



# A Structural Assessment of the U.S. Counterespionage Vis-à-vis Chinese Espionage Efforts<sup>1</sup>

Tomáš Kristlík

This essay examines the historical context, structure and focus of the U.S. counterespionage, or institutionalized capability to detect and neutralize human assets or spies, its strengths and weaknesses; it provides an overview of the People's Republic of China's (PRC) foreign espionage structure and methods deployed against the USA in the past.

## KEYWORDS:

Human Intelligence (HUMINT); Chinese Espionage; U.S. Counterespionage; Strategic Intelligence; Offensive Counterintelligence

The U.S. government perceives intelligence gathering activities conducted by the People's Republic of China (PRC) as a major national security concern for the United States, but it has failed to mobilize the U.S. counterintelligence apparatus to the full extent of its capabilities, thus meeting the PRC challenge only partially with limited efficiency and success. From the historical perspective, the United States developed a significant counterintelligence capability in times of crises, when there was a consensus in the perception of national security threats, be it the quasi-war with France in the late 1790s, or, most recently, combatting international terrorism. Through its intelligence gathering targeting the United States, the PRC has been recognized as a security challenge, but has not yet passed the threshold to become a clear and immediate danger for national security. Without a clear and immediate danger, the U.S. public tends to mistrust centralized power on account of individual freedom and privacy concerns. As a result, the U.S. counterintelligence lacks political support for developing its capabilities.

Given the importance of the U.S.-China political and economic relationship and the position both powers have in the world economy, it is very difficult to label the PRC as a direct threat to U.S. national security and it is very unlikely that the United States will adopt openly a foreign policy hostile towards the PRC. China is a major creditor nation and the largest foreign holder of U.S. public debt, which is substantial, given the recent spending on wars in Afghanistan and Iraq as well as economic recovery programs implemented by the Obama administration after 2008. Washington also needs Beijing's backing in pursuit of its foreign policy regarding North Korea, non-proliferation, international terrorism, energy, and other vital issues.

The United States might have constraints towards China due to its importance to the U.S. and global economy, but the PRC shows little restraint in pursuit of its stra-

---

<sup>1</sup> This article develops ideas, analyses and concepts originally introduced in: Tomáš KRISTLÍK, *Strategic Chinese Espionage Must Be Neutralized and Exploited by Strategic U.S. Counterespionage*, Master's Thesis, Georgetown University, 2014.

tegic goals of development, which represent a coherent and comprehensive effort mostly at the expense of the United States. The PRC has conducted intelligence operations against the United States for decades, stealing vital political, economic and military information, and undermining U.S. national security, while developing its own capabilities. The problem is more pressing when one realizes that nobody knows what the PRC's "end game" is for the United States and for global affairs.



## OPERATIONAL ENVIRONMENT AND U.S. COUNTERINTELLIGENCE APPARATUS

Historically, the United States approach to counterintelligence seems to be defined by mistrust of centralized power and fear of intrusion of privacy on the one hand, and the need to protect the country against foreign intruders who might try to erode U.S. liberty, on the other. In the past, when the United States perceived a threat, it mounted an appropriate counterintelligence response. Such was the case of the Alien and Sedition Acts of 1798, the Espionage Act of 1917, and Foreign Agents Registration Act of 1938. When the threat was reduced, the counterintelligence capability was reduced. For most of the 20<sup>th</sup> century three components of the executive branch shared the authority for counterintelligence: Federal Bureau of Investigation (FBI), Central Intelligence Agency (CIA) as the principal foreign intelligence service of the United States since 1947, and the Department of Defense through the branch services of the U.S. military. No single government department managed the organizational arrangements of these agencies or their specific counterintelligence programs.<sup>2</sup>

