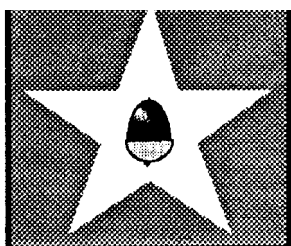


Conflict Studies Research Centre

Gordon Bennett

**The Federal Security Service
of the Russian Federation**

March 2000



C102

Table of Contents

INTRODUCTION

| | |
|---|----|
| Sweeping Up After Yel'tsin | 4 |
| The Fragmentation of the Soviet Special Services | 5 |
| The Republics | 6 |
| Outreform your Opposition | 7 |
| The Second Coup | 10 |
| On the Up | 12 |
| The Chechen War | 13 |
| From FSK to FSB | 16 |
| The Federal Security Service & Presidential Security Service | 17 |
| Special Forces Units from the KGB to the FSB | 18 |
| Terrorism & Organised Crime | 18 |
| Backstabbing & More Changes | 20 |
| Shop-A-Spy Telephone Line | 23 |
| Co-operation with Private Companies | 23 |
| Listening & Watching | 24 |
| Kovalev's Biggest Battle | 25 |
| Reform & Perish | 27 |
| Military Counterintelligence | 28 |
| Working with Neighbours | 31 |
| Crooks, Spies & Allies | 33 |
| Vladimir Putin | 37 |
| The FSB Academy | 38 |
| Seeing Foreign Threats | 38 |
| The Future of the FSB | 40 |

The Federal Security Service of the Russian Federation

Gordon Bennett

Main Russian acronyms used in this paper.

| | | |
|-------|--|--|
| AFB | <i>Agentstvo Federalnoy Bezopasnosti</i> | Federal Security Agency, 26 Nov 19 Dec 1991. Replaced the RSFSR KGB. |
| FAPSI | <i>Federalnoye Agentstvo Pravitelstvennoy Svyazi I Informatsiy</i> | Federal Agency of Governmental Communication and Information. Similar to the British GCHQ or the US NSA but with more powers. |
| FPS | <i>Federalnaya Pogranichnaya Sluzhba</i> | Federal Border Guard Service. |
| FSB | <i>Federalnaya Sluzhba Bezopasnosti</i> | Federal Security Service. |
| FSK | <i>Federalnaya Sluzhba Kontrrazvedki</i> | Federal Counterintelligence Service, predecessor of the FSB. |
| FSNP | <i>Federalnaya Sluzhba Nalogovoy Politsiy</i> | Federal Tax Police. |
| FSO | <i>Federalnaya Sluzhba Okhrany</i> | Federal Protection Service, responsible for protection of high ranking state officials. |
| GRU | <i>Glavnoye Razvedyvatelnoye Upravleniye</i> | Main Intelligence Directorate, Intelligence service of the Russian Ministry of Defence. |
| GUSP | <i>Glavnoye Upravleniye Spetsyalnykh Program</i> | Main Directorate Of Special Programs. Yel'tsin's 'private' security service. |
| KGB | <i>Komitet Gosudarstvennoy Bezopasnosti</i> | The State Security Committee was the all-union organisation. Every republic of the USSR had its own republican KGB with the exception of the Russian Republic. Russia acquired its own republican KGB on 5 May 1991. |
| MSB | <i>Mezhrespublikanskaya Sluzhba Bezopasnosti</i> | Interrepublican Security Service. Largest component of the fragmented USSR KGB 22 Oct-19 Dec 91. |

| | | |
|------|---|---|
| MVD | <i>Ministerstvo Vnutrennykh Del</i> | Ministry Of Internal Affairs. |
| PGU | <i>Pervoye Glavnoye Upravleniye</i> | First Chief Directorate of the KGB responsible for Intelligence collection and analysis. |
| SBP | <i>Sluzhba Bezopasnosti Prezidenta</i> | Presidential Security Service, since August 1996 subordinate to the FSO. |
| SORM | <i>Sredstva Operativno-Razvedyvatelnykh Meropriyati</i> | System of Operational Intelligence Measures. Internet surveillance system installed in telephone exchanges in Russia. |
| SVR | <i>Sluzhba Vnesheny Razvedki</i> | Foreign Intelligence Service. |
| TsRS | <i>Tsentralnaya Sluzhba Razvedki</i> | Central Intelligence Service 22 Oct-18 Dec 1991. Replaced the PGU and preceded the SVR. |
| UPP | <i>Upravleniye Perspektivnykh Program</i> | Long Term Programs Directorate set up by Yel'tsin in August 1996 within the FSB. Replaced by the URPO. |
| URPO | <i>Upravleniye Po Razrabotke Peresecheniyu Deyatelnosti Prestupnykh Obyedineniy</i> | Directorate of Analysis and Suppression of the Activity of Criminal Organisations. Part of the FSB, now disbanded. |
| VGU | <i>Vtoroye Glavnoye Upravleniye</i> | Second chief directorate of the KGB responsible for counterintelligence. |

