. In a hard-

(continued on back flap)

hitting conclusion, he warns that the NSA is a two-edged sword. While its worldwide eavesdropping activities offer the potential for tracking down terrorists and uncovering nuclear weapons deals, it also has the capability to listen in on global personal communications.

Like the breakout bestsellers on Cold War espionage *The Sword and the Shield* and *Blind Man's Bluff*, *Body of Secrets* is must-reading for people fascinated by the intrigues of a shadowy underworld. As one of the most important works of investigative journalism to come out of Washington in years, it should be read by everyone concerned about the inevitability of Orwell's Big Brother.

JAMES BAMFORD is the author of *The Puzzle Palace*, a national bestseller when it was first published and now regarded as a classic. He was until recently Washington Investigative Producer for ABC's *World News Tonight with Peter Jennings* and has written investigative cover stories for the *New York Times Magazine*, the *Washington Post Magazine*, and the *Los Angeles Times Magazine*. He lives in Washington, D.C.

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Printed in the U.S.A.

## Step Right Up and Get Your Top-Secret Clearances!

**T**op-secret security clearances often are issued to individuals who instead should be flagged as potential security risks due to inconsistent and incomplete Department of Defense (DOD) personal background checks, according to a recent report from the General Accounting Office (GAO). When conducting background checks, Pentagon security officers frequently fail to collect or consider information — including data on an individual's personal finances or criminal history — that could signal a greater-than-average potential to be drawn into espionage activities.

The report reveals the lack of seriousness with which security threats are treated in some circles, in spite of ample recent evidence that spying didn't suddenly go out of fashion when the Berlin Wall came tumbling down. And though moles and traitors

at the CIA and FBI get most of the ink and media attention, it's worth noting that 68 of the 80 federal employees or contractors convicted of spying between 1982 and 1999 were employed by the DOD.

A GAO review of Pentagon background checks in fiscal 2000 found that about one-third of the investigations failed to explore potentially important information about the applicants, including possible financial difficulties, unexplained wealth, instances of questionable personal conduct or ties to foreign countries.

As a result, the DOD has been unable to demonstrate that it fully considered all significant adverse conditions that might call into question an individual's ability adequately to safe-

guard classified information in granting eligibility for top-secret clearances, according to the GAO's report.

In about 12 percent of the cases studied by the GAO, it found that top-secret clearances were granted to individuals without a proper vetting of background information that might indicate a security risk.

Amazingly, the DOD does not provide its security specialists with clear guidance or adequate training regard-

ing the proper way to conduct background checks, according to the GAO.

It is a shortcoming the Pentagon hopes to redress later this year by improving the peer-review process for its security specialists and with the September issuance of new guidelines for security-clearance background checks.



## Federal Employees Take Free Rides With Government Travel Cards

The Travel and Transportation Reform Act of 1998 was supposed to help "reform" government operations by requiring that federal employees traveling on business use government-issued credit cards, rather than personal cards, to cover travel expenses. According to the theory, issuing the new cards would help consolidate bookkeeping and allow the government — which spent an estimated \$4.7 billion on travel in fiscal 2000 — to take advantage of huge discounts and rebates offered by charge-card companies when payments are made early and electronically.

But, as so often happens when chalkboard theory smashes head-on into real-world practice, the new system opened a Pandora's box of new travel-card abuse by federal employees. Now many of them are defaulting on their payments and misusing the cards for personal trips and expenses.

During recent testimony before the House Government Reform subcommittee on Government Efficiency, Financial Management and Intergovernmental Relations, officials from the General Services Administration — which issues the cards — indicated that federal employees and agencies were delinquent in paying more than \$37 million in travel costs and expenses to credit-card

companies. This is negating whatever savings the new system was supposed to bring.

But that figure likely is a conservative estimate, since other reports indicate that about 40,000 people at the Pentagon alone have defaulted on more than \$53 million in travel-card charges. The Department of Defense and the Bank of America reportedly have reacted to the default rate by increasing late charges on offenders, deactivating some cards and reducing the credit limit on others, as well as garnishing the wages of cardholders with accounts more than 120 days past due.

But the problem probably is widespread. A probe at the Corporation for National and Community Service (CNCS) turned up eight employees who had used their travel cards for personal and improper expenses, such as family vacations and personal gifts — including one employee who reportedly made more than \$22,442 in personal charges on his government-issued charge card.

One of several factors that likely contributed to the abuse, according to the recent congressional testimony of CNCS Inspector General Alan Boehm, was the agency's issuing of travel charge cards to employees who have no reason to travel.