Despite the impetus for a more comprehensive, cohesive and strategic effort since the creation of the Office of the National Counterintelligence Executive (ONCIX) in 2001, the U.S. counterintelligence infrastructure remains largely fractured with limited effectiveness.<sup>3</sup> As of 2016, the U.S. intelligence community consisted of 16 separate federal agencies, many of which conduct counterintelligence as part of their mission.<sup>4</sup> The large number of intelligence agencies serves as a testimony to the notion of the mistrust towards unified intelligence. At the same time, individual agencies dedicated to specific intelligence discipline offer the United States an impressive specialized operational capability. Arguably, these more flexible settings serve the comprehensive intelligence mission well. But, as former National Counterintelligence Apparatus Michelle van Cleave would argue, "individual CI collectors, investigators, operators, analysts, and support personnel can and do perform extraordi-

---

2 Roy GODSON, *Dirty Tricks or Trump Cards: U.S. Counterintelligence & Covert Action*, New Brunswick 2001, p. 67.

3 *Report to the President of the United States, The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction*, 31.3.2015, p. 486, [http://govinfo.library.unt.edu/wmd/report/wmd\\_report.pdf](http://govinfo.library.unt.edu/wmd/report/wmd_report.pdf) [retrieved 30.8.2016].

4 List of Member Agencies of the U.S. Intelligence Community, U.S. Intelligence Community, <https://www.intelligencecareers.gov/icmembers.html> [retrieved 30.8.2016].



narily well, but taken as a whole, their efforts fall far short of potential and need.”<sup>5</sup> In other words, the whole of U.S. counterintelligence is less than sum of its parts.

The motivation for the creation of the Office of the Director of National Intelligence (ODNI) in 2004 was to provide vertical integration within the U.S. intelligence community, to preserve unique organizational capabilities and to enhance positive features embedded within individual agencies, to promote cooperation and collaboration, and to prevent negative features such as excessive compartmentalization and clashes over authority and jurisdiction, which decreased efficiency of intelligence efforts in the past.<sup>6</sup> Unfortunately, to this date, the strength of the ODNI’s position is largely dependent on his personal reputation and respect he commands in the intelligence community rather than institutional powers vested in him.<sup>7</sup>

As long as various agencies within the intelligence community enjoy a significant degree of autonomy in pursuit of their mission, and most importantly, as long as they control their own budgets, the Office of the ODNI and the ONCIX do not have a prospect of genuinely completing their intended mission of a force multiplier in the U.S. intelligence community.

## **FBI AND CIA: BETWEEN DEFENSIVE AND OFFENSIVE COUNTERINTELLIGENCE**

Historically mixed results of U.S. counterintelligence tactical efforts can be attributed to strictly defined jurisdictions and very distinct approaches of the two major federal agencies dedicated to counterespionage and more generally, to foreign intelligence collection at home and abroad, the FBI and the CIA. In 1947, National Security Council Intelligence Directive No. 5 established a division between counterintelligence conducted inside the United States and counterintelligence abroad.<sup>8</sup> Despite some positive achievements under this directive cases of Soviet spies Aldrich Ames, Robert Hanssen, William Kampiles, the Walker spying clan, Earl Pitts, and Chinese spies Larry Wu-Tai Chin, Katrina Leung, Peter Lee, Chi Mak, Wen Ho Lee, are all reminders of abject counterintelligence failures. The “firewall” between mostly defensive counterintelligence efforts of the FBI and mostly offensive counterintelligence done by the CIA can be blamed for the limited success of U.S. counterintelligence in the past.<sup>9</sup>

5 Michelle VAN CLEAVE, *Counterintelligence and National Strategy*, Washington, D.C. 2007, p. 24.

6 James R. CLAPPER, *Keynote Address*, speech delivered at the Fifth Annual Georgetown Diplomacy and International Security Conference, Georgetown University, Washington, D.C., April 11, 2014.

7 John C. GANNON, *Intelligence Community Reform*, Class discussion, Intelligence Analysis, Policy and Politics, Georgetown University, Washington, D.C., 16.4.2013.