INTRODUCTION

Sweeping Up After Yel'tsin

Boris Yel'tsin's rule brought Russia many freedoms and opportunities but resulted also in economic chaos and an unprecedented level of lawlessness and corruption corroding every aspect of life of the country. The Russian parliament was reduced by Yel'tsin and originally by its own lack of vision and then by greed and self interest of its members to an expensive talking shop. Yel'tsin's sudden voluntary departure from his presidential post at the end of 1999 was welcomed in Russia with relief but also with apprehension about the future. Most of the multitude of problems facing Vladimir Vladimirovich Putin, Yel'tsin's hand-picked successor, are of gigantic proportions and of considerable complexity. Putin has declared his support for democratic values and non ideological free market principles, stressing at the same time the importance of the strong state apparatus, the need to combat terrorism, organised crime and to provide financial and social protection for the needy. He is capable, determined and in contrast with his predecessor still young and fit. He intends to change Russia but does not have too much time to do it¹. Taking into consideration the political, economic and social chaos he inherited from Yel'tsin, mixed with the inertia which permeates all social classes in Russia, Putin will soon face a dilemma whether he should take short cuts through democratic processes to stabilise Russia or adhere to the laws which most of his opponents either break or ignore. The Russian electorate would find little to criticise in this. Both his predecessors, Gorbachev and Yel'tsin, are remembered in Russia as impressive speakers at the beginning of their careers, and as leaders who failed to deliver most of what they promised and plunged the USSR and then Russia into repetitive crises. The latest campaign in Chechnya clearly shows that the Russians will accept brutal but decisive actions as long as they are seen to solve problems. Putin knows also that the only serious, albeit brief, political challenges to Boris Yel'tsin came from politicians offering radical, and not always democratic, policies and that there are many people in his country who admire Stalin and practically no one who cares about Gorbachev.

To deal with the chaos in Russia, democratically or otherwise, Putin will have to use the power structures of which, thanks to the laws enacted by Yel'tsin after the attempted coup of 1993, the President is a complete master. The Russian parliament is legally entitled to show interest in any federal ministry, including the Ministry of Defence and the Ministry of Internal Affairs. However, knowing that Yel'tsin would do anything to control these two power ministries, including calling new elections, parliament accepted these ministries as "presidential". The President is also legally the sole master of several powerful bodies, of which the most important for his personal position and security are:

- The Federal Security Service (FSB)
- The Federal Guard Service (FSO)
- The Federal Government Communication Agency (FAPSI)
- The Presidential Security Service (SBP).

The president also has complete control over several other services, important though not directly vital to his physical security or his position. These include:

- The Foreign Intelligence Service (SVR)

- The Federal Tax Police (FSNP)
- The Federal Border Guard Service (FPS).

Vladimir Putin may have to face unfavourable odds when dealing with the economic and social problems of Russia but when it comes to the power structures, thanks to Yel'tsin's persistence, he has no reason to worry at the moment.

The Fragmentation of the Soviet Special Services

Recent Russian/Soviet history shows that the leaders of the Kremlin who failed to control their security organisation paid for it with their careers. Before the October 1964 Communist Party of the Soviet Union (CPSU) bloodless internal coup, the First Secretary Nikita Khrushchev was warned that the head of the KGB, Colonel General Vladimir Yefimovich Semichastnyy, was a member of a conspiracy against him. Khrushchev ignored the warning at his own peril. It was Semichastnyy's co-operation with the Kremlin palace coup leaders Brezhnev and Suslov which permitted smooth and swift changes in Moscow. And it was Semichastnyy who himself fetched Khrushchev from the airport as the First Secretary flew back to Moscow, summoned by the Presidium of the CPSU for the grand finale of his political career ².

In the August 1991 coup almost all the top KGB officials in key positions conspired against Gorbachev.

- Army General Vladimir Aleksandrovich Kryuchkov, the Chairman of the KGB was one of the principal organisers of the coup.
- Colonel General Geniy Yevgenevich Ageyev, First Deputy Chairman of the KGB, was Kryuchkov's right hand man during the coup.
- Colonel General Viktor Fedorovich Grushko, First Deputy Chairman of the KGB, participated in the planning of the coup but took a back seat during the most dramatic moments, for which he was rewarded by Gorbachev with the position of caretaker head of the KGB for a couple of hours on 22 August 1991.³
- Lieutenant General Anatoliy Gigorevich Beda, the head of the Eighth Chief Directorate responsible for communication and cryptography, was responsible for cutting off communication links between Mikhail Gorbachev's holiday compound at Foros and the outside world.
- Major General Vladimir Timofeyevich Medvedev, Gorbachev's Chief Bodyguard, from the beginning of the coup fulfilled the orders of his KGB superiors involved in the conspiracy.⁴
- Lieutenant General Yuriy Sergeyevich Plekhanov, Medvedev's "line manager", the head of the Protection Directorate of the KGB, was one of the principal implementers of the plans of KGB Chairman Kryuchkov.
- Vice Admiral Aleksandr Vladislavovich Zhardetskiy, head of the vital Third Chief Directorate of the KGB (Military Counterintelligence), was wholeheartedly on the side of the plotters, as were
- Major General Valeriy Pavlovich Vorotnikov, head of the Protection of the Constitution Directorate of the KGB and
- Lieutenant General Vitaliy Prilyukov, Head of the Moscow KGB Directorate.

When on 21 August Gorbachev returned to Moscow his options as to who would reform the KGB were limited, because almost all the top people in the KGB actively supported the coup. Lieutenant-General Leonid Vladimirovich Shebarshin, who until the coup was the head of the First Chief Directorate (PGU) (Intelligence) of the KGB, became acting chairman for two days. Boris Yel'tsin categorically objected to his nomination because he thought that Shebarshin would be against any attempts to fragment or disband the organisation⁵. Shebarshin did not take part in the coup although his deputy, Major General Vladimir Ivanovich Zhizhin, took an active part in it and was even to write a speech for Vladimir Kryuchkov for his TV appearance before the conspirators caved in⁶. With Yel'tsin's approval, Gorbachev chose one of his staunchest supporters, Vadim Viktorovich Bakatin, a former Communist Party official in Kemerovo region, who on the crest of perestroika briefly became Minister of Internal Affairs (MVD) of the USSR between October 1988 and December 1990.