8 *National Security Council Intelligence Directive No. 5, December 12, 1947*, U.S. Department of State, Office of the Historian, <https://history.state.gov/historicaldocuments/frus1945-50Intel/d423> [retrieved 30.8.2016].

9 J. CLAPPER, *Keynote Address*.



The FBI is the nation's principal counterintelligence agency, and also receives the largest segment of the U.S. counterintelligence budget.<sup>10</sup> The law enforcement mission focused on investigating federal offenses induced the Bureau's counterintelligence tradecraft to adopt a more reactive approach consisting of case-driven collection of evidence relating to perpetrators. At the same time, the counterintelligence division regarded its activity as "something assisted by, but not synonymous with prosecution and law enforcement".<sup>11</sup> The FBI's struggle to accommodate its diverse responsibilities without much organizational guidance, relying mostly on managerial skills of its Directors and other senior officials, lasted until its National Security Branch was created in 2005 to break out the "stovepipes" of national security programs.<sup>12</sup> The Bureau also conducted its counterintelligence mission more actively. Currently, "Protecting the United States against foreign intelligence operations and espionage," holds second place on the FBI's list of priorities, right behind "Protecting the United States from a terrorist attack".<sup>13</sup>

The necessity for the CIA to undertake counterintelligence efforts had already been recognized in the National Security Act of 1947.<sup>14</sup> A report from General James Doolittle, presented to Eisenhower in September 1954, urged the CIA to assume the country's leading counterintelligence role.<sup>15</sup> In December 1954, the CIA's Director Allen Dulles created a Counterintelligence Staff within the clandestine services, and made James Jesus Angleton its Chief. Angleton, who had extensive experience conducting counterintelligence in London and Italy during his time with the Office of Strategic Services (OSS) during the course of World War II, was to become the CIA counterintelligence's chief theoretician as well as its most famous practitioner throughout his tenure until 1974.

Under Angleton, the Counterintelligence Staff of the CIA did recognize the potential and the necessity of offensive counterintelligence, and implemented key predicates upon which the counterintelligence mission would rest.<sup>16</sup> First, foreign intelligence is a strategic threat, meaning states use their intelligence resources purposefully to gain an advantage over the United States and to advance their interests. Second, strategic intelligence threats can't be defeated through *ad hoc* measures alone. Strategic threats must be countered by a strategic response. Third, there must be a national level system

---

10 M. VAN CLEAVE, *Counterintelligence and National Strategy*, p. 12.

11 R. GODSON, *Dirty Tricks*, p. 75.

12 Sean JOYCE, *FBI Intelligence Transformation*, paper presented at The State of Domestic Intelligence Reform, The Bipartisan Policy Center's National Security Preparedness Group, Washington, D.C., 6.10.2010.

13 Quick Facts: Our Priorities, Federal Bureau of Investigation, <http://www.fbi.gov/about-us/quick-facts> [retrieved 30.8.2016].

14 *National Security Act of 1947*, U.S. Senate Select Committee on Intelligence, <http://www.intelligence.senate.gov/sites/default/files/laws/nsact1947.pdf> [retrieved 30.8.2016].

15 James H. DOOLITTLE, *The Report on the Covert Activities of the Central Intelligence Agency (1954)*, p. 13, [http://www.foia.cia.gov/sites/default/files/document\\_conversions/45/doolittle\\_report.pdf](http://www.foia.cia.gov/sites/default/files/document_conversions/45/doolittle_report.pdf) [retrieved 30.8.2016].

16 Tom MANGOLD, *Cold Warrior: James Jesus Angleton: The CIA's Master Spy Hunter*, New York 1991.



integrating and coordinating diverse programs, resources, and activities to achieve common strategic objectives. These predicates were as valid in the 1950s as they are now.

After Angleton's retirement from the CIA offensive counterintelligence lost its place in the mainstream of Agency's activities to maintain the mission's integrity and operational security, which then became the primary focus of the CIA's counterintelligence efforts.<sup>17</sup> Counterintelligence is unlikely to earn the same respect within the CIA as foreign intelligence gathering, although there are signs of improvement in recent years suggesting the regard for the counterintelligence mission is higher than the simple assurance of operational security for intelligence operations abroad. The Agency's Counterintelligence Center Analysis Group "identifies, monitors, and analyzes the efforts of foreign intelligence entities against U.S. persons, activities and interests".<sup>18</sup> Under proper guidance, the CIA indeed seems to have a capacity for further development of its counterintelligence capabilities, prospectively even resuming more extensive offensive counterintelligence operations.

### CHINESE-STYLE INTELLIGENCE AND ITS FOREIGN INTELLIGENCE APPARATUS

The most fundamental strategic interest of the People's Republic of China is to modernize, which directly translates into the PRC's key foreign policy objective of improving its political, economic, and security standing in Asia and around the world, so that it may continue to build relationships with foreign partners to enhance its image and influence and ensure supplies of strategically important raw materials and stimulate the flow of Chinese exports.<sup>19</sup>

To complete its declared strategic objectives, the PRC needs to have an extensive body of knowledge available for its policy-makers to make informed and timely decisions, a mission entrusted to the PRC's intelligence apparatus. Since Sun-Tzu's *The Art of War*, an influential ancient Chinese book on military strategy written some twenty-five hundred years ago, the purpose of intelligence in Chinese eyes is to inform key decision and policy makers and to help them resolve the uncertainties involved in competition.<sup>20</sup> Knowledge is an essential component of intelligence since direct relevance to decision-making is what distinguishes intelligence from simple information. Given the restrictions imposed by operational environments, intelligence must be also actionable and

---

<sup>17</sup> R. GODSON, *Dirty Tricks*, p. 112.

<sup>18</sup> The Counterintelligence Center Analysis Group, Central Intelligence Agency, <https://www.cia.gov/offices-of-cia/intelligence-analysis/organization-1/cic-ag.html> [retrieved 30.8.2016].

<sup>19</sup> Kenneth D. JOHNSON, *China's Strategic Culture: A Perspective for the United States*, Strategic Studies Institute, 2009, p. 8, <http://www.strategicstudiesinstitute.army.mil/pdffiles/pub924.pdf> [retrieved 30.8.2016].

<sup>20</sup> Michael WARNER, *The Divine Skein: Sun Tzu on Intelligence*, Intelligence and National Security 21, 2006, No. 4, <http://www.tandfonline.com/doi/pdf/10.1080/02684520600885624> [retrieved 30.8.2016].



timely. The decision-making process and an adversary's actions impose a deadline as intelligence delivered at a time when it is of no use to the decision-maker is degraded back to the level of pure information. Understanding of these imperatives is a common element of most intelligence services around the world. In this sense, Chinese intelligence is no different, and operates on the same basis as its U.S. counterparts. Nevertheless, some distinguishing Chinese attributes can be identified.

In the process of understanding information and transforming it into intelligence, unlike their western counterparts, the Chinese do not seem to proceed to the next step, which is prediction or forecasting, one of the most essential functions of intelligence in the United States.<sup>21</sup> Even Sun-Tzu's use of the term "foreknowledge" seems to imply understanding of the adversary's dispositions and intentions, knowing what he plans to do before he actually takes action.<sup>22</sup> In the Chinese view, an intelligence organization is therefore intended to solve puzzles, where there is a solution available, rather than mysteries. Anything related to intelligence has an identifiable cause and consequence. Understanding of the enemy's character, situation or intentions requires identifying of the trends or rules guiding the adversary's behavior, a task entrusted to intelligence analysts and researchers.<sup>23</sup>

In public debates there often seems to be some confusion and misperception of what constitutes "Chinese intelligence", often attributing it a more extensive scope of activities than it really undertakes. In the popular perception there seems to be little distinction between activities conducted directly by PRC's intelligence services and the more general Chinese economic, industrial and military espionage, which serves the PRC's strategic objectives, but is often conducted by entrepreneurs or companies working under sponsorship of the Chinese government but outside the official Chinese intelligence apparatus.