Before he was removed from the Ministry by Gorbachev, Bakatin made many radical and controversial changes. For Gorbachev dismantling the KGB, an organisation which conspired against him and everything he stood for, was a priority and Bakatin, with his experience in the MVD, was the best man to do it. He was acceptable, too to Yel'tsin who wanted to divide the USSR KGB, because this would weaken Gorbachev's control over the country. He expected that some of the officers of the USSR KGB would switch to the RSFSR KGB and many did⁷. Bakatin took his position on 23 August and by 26 August he had five projects for how to reform the organisation⁸. He started with transferring military units out of the USSR KGB back to the Defence Ministry⁹. It was much more difficult to purge the KGB leadership. He could not fire everyone immediately because there was no one to replace them. Those who sat on the fence during the coup kept their jobs. Shebarshin returned to his previous post, but disillusioned with Bakatin's managerial style and his giving away KGB secrets to the CIA, resigned on 19 September 1991. Bakatin also retained Vladimir Gorshkov, the head of the 15th Main Directorate of the KGB, responsible for the security of government installations. During the coup he was ordered (and failed) to organise a group of 200 people who were to block all entrances to the White House during the planned assault on the building.¹⁰

Lieutenant General Gennadiy Fedorovich Titov, the head of the Second Chief Directorate, was on holiday when the coup took place. He was not recalled¹¹. He was never accused of complicity in the coup or a dereliction of duties – after all as the head of counterintelligence he should have known about the impending coup. After his return he even headed the internal KGB commission investigating its involvement in the coup. He was kept until 12 September when, after making a series of controversial public statements, he was fired. By the end of the year the Communist Party of the Soviet Union had ceased to exist, the Armed Forces were the real heroes of the coup and the USSR KGB became the primary target for democrats, reformers and political opportunists alike.

The Republics

In the post-August 1991 chaos Gorbachev tried to reinforce his position by purging the organisation he feared most, the USSR KGB. Yel'tsin at the same time tried to strengthen his position by undermining Gorbachev. Disappearance of the USSR as the all-union state was an ideal solution for him as it would leave Gorbachev without any power or position of importance. Advocating the independence of

individual republics gave Yel'tsin democratic credibility in the West and was a tempting proposal for the republican leaders. The theory that Russia did not need other republics was at that time quite popular in Russia as many Russians regarded the non Slavic Republics, especially the inhabitants of the Caucasian and the Central Asian Republics, as inferior and an economic and social burden. The gradual dismembering of the USSR KGB was weakening the USSR and Gorbachev but it was strengthening Russia, Yel'tsin and "his", ie RSFSR, KGB. The KGB structures in the republics were slowly losing contact with the centre. Gorbachev and those close to him could not advocate stronger links between the Republican KGB structures and the USSR KGB as they were preoccupied with destroying the latter and their view of cohabitation in what was fast becoming the post-Soviet area was vague. As the KGB officials in Moscow were either fired, harassed or replaced by people without experience, the republican security apparatus suddenly found itself cut off from Moscow and dependent on local political leaders.

Moscow was mainly interested in saving face and the archives of the republican KGB HQs. For the republics these archives represented an unusual dish of the season, consisting of bone of contention and a hot potato and one which they failed to keep on their own tables. Not having access to the archives meant that the new authorities would have difficulties conducting investigations of the local KGB and possibly their own activities during the communist period, although the lack of archives would also reduce the republics' operational capacities. The Russians acquired a powerful weapon for future manipulation of the new countries, some of which tried almost immediately, for understandable historical reasons, to cut off their ties with Moscow. For many regional bosses and security officials it was also a rare opportunity to hide parts of the archives and blame their disappearance on the Russians, and then to use the hidden files at their own convenience.

At the beginning, the prospects for co-operation between Russia and the republics were not encouraging. The fragmentation of the USSR was chaotic and acrimonious. The head of the RSFSR KGB, Viktor Ivanenko, declared at the end of August 1991 that "the use of special services, including espionage services" could not be entirely excluded if the relations between Russia and some of the republics reached a high "state of virulence"¹². And yet Russia was willing to talk to the special services of those republics which were ready for bilateral and multilateral co-operation.

The most radical of the republics, Estonia, Latvia and Lithuania, did not want to have anything to do with the old KGB but were willing to do everything by the book, so as not to give Moscow any excuses to use illegal methods either to delay their independence or to disrupt their honeymoon with freedom. Russia also had reasons to keep the split with the Baltic republics as peaceful as possible. All three republics had Russian minorities and all three served as a favourite retirement place for the Soviet military and security personnel. In Estonia alone there were 1,000 KGB pensioners, not all of them native Estonian¹³. In most cases they were there to stay and wanted to have their pensions paid by Moscow, in accordance with bilateral agreements. All three countries saw the USSR KGB as a tool of oppression and their new special services were set up from scratch.

Outreform your Opposition

Gorbachev began dismembering the USSR KGB on 26 September 1991 when he transferred the Moscow City and Region KGB from the USSR to the RSFSR KGB.

The USSR KGB was abolished on 22 October 1991 by the USSR State Council and replaced by three separate bodies, the Central Intelligence Service (TsRS), the Government Communication Committee (KPS), already detached from the USSR KGB on 29 August 1991, and the largest element, responsible for internal security, the Inter-Republican Security Service (MSB). The MSB was an amalgamation of:

- the Second Chief Directorate (VGU) responsible for counterintelligence,
- the Fourth Directorate (transport),
- the Sixth Directorate (economic counter-intelligence and industrial security),
- the Seventh Directorate (surveillance) and
- the Operational-Technical Directorate.

The new security body also had elements of the USSR KGB which were responsible for personnel, finances, supplies, automated databases, eavesdropping facilities and control of the postal services.