Peter L. Mattis proposes the following typology, in which every category has varying degrees of government or intelligence service involvement: (1) intelligence service stealing of trade secrets for state-supported industrial development; (2) intelligence service collection of technologies for military intelligence and planning as well as strategic economic intelligence; (3) government-sponsored, non-intelligence service collection for state-supported industry; (4) economic operators stealing competitors' secrets for their own benefit; (5) private entrepreneurs stealing trade secrets to sell to any of the foregoing operators and/or going into business for themselves.<sup>24</sup> Given the direct connection to the PRC's government and its decision-making bodies, only the first two categories can be considered to be activities of the Chinese intelligence apparatus, the rest being intelligence collected on behalf of and in favor of the PRC, which cannot be regarded strictly speaking as activities conducted by the Chinese government. The principal PRC's intelligence services responsible for activities covered under (1) and

21 Roberta WOHLSTETTER, *Pearl Harbor: Warning and Decision*, Stanford 1962.

22 SUN-TZU, *The Art of War*, Chapter 13, Passage 4, <http://suntzusaid.com/book/13> [retrieved 30.8.2016].

23 Richard DEACON, *The Chinese Secret Service*, London 1989.

24 Peter L. MATTIS, *Chinese Intelligence Operations Reconsidered: Towards a New Baseline*, s. 1. 2012, p. 13.



(2) of Mattis's typology are the Ministry of State Security (MSS), the Second Department of the People's Liberation Army General Staff Department (2<sup>nd</sup> PLA), and the International Department of the Central Committee of the Communist Party of China (CPC/ID).

The MSS is the PRC's primary foreign intelligence organization mostly focused on human intelligence. Created in 1983, it combined the espionage, counterintelligence, and security functions of the existing Ministry of Public Security (MPS) with the original investigation functions of the CPC's central committee.<sup>25</sup> Among other things, the creation of the MSS addressed the present need due to the increasing number of foreigners entering China as well as Chinese citizens who had been just recently exposed to the outside world. The maintenance of social stability seems to have been the MSS's internal mission since the early 2000s.<sup>26</sup>

The 2<sup>nd</sup> PLA is a vital part of the PLA's vast intelligence community and plays a central role in terms of both strategic and tactical military intelligence. It oversees military human intelligence gathering, makes extensive use of publicly available resources and brings them together with signals intelligence and imagery data, disseminating the finished intelligence products to the Central Military Commission (CMC) and other consumers. Preliminary synthesis is carried out by the 2<sup>nd</sup> PLA's Analysis Bureau which manages the National Watch Center responsible for national-level alerts and warnings. In-depth analysis is provided by regional bureaus.<sup>27</sup>

The CPC/ID is one of five principal departments of the Central Committee and one of the most important, but least well understood, constituents of the PRC's foreign affairs system. It is a relatively large and active organization operating throughout China and worldwide, performing a variety of important functions for the CPC and the government. Some of them develop and maintain ties with Socialist/Communist parties and organizations worldwide in order to promote Marxist-Leninist ideology. It also runs private-sector liaison organizations to facilitate contacts with think-tanks, NGOs (Non-Governmental Organizations), and individuals worldwide. It collects intelligence and information on foreign policies, internal political scenes and political parties, and societies in various countries worldwide. It contributes to the work of Chinese embassies worldwide and also works with other CPC Central Committee departments and State Council ministries to facilitate their work overseas. Its agenda goes as far as arranging visits of CPC officials abroad and hosting foreign leaders and politicians on tours of China.<sup>28</sup>

---

<sup>25</sup> Jeffrey T. RICHELSON, *Foreign Intelligence Organizations*, Cambridge 1988, p. 277.