The "Z" directorate, responsible for monitoring extremist movements and watching dissidents, was disbanded and its staff distributed around the "new" organisations. In the post break-up period the MSB employed 35,000-40,000 people; 90,000 people were working in the republics, many of them legally and otherwise subordinated to Moscow, and 18,000 were transferred to the RSFSR KGB from the USSR KGB. The Russian KGB became suddenly, and not unexpectedly, a major player with 70 regional directorates at the administrative levels (kray, oblast and autonomous republics) plus the Moscow Directorate and four other local directorates yet to be created. These 75 regional directorates were to employ 22,000 officers. Russia began to interfere more in All-Union security affairs. Although the USSR still existed, the RSFSR State Council felt it necessary to confirm Vadim Bakatin as the head of the (MSB) and Yevgeniy Primakov as the Director of the Central Intelligence Service (TsRS). The MSB had to work with the increasingly confused and sometimes resentful republics and the RSFSR KGB had no structure which would allow it control, monitor or liaise with the republics. With the balance of power relentlessly shifting from Gorbachev to Yel'tsin, the MSB would, sooner or later, end up as a part of the RSFSR KGB. The MSB was allowed to conduct intelligence activities which would put it on a collision course with both the RSFSR KGB which was trying to build its own intelligence gathering capabilities and the TsRS.

On 26 November 1991 Russia's President Yel'tsin signed a decree transforming the RSFSR KGB into the Federal Security Agency (AFB) of the RSFSR. The agency had 20,000 staff working in the central apparatus and 22,000 in the regions. Its leadership remained almost unchanged and the organisation retained the "old" Moscow and Leningrad/St Petersburg directorates. The agency's General Director, Viktor Ivanenko, announced that intelligence abroad would be conducted by the TsRS and the AFB would conduct intelligence work on Russian territory and therefore the new agency would not be setting up agents in foreign countries. The AFB's estimated budget for 1992 was to be 1.5bn roubles. Ivanenko admitted that the problem of division of responsibilities and links with the Bakatin-led Interrepublican Security Service had not been settled¹⁴. The MSB was still the largest security organisation in the still existing USSR and the plans for co-operation with republics were elaborate. Major-General Aleksander Nikolayevich Karbaynov, the spokesman for Vadim Bakatin, said that 6,500 officers were expected to go to the independent republics¹⁵.

On 28 November 1991, Gorbachev issued a decree "On Confirmation of the Temporary Status of the Inter-republican Security Service". The collegium of the MSB included the heads of the republican security organisations which signed bilateral co-operation agreements with the MSB¹⁶. On 3 December Gorbachev signed the law "On Reorganisation of the State Security Organs"¹⁷, which was in fact confirmation of the USSR State Council decision taken in October and already implemented. Gorbachev's signature was of little relevance. The day before, on his own request, Bakatin was received by Yel'tsin and asked whether the Russian president could find R150m to fund the MSB¹⁸.

On 8 December leaders of Russia, Belorussia and Ukraine signed the Belovezha agreement spelling the end of the USSR. On the day of his departure on an official visit to Italy, 19 December 1991, Yel'tsin signed a decree on the merger of the MSB, AFB and the Ministry of Internal Affairs of the USSR, creating the Ministry of Security and Internal Affairs of the RSFSR, headed by Viktor Pavlovich Barannikov, the Minister of Internal Affairs. After Yel'tsin's departure Bakatin was presented by Yel'tsin's office with another decision about further changes in the still existing Soviet and Russian special services. "Plan B" put the All-Union MSB under the Russian AFB control whereas the original decree abolished both organisations, putting them under one roof, that of the new all-powerful ministry. The decision was a crude forgery and, after consulting the head of the AFB Ivanenko, Bakatin decided to ignore it. After his return Yel'tsin accepted that an attempt had been made to falsify his decree¹⁹. He did not order an investigation to establish who was responsible for what amounted to high treason, nor did he fire anyone in his entourage. "Plan B", rejected by Bakatin and Ivanenko, must thereafter have been accepted by Yel'tsin, either to distract attention from the original decree of 19 October, which was also illegal, because Yel'tsin had no jurisdiction over the All-Union organisations, or an attempt to "stretch" the same decree by retaining the AFB, in the expectation that the creation of the new ministry would be challenged either in the Duma or the Constitutional Court. And indeed, immediately after the disappearance of the USSR, on 26 December 1991 the Russian Federation Supreme Soviet adopted a resolution asking the Constitutional Court to declare the creation of the new ministry invalid. On 15 January 1992, the Constitutional Court of the Russian Federation declared the decree of 19 October invalid. Yel'tsin responded by setting up on 24 January separate Ministries of Security and Internal Affairs²⁰. The Security Ministry was responsible for: counterintelligence, military counterintelligence, economic security, combating smuggling and corruption, combating terrorism, internal security of the ministry, border troops and relevant scientific and technical problems. The ministry employed 140,000 people²¹. It inherited from its predecessors surveillance and monitoring capabilities. The deputy head of the operational-technical department of the Security Ministry said in April 1993 that no more than 1,000 telephones could simultaneously be bugged in Moscow and 2,500 in the whole of Russia²².

Yel'tsin was given national endorsement for his reforms in the referendum in April 1993. This was the moment when he could have announced new elections to the parliament, hoping to get a supportive new Duma. He decided to wait, afraid probably that the regional bosses and corrupt politicians campaigning on regional issues would defeat him. The parliament saw his decision as a sign of weakness and began a political war of attrition. In March 1993 Duma deputies demanded an oath of allegiance from the power structures. Barannikov began to make ambiguous statements as to his own duties and obligations, claiming that it was not his responsibility to combat political extremism. For Yel'tsin the members of the Duma were political extremists. Neither Yel'tsin nor his prime minister were

provided with information about corruption in the federal ministries which somehow found its way to the communist and nationalist press and to selected members of parliament hostile to Yel'tsin.

On 27 July 1993 Yel'tsin called Barannikov to the Kremlin where, after asking him about his financial contacts with a Swiss company owed by an ex-Soviet national, he fired the security minister. Yel'tsin then called the leadership of the Security Ministry to announce that Barannikov was dismissed for violation of ethical standards²³. He appointed Colonel-General Nikolay Mikhaylovich Golushko acting Security Minister. The reason given by Yel'tsin as to why he fired Barannikov was his wife's business contacts which the minister used illegally. Barannikov's tolerance of his wife's dubious commercial activities, if not his direct participation in them, contradicted his own statements about combating corruption. A year before Barannikov had fired Major-General Fedor Myasnikov, the head of counterintelligence and one of his deputies, Major-General Viktor Klishin, for abusing their positions and corruption. What triggered Barannikov's dismissal was an attack by Afghan extremists on a Border Guard outpost, manned by Russian soldiers on the Afghan-Tajik border. The real reason for Barannikov's dismissal was his growing support for the increasingly confrontational Duma. He responded with an open letter to Yel'tsin, in which he blamed for his dismissal the "ultra-radicals" who demanded from the ministry decisive action to deal with security problems. Barannikov suggested that they had considerable influence on Yel'tsin. He also blamed Mafia type structures and ideological opponents of state security systems who organised international conferences critical of the security structures²⁴. Barannikov criticised "the entourage that deals neither with economics nor defence and that apparently does not do anything except indulge in political intrigues"²⁵.

The most trustworthy of Yel'tsin's supporters in the Security Ministry, Deputy Minister Sergey Stepashin, announced at the end of August 1993 that he would propose Nikolay Golushko for the post of security minister. The defence and security committee of the Russian parliament of which he was chairman had no opportunity to discuss any candidates²⁶. Looking back at recent events, Yel'tsin must have decided not to share control over the Security Ministry with anyone. Kryuchkov was one of the main organisers of the coup, Bakatin had misgivings about the methods he used to reform the special services in December 1991, Ivanenko, the head of the AFB, was critical of creating a super-ministry and Barannikov was unreliable and corrupt²⁷. Yel'tsin accepted Golushko as a time tested security expert who throughout his career had kept away from political infighting. The President was not concerned that between 1974 and 1987 Golushko worked in the controversial 5th Directorate of the KGB or that between 1987 and 1991 he was the Chairman of the Ukrainian KGB. Yel'tsin began to prepare for changes in the Security Ministry. He dismissed General Pronin, who was responsible for security in the ministry and promoted Sergey Stepashin to the position of First Deputy Minister.

The Second Coup

On 21 September 1993 Presidential Decree No 1400 dissolved the parliament. The next day vice-president Rutskoy, Yel'tsin's main opponent, announced his new government. He nominated Barannikov as his minister of security. The Public Relations Office of the Russian Security Ministry issued a statement that the ministry was aware of a developing crisis against which it was taking appropriate

measures²⁸. Both the ministry and its Moscow City and Moscow region directorates miscalculated the scope and intensity of the showdown between the parliament and Yel'tsin on 3/4 October 1993. Yevgeniy Savostyanov, the head of the Moscow directorate, admitted that this was his major mistake as he did not expect the defenders of the White House to use firearms. When some of the defenders of the White House attacked other strategic buildings in Moscow they were allowed to return to their HQ in the parliament. Savostyanov admitted also that the Security Ministry "did not play its role in averting the events" because of unspecified legal constraints and the lack of in-house power structures²⁹. During the shootouts on 3/4 October, Barannikov tried to rally his former subordinates. He made many phone calls and but succeeded only in rallying 18 security pensioners, not 7,000 as he originally claimed³⁰.

Golushko, promoted on 18 September from acting minister to minister, stood by Yel'tsin during the difficult October days. Yel'tsin survived, however, thanks to the courageous support of the Ministry of Internal Affairs (MVD). This support earned Minister of Interior Yerin the Star of the Hero of Russia, a place on the Security Council of the Russian Federation and made the MVD Yel'tsin's favourite power structure until the end of his political career. The Security Minister Golushko got a much smaller award, "the Order For Personal Courage". Regardless of whether Yel'tsin was informed about the impending coup or not, the security organs were blamed.

On 21 December 1993 Boris Yel'tsin signed Decree No 2233, abolishing the Russian Federation Ministry of Security and creating the Federal Counterintelligence Service (FSK). The decree was followed by radical reforms amounting to purges. Paragraph 6 of the edict stated that the ministry employees were to be regarded as provisionally employed pending their certification. The Certification Commission was set up. It included: the FSK director Golushko, his first deputy Stepashin, Yel'tsin's national security adviser Baturin and unnamed officials from the presidential and Security Council apparatus. Only the top 200-250 FSK officials were supposed to go through the vetting process. The certification procedure was to be completed by the end of February 1994³¹. A number of counterintelligence employees, including two generals, resigned immediately.

The legal justification for the splitting of the Security Ministry said more about Yel'tsin's personal insecurities than his wish to improve the system. Yel'tsin's statement that he wanted do away with a "tool of political surveillance"³² begs the question of why political surveillance had been kept until then. If political surveillance was conducted before the December reforms why was Minister Golushko given the position of the director of the newly created FSK? Sergey Stepashin was one of Yel'tsin's closest collaborators and the number two in the ministry. Why did he not tell the president about the unacceptable practices of the ministry? If he did not tell the president, why was he not fired, and if he did why did Yel'tsin not react?

The changes allowed Yel'tsin to move the Investigation Directorate to the General Prosecutor's Office. Later on the FSK also lost its own "security" prison Lefortovo to the MVD because Golushko refused to keep amnestied instigators of the putsch in prison illegally³³. The supervision of the General Prosecutor's Office over the Investigative Directorate was not what it seemed. The Investigative Directorate was empowered to send their cases directly to the courts, circumventing the prosecutor's office³⁴. This, it may be argued, was to avoid not always effective, honest or secrecy conscious prosecutors but it also created a system open to large

scale abuse. Several subsections were transferred to the Federal Government Communication and Information Agency. The departments responsible for combating organised crime and racketeering were transferred to the MVD. In fact the MVD acquired most of the tools for political surveillance. An unspecified number of people were transferred from the FSK to the Federal Tax Police. The FSK retained the directorates responsible for investigating corruption among high ranking officials, economic security, military counterintelligence and counterintelligence support for the now operating separately border troops.