<sup>26</sup> Willy LAM, *China's New Security State: The Communist Party Tries to Hold on to Power through a Vast and Growing Antisubversion Network*, *The Wall Street Journal*, 9. 12. 2009, <http://online.wsj.com/news/articles/SB10001424052748704240504574585120857399040> [retrieved 30.8.2016].

<sup>27</sup> Mark A. STOKES, *China's Strategic Modernization: Implications for the United States*, Carlisle 1999, pp. 32–33, <https://www.fas.org/nuke/guide/china/doctrine/chinamod.pdf> [retrieved 30.8.2016].

<sup>28</sup> David L. SHAMBAUGH, *China's "Quiet Diplomacy": The International Department of the Chinese Communist Party*, *China: An International Journal* 5, 2007, No. 1, pp. 26–54, <http://muse.jhu.edu/journals/china/v005/5.1shambaugh.pdf> [retrieved 30.8.2016].

## CHINESE ESPIONAGE AGAINST THE UNITED STATES

The PRC's foreign espionage apparatus operates very much along the lines known to western intelligence organizations, using traditional methods and techniques commonly recognized in the espionage tradecraft such as infiltrations or "honey traps", but similarly to their approach to intelligence in general, the approach to tactical espionage features some unique Chinese characteristics. David Wise recalls a story that has allegedly been circulating inside the counterintelligence division of the FBI about a concept known as "a thousand grains of sand". If a beach was an espionage target, the Russians would send in a submarine, frogmen would steal ashore in the dead of night and with great secrecy collect several buckets of sand and take them back to Moscow. The U.S. would target the beach with satellites and produce masses of data. The Chinese would send in a thousand tourists, each instructed to collect a single grain of sand. When they returned, they would be asked to shake out their towels. And the Chinese intelligence officers would end up knowing more about the beach than anyone else.<sup>29</sup>

As illustrated by this anecdote, the PRC, mostly through the MSS, often tends to develop general relationships with people that may potentially have an intelligence dimension, but the relationship is not strictly focused on intelligence activities. Chinese citizens travelling abroad might be seen as those "tourists on the beach". During their international travels they go on business trips or academic exchanges, they interact with locals and experience local customs and culture. Universities across the U.S. seem to be particularly popular within this context and also provide cover for more traditional intelligence gathering.<sup>30</sup> Upon their return home, they report on their travels and "shake out their towels". Naturally, this circumstantial information cannot translate in most cases into an actionable knowledge that policy-makers can act upon, but it certainly fits into the larger concept of strategic intelligence and understanding of the adversary. All the circumstantial information from potentially hundreds of thousands Chinese scientists, tourists, students, members of business delegations and other travelers to the United States every year can give a detailed picture of the local conditions and China has been making use of it for years. Equally, it has been making such use of Americans traveling to China. The PRC studies United States very carefully. The current Chief of the MSS, Geng Huichang, spent several years in the American Research Department of the University of International Relations in Beijing.<sup>31</sup>

In a more individual approach, a comparison of Chinese espionage tactics with techniques deployed by the Soviet Union or the United States shows some important differences in how to approach an agent, how to recruit him, how to communicate with him, how and in what form compensate him for his services. When approaching

29 David WISE, *Tiger Trap: America's Secret Spy War with China*, Boston 2011, pp. 10–11.

30 Daniel GOLDEN, *American Universities Infected by Foreign Spies Detected by FBI*, Bloomberg, 8.4.2012, <http://www.bloomberg.com/news/2012-04-08/american-universities-infected-by-foreign-spies-detected-by-fbi.html> [retrieved 30.8.2016].