In comparison with its predecessor the FSK, manpower was cut by 46% to 77,640 people, excluding scientific-technical and medical specialists and guards, maintenance and servicing personnel. The number of administration personnel was halved. The number of employees in the central apparatus was cut to 1,520³⁵. Yel'tsin succeeded not only in trimming the power organ he feared most but in changing its status from ministry to committee, taking it out of the parliament's reach.

Decree 2233 was followed on 5 January 1994 by Statute No 19 on "The Federal Counterintelligence Service". The statute made the FSK responsible for conducting counterintelligence work in: the Armed Forces, Ministry of Interior troops, Border Guard Troops, Other Troops and Formations Internal Affairs organs, Federal Tax Police and Customs Organs. The statute allowed the FSK to conduct intelligence work and to determine its basic directions, but only in co-ordination with the SVR. The FSK could also develop contacts with foreign special services.

The FSK was to conduct signals intelligence (sigint) work and to develop appropriate equipment in conjunction with the Ministry of Communication and FAPSI. The Statute tasked the FSK with warning the president (and no one else) about any threats to Russia.³⁶

In February 1994 the Duma amnestied the organisers of the October coup. The decision was unpleasant to Yel'tsin but it was legal. Yel'tsin asked Golushko to keep the prisoners longer. Golushko refused and resigned. Yel'tsin changed the wording in his resignation letter so it would look like Golushko was fired and transferred the Lefortovo prison to the MVD³⁷. Golushko was replaced by his first deputy, Sergey Stepashin, on 3 March 1994. Stepashin started his career as a political officer in the MVD fire brigades. He had been one of Yel'tsin's staunchest supporters since August 1991 and was certain to follow Yel'tsin's orders unquestioningly. His arrival at the Lubyanka provoked rumours that the FSK would be divided even further, with counterintelligence going to the Ministry of Justice, the directorate responsible for security of strategically important facilities and military counterintelligence to the Ministry of Defence and the antiterrorist component to the Ministry of Internal Affairs³⁸.

On the Up

If there was a real need to rebuild the security organs Stepashin was the best person to do it, because Yel'tsin trusted him. In an interview at the end of November 1994 Stepashin admitted that the decisions taken in December 1993 concerning an attempt to make the FSK a purely information gathering service were premature³⁹. If the FSK was to deal with growing crime, ethnic conflicts, drugs and terrorism, not to mention its counterintelligence duties, it had to be strengthened. Whatever the FSK shortcomings, all other power structures were even less

competent to tackle increasingly violent crime with foreign links. In June 1994 Sergey Stepashin announced a new, crime fighting division within the FSK. He suggested that the division should employ 700-800 investigators⁴⁰. In the autumn of 1994 Boris Yel'tsin signed a decree bringing back the investigation directorate from the General Prosecutor's Office to the FSK. The directorate had about 1,000 people⁴¹. Stepashin succeeded also in reclaiming the antiterrorist unit from the MVD.

Stepashin must have convinced Yel'tsin that the FSB employees should be given some form of employment guarantees if the organisation were to recover after the post-October 1993 purges. Aleksander Strelkov, deputy director of the FSK, signed a collective agreement with the Russian FSK trade union organisations "protecting the economic and social interests of the civilian personnel". The agreement included a provision that "all matters related to changing the FSK structure, its reorganisation, and downsizing, will also be considered by the service's management with direct participation of the trade union and subdivision management, and with mandatory participation of trade union committee representatives." The FSK trade unions were also to be allowed to monitor the social conditions of the organisation's personnel⁴².

The Chechen War

The gradual weakening of the FSK had a devastating effect on its performance in Chechnya. The Chechens began to prepare openly for independence soon after the coup of 1991. At the beginning of November 91 the parliament of the Chechen Republic adopted a decision to abolish the regional KGB, although the Chechen-Ingush staff members published a statement in which they stressed that they remained staff members of the Chechen-Ingush KGB⁴³. The Chechens claimed that a KGB special unit had attacked the telephone exchange in Grozny, which gave President Dzhokhar Dudayev an excuse to insist that that the KGB and MVD troops leave the republic⁴⁴.

A KGB major, Viktor Tolstenev, was arrested by the Chechen-Ingush special militia detachment on 12 November 1991. Tolstenev was arrested for carrying a firearm, for which as a senior operative of Shelkovskiy region of Chechnya he had a permit. The Chechens announced that Tolstenev would be judged by "the people". His body was brought to a morgue in Grozny the same day⁴⁵. The next day, 13 November, speaking on the local TV, Dudayev announced that the officers of the former KGB must register at the republic's Defence Council by 2100 the following day and those who fail to do so would be prosecuted. The excuse was an attempt by persons unknown to kidnap the Rector of the Chechen-Ingush University. One of his colleagues who tried to protect him was killed. Dudayev did not accuse the KGB of the kidnapping but stated that the people who kidnapped the rector operated jointly with the KGB⁴⁶. He did not suggest that the Chechen law enforcement bodies were in possession of any evidence. Almost immediately Dudayev supporters seized the KGB HQ in Grozny, forcing the local staffers to go underground. A high ranking Russian security official admitted that "We have no communication with the KGB officers in Grozny"⁴⁷.

The Chechens conducted a relentless campaign against any real or perceived infiltration of Moscow spies on their territory. On 31 March 1992 they arrested a group of 20 people and charged them with conspiracy. The group included KGB lieutenant Menshikov. The Chechen authorities accused the Russian special

services of masterminding the Kislovodsk-Baku train explosion on 28 February 1993. Russia rejected the accusation. In April 1994 the Chechen security service detained a former KGB lieutenant colonel and accused him of unspecified hostile acts⁴⁸. The officer was probably Lieutenant-Colonel Stanislav Krylov, who “confessed” helping to organise Russian operations against Chechnya⁴⁹. On 31 August 1994 the FSK described news reports that the Chechen security forces detained two FSK officers, General Fedoryak and Colonel Khromchenko, as groundless and as Dzhokhar Dudayev’s propaganda, but insisted in another statement issued the same day that an unnamed senior officer detained by the Chechens should be immediately and unconditionally released⁵⁰.

At the beginning of September 1994 the Chechens announced the arrest of Sergey Terekhov, who “confessed” organising opposition against Dudayev’s forces⁵¹. Closely linked Chechen families and clans were a very difficult adversary to infiltrate. Not hampered by any democratic legal niceties, the Chechens succeeded in reducing the FSK activities to practically zero. Sergey Stepashin admitted that the old KGB administration in Chechnya was “completely annihilated”⁵². In this they were inadvertently assisted by Yel'tsin, who constantly remodelled the special services and reduced them rather than reforming them. Most of the elected Russian politicians were either misinformed by their own sources within the power structures or arrogantly believed that in large scale shootouts the Chechens had no chance. Just before the end of 1994 the FSK set up a special operations directorate run by General Gerasimov. The directorate originally had 17 people; additional people were recruited in haste. They trained near Groznyy. The GRU provided them with the necessary hardware and the 8th Army Corps gave them ammunition and sleeping bags⁵³. Later, at the beginning of the new year 1994/95 the FSK set up its Chechen Directorate⁵⁴. It became one of the biggest territorial bodies⁵⁵.

At the end of February 1995 the deputy chairman of the FSK General Valentin Sobolev and the head of its military counterintelligence department Aleksey Molyakov announced at a press conference that they were sure that Dudayev was in Chechnya and that he would be arrested and stand trial⁵⁶. The FSK/FSB has never clarified why these two experienced professionals made a statement inappropriate even for their PR office. Their upbeat statement was not reflected by the realities of the conflict.

Colonel-General Podkolzin, commander of the Airborne Troops, accused counterintelligence structures of parasitism and of not giving Army units up-to date information prior to the intervention in Chechnya. Colonel Vladimir Bezuglyy, Northern Group chief of Counterintelligence, responded that the FSK was expected to do a the job which should have been done by Army intelligence, including the intelligence units subordinate to Podkolzin. He added that prior to 31 December 1994 the FSK had a complete diagram of where the main Chechen forces were concentrated, including the whereabouts of every Chechen tank or APC. Bezuglyy added that the Chechen Department of Security had few real professionals after the disbandment of the Checheno-Ingushetian KGB. This was yet another boastful statement made by a high ranking FSK official. If the Chechens had few “real professionals” they had done a rather good job in defeating a much more powerful enemy. Asked about the FSK’s, and its predecessors’, lack of action before the Chechen conflict Mikhail Kirillin, a FSK counterintelligence officer, said in a TV interview in April 1995 that “there was no unified concept for the actions of the federal organs of authority in Chechnya.”⁵⁷ The anti-government daily *Pravda* claimed on 3 March 1995 that regional security directorates were destroyed “especially in Chechnya”.

An unnamed colonel who fought in Afghanistan remarked in 1996 that in the Chechen conflict “the Army, Internal Troops, police, state security officers and FAPSI personnel are here [in Chechnya]. Each has its own command. Both here and in Moscow. Each looks after itself. The only thing that unites a combined force grouping is the desire to save its own people⁵⁸.” The Russians were particularly unhappy with the help they claimed the Chechens received from the Turkish Intelligence Service and accused it of sending its agents to Chechnya⁵⁹.

Chechnya was a FSB nightmare. Occasionally the FSB was able to monitor the movements of the Chechens visiting Russia and although legally Chechnya was a part of Russia it was out of bounds to FSB personnel. The FSB Public Relations Office announced proudly at the end of 1996 that their officers were involved in the release of 111 Russian citizens held against their will in Chechnya⁶⁰. However, the Chechens were refining their kidnapping methods. Vyacheslav Kuksa, an officer of the FSB branch in Ingushetia, son of a deputy prime minister of Ingushetia⁶¹, was kidnapped on 18 March 1997. On 11 September 1997 Colonel Yuriy Gribov, head of Ingushetia’s FSB, was kidnapped and taken to Chechnya with one of his subordinates, Sergey Lebedinskiy. Feeling responsible for what happened, one of Gribov’s deputies committed suicide⁶². The next day the head of the FSB, Kovalev, sent a letter to Chechen President Maskhadov asking for help in finding the kidnappers and releasing both men. A month later the FSB received a cassette on which both men pleaded for help. The kidnappers demanded \$3m. Gribov and Lebedinskiy were only two of several FSB members kidnapped during 1997 from the regions bordering Chechnya. Director of the FSB Nikolay Kovalev visited the neighbouring Ingushetiya to discuss with President Aushev and the local FSB ways to rescue his kidnapped subordinates and strengthen the local FSB branch⁶³. Both Gribov and Lebedinskiy were released in April 1998⁶⁴.

Almost a month later, on 1 May 1998 Valentin Vlasov, plenipotentiary representative of the Russian president to Chechnya, was kidnapped. Deputy Prime Minister Rybkin sent a letter to Nikolay Kovalev requesting an investigation into the refusal of FSB officers to accompany Vlasov on the trip. The answer came from the head of the Federal Protection Service, General Krapivin, who was responsible for providing close protection personnel for state officials, that Vlasov had failed to notify the FSB leadership when he flew to Chechnya on the fateful trip.⁶⁵ Vlasov was released after spending almost a year in captivity. In March 1999 General Shpigun, the MVD representative in Chechnya, was kidnapped at the airport. For his kidnappers he had special value. During the first Chechen conflict Shpigun commanded a filtration (interrogation) centre.