31 Geng Huichang, *China Vitae*, <http://chinavitae.com/biography/3969> [retrieved 30.8.2016].





a prospective agent, the MSS, through its personnel under diplomatic or commercial cover, appeals to nationalism while targeting Chinese citizens abroad, or plays on ethnic ties when targeting Chinese emigrants.<sup>32</sup> Unlike the Russian or U.S. intelligence agencies, the MSS seems to dislike walk-ins, people who turn to it voluntarily and offer information, usually motivated by financial prospects or other personal gains.<sup>33</sup> Every walk-in is potentially a deception agent sent by the adversary to supply false information and the Chinese do not want to worry about this possible controversy at all. Even when appealing to a particular individual trying to win him over for service of the PRC, agents of MSS usually do not run agents as their U.S. or Russian counterparts do. Since a formal relationship between a case officer and an agent is rare, it is very unlikely to catch a Chinese diplomat making contact with his agent directly or through a dead letter box. As for payment, the MSS rarely pays a financial recompense directly in cash. Most likely they would offer some sort of service in return, such as assistance with expansion of one's business activities in China.<sup>34</sup>

In terms of deploying more traditional methods in the espionage tradecraft, the PRC relies extensively on infiltrations of its agents into adversaries' government agencies and it develops relationships with individuals who might be beneficial in the future, sort of "planting seeds" for later use. There is no publicly known case of a Chinese intelligence officer attempting to join a foreign intelligence organization or government, but on numerous occasions emigrants going abroad were engaged by the Chinese intelligence.<sup>35</sup> The U.S. Immigration and Customs Enforcement (ICE) launched more than 540 investigations into illegal technology exports to China in 2000–2007 and the Defense Criminal Investigative Service (DCIS) initiated 143 such investigations in 2007 alone.<sup>36</sup> Despite the extensive scope of its operations, Chinese intelligence seems to be lacking significant capabilities in terms of foreign-based intelligence gathering, and there are few publicly known cases, who were usually agents instructed by officers in China.

Some specific cases of Chinese espionage deserve particular attention, because they point out to the fact that PRC plans its infiltrations in a long-time perspective of years, even decades. Although many individuals came under investigation, fewer cases have been actually prosecuted and the total of convictions confirms the historic experience that espionage trials are rarely conclusive. Nevertheless, some major cases can serve as an example.

Larry Wu-Tai Chin, a native of Beijing, began working for the United States during the Second World War, when the U.S. Army recruited him because of his English language skills, and he became a translator and interpreter for the U.S. Army Liaison

---

32 Nicholas EFTIMIADIS, *Chinese Intelligence Operations*, Annapolis 1994, p. 108.

33 D. WISE, *Tiger Trap*, p. 16.

34 *Ibid.*, p. 12.

35 P. L. MATTIS, *Chinese Intelligence Operations*, p. 48.

36 Kenneth WAINSTEIN, Prepared Remarks of Kenneth I. Wainstein, Assistant Attorney General for National Security at the Practising Law Institute's 2007 Export Control Conference, 10.11.2007, [http://www.justice.gov/archive/nsd/2007/klwainstein\\_remark\\_121007.pdf](http://www.justice.gov/archive/nsd/2007/klwainstein_remark_121007.pdf) [retrieved 30.8.2016].



Office. He later assumed the same duties at the U.S. Consulate in Shanghai, where he was transferred in 1948. Presumably it was in this period when he developed contacts with Chinese intelligence. During the Korean War, in 1951, Wu Tai Chin helped the State Department interview Chinese prisoners of war, revealing their identities to the Chinese the following year. In 1952, Larry Wu Tai Chin joined the CIA, working for the Foreign Broadcast Information Service (FBIS) in Okinawa. He maintained his contacts with the Chinese handlers and exchanged information with them on a regular basis through Hong Kong. In 1965, Wu Tai Chin became a U.S. citizen and in 1970, after passing successfully a polygraph test, he was promoted to a new position at FBIS in Arlington, Virginia. There he had access to highly sensitive information, such as reports from U.S. agents abroad and documents relating to President Nixon's plan for normalizing relations with the PRC. Upon his retirement in 1981, Larry Wu Tai Chin received a medal from the CIA for distinguished service. The following year a tip from a Chinese intelligence officer, Yu Qiangsheng, suggested Wu Tain Chin could be a spy for the PRC. When he defected to the United States in 1985, he brought his file on Wu Tai Chin with him. When the FBI revealed the name of his MSS handler and evidence of their relationship, Wu Tai Chin confessed to spying for the PRC.<sup>37</sup>

In March 2008, Chi Mak, a former engineer working for a U.S. naval contractor, was sentenced to twenty-four and half years in prison for conspiring to export warship technology to China. Mak's position gave him access to sensitive plans for U.S. Navy ships, submarines and weapons, which he secretly copied and sent to China, fulfilling a mission that U.S. officials say he had been planning since the 1970s.<sup>38</sup>

Another example inspired the FBI to create a video titled "Game of Pawns", which warns U.S. students against potential attempts of Chinese intelligence to recruit them during their studies abroad.<sup>39</sup> Glenn Duffie Shriver studied in China during 2002–2003 and later returned to Shanghai in 2004. In search for a local job he answered an advertisement soliciting papers on U.S.-China relations, offering \$120 per article. The advertisement had actually been placed by the Chinese intelligence, which recruited Shriver over the course of a few meetings and eventually encouraged him to apply for a position with the CIA. His failure in a polygraph test along with some other supporting evidence resulted in his arrest in 2010.<sup>40</sup>

37 Four Chinese Espionage Investigations, Public Broadcasting Service, <http://www.pbs.org/wgbh/pages/frontline/shows/spy/spies/four.html> [retrieved 30.8.2016].

38 Joby WARRICK — Carrie JOHNSON, *Chinese Spy "Slept" In U.S. for 2 Decades*, The Washington Post, 3.4.2008, <http://www.washingtonpost.com/wp-dyn/content/article/2008/04/02/AR2008040203952.html> [retrieved 30.8.2016].

39 *Game of Pawns*, Federal Bureau of Investigations, <http://www.fbi.gov/news/videos/game-of-pawns> [retrieved 30.8.2016].

40 David WISE, *Mole-in-Training: How China Tried to Infiltrate the CIA*, Washingtonian, 7.6.2012, <http://www.washingtonian.com/articles/people/chinas-mole-in-training> [retrieved 30.8.2016].



## RÉSUMÉ:

Although the U.S. counterintelligence apparatus possesses a wide range of capabilities, it seemingly suffers from inconsistency of the political leadership which fails to provide the intelligence community as a whole with specific guidance and more detailed mission-specific requirements than those generally formulated in the National Intelligence Strategy. One particular issue where strong political will would make a difference is the empowerment of the ONCIX to enable it to complete the national counterintelligence mission to the fullest of its capabilities.

On a tactical level, despite significant improvements in vertical integration, management and information sharing, defensive and offensive counterintelligence still competes instead of working complementary in a concerted effort. In contrast, the PRC has a strategic vision expressed through a few key principles reflecting its foreign policy priorities serving the grand strategy of national development and transmuting this vision into requirements for its intelligence apparatus that pursues a wide range of tactics to collect all the necessary information. In brief, the PRC seem to have a strategic initiative.

To balance the scale, the ODNI has the power and authority to empower the ONCIX on his own initiative, since he exercises the budgetary authority in the intelligence community. His recommendations to conduct extensive offensive counterespionage are among the priorities defined for the intelligence community by the National Intelligence Strategy and subsequently by the National Counterintelligence Strategy. But the initiative and political support must come from the President of the United States, not the ODNI.

**Mgr. Tomáš Kristlík, M.A.**, is a Ph.D. student at the Center for Ibero-American Studies of Charles University in Prague. He focuses on security, military and intelligence issues in the U.S., Europe and Latin America (tomaskristlik@seznam.cz).