On 28 July 1999 Shamil Basayev, the best known Chechen field commander, showed a group of journalists 18 men who, he alleged, spied for Russia. Four of them, according to Basayev, were FSB colonels. The FSB issued an official denial, calling Basayev's accusation a “deliberate provocation”⁶⁶ but a month later Nikolay Patrushev, director of the FSB, said that getting information from the North Caucasus was the FSB's main task⁶⁷. The Russian victory in the latest Chechen conflict will keep the FSB in Chechnya very busy, but it may reduce the Chechen kidnapping industry for the time being. The FSB Public Relations Office announced at the beginning of February 2000 that there were over 500 hostages in Chechnya, including children and foreigners and that 60 groups are involved in kidnappings⁶⁸.

From FSK to FSB

The first Chechen conflict and Sergey Stepashin's persuasions must have convinced Yel'tsin that the FSK should be reformed and strengthened. The president signed the Federal Law of 3 April 1995 "On the Organs of the Federal Security Service in the Russian Federation". The law changed the FSK into the Federal Security Service (FSB) and made the new service a much powerful organisation. The law:

- described the FSB role in the regions,
- clarified the FSB role in the Armed Forces and other military bodies,
- gave the FSB director ministerial status and the rank of army general,
- allowed it, in co-operation with the SVR, to conduct intelligence work and to protect Russian citizens and enterprises abroad,
- obliged the FSB to inform the president and the prime minister about national threats,
- gave the FSB powers of detention, and the right to enter any premises or property "if there is sufficient evidence to suppose that a crime is being perpetrated there". The FSB was not required to obtain a warrant but had to inform the prosecutor within 24 hours⁶⁹.
- allowed the FSB to set up companies when necessary,
- permitted the FSB to set up special units, carrying firearms, and to train security personnel in private companies,
- described some aspects of remuneration for the FSB personnel,
- established the control structures over the FSB⁷⁰.

The FSB director had 7 deputies. The number of personnel remained officially unchanged.

The law was given to the parliament's upper chamber (the Federation Council) Security and Defence Committee before it was enacted by Yel'tsin. The committee had no observations to make. So under Standing Orders (Article 98) it was not submitted for consideration to the Federation Council, which accepted it automatically⁷¹. The committees in both chambers were happy that the new security body which was about to emerge would be given more powers and widen its scope of activities. The price Yel'tsin had to pay for the smooth passage of the law through the parliament was to agree that there would be no shake-up of the personnel of the FSB. The draft law even included a special article to that effect⁷².

The edict which completed the FSB reforms, for the time being, was Edict 633, signed by Yel'tsin on 23 June 1995. The edict made the tasks of the FSB more specific than any previous laws, giving the FSB substantial rights to conduct cryptographic work, and described the powers of the FSB director⁷³. The number of deputy directors was increased to 8; 2 first deputies, 5 deputies responsible for departments and directorates and 1 deputy director heading the Moscow City and Moscow regional directorate.⁷⁴

Sergey Stepashin resigned on 30 June 1995 after a group of Chechens took hostages in a hospital in Budennovsk in the North Caucasus.⁷⁵ For three weeks Yel'tsin could not decide who should replace Stepashin. Advised probably by the head of the Presidential Security Service Lieutenant-General Korzhakov, Yel'tsin opted for a safe pair of hands, appointing on 24 June the head of the State Protection Office Colonel-General Mikhail Ivanovich Barsukov as the new director of the FSB. Barsukov was Korzhakov's close friend and like Korzhakov spent most of his professional life guarding important officials and important buildings. In the

post-Budennovsk purges, Barsukov fired Colonel General Anatoliy Semenov, chief of the Antiterrorist Directorate; Major-General Romanov, the FSB chief in Stavropol Kray, and Lieutenant-General Igor Alekseyevich Mezhaikov, Stepashin's deputy in the FSB and senior FSB representative in Chechnya. Another immediate result of the events in Budennovsk was the creation of the Antiterrorist Centre⁷⁶. Viktor Zorin was appointed as its head. The Centre boasted that in 1996 alone it prevented 400 terrorist acts.⁷⁷

In January 1996 a group of Chechens, commanded by a little known commander Salman Raduyev, took over a hospital in Kizlyar and after taking hostages moved to the village Pervomayskoye. In his position as FSB director Barsukov was appointed by Yel'tsin to head the operational staff responsible for dealing with the kidnappers. The operation was not a success. Numerous units were badly co-ordinated, had inadequate maps and communication equipment. The soldiers taking part in the siege of Pervomayskoye were not even properly fed⁷⁸. A large group of kidnappers, including Raduyev, escaped and General Barsukov held a press conference at which he announced his astonishment at the speed with which the Chechen kidnappers ran away from the federal forces, and added an unprecedented racist remark about the Chechen nation⁷⁹. In spite of his evident incompetence, Barsukov survived six more months.

The Federal Security Service & Presidential Security Service

The FSB had to compete for resources with the organisations protecting the President. In the post August 1991 purges the KGB Protection Directorate responsible for guarding state and party officials was taken over, first by President Gorbachev and later by President Yel'tsin. In 1992 Yel'tsin set up an independent Main Protection Directorate (GUO). The directorate was in charge of protecting Yel'tsin and other state officials. In case of emergency the GUO was to command the 27 Motor Rifle Special Purpose Brigade, the Kremlin Regiment, the 119th Air Assault Regiment and Alfa and Vypel special forces teams. After the clash with the parliament in 1993 Yel'tsin authorised the creation of an organisation which would protect only him. On 11 November 1993 he signed a decree setting up the Presidential Security Service as military unit No11488. In July 1995 Yel'tsin formally incorporated GUO into the Presidential Administration. As an independent legal entity, GUO was answerable only to the President⁸⁰.

The SBP was created in 1993. It was planned to have 1,400 officers and 100 civilians, but in reality its staff reached only about 1,000. Its Protection Centre employed more than 100 people. The salaries of the SBP personnel were far above the average. A colonel in the SBP would earn the equivalent of \$1,000 a month and additional perks. It was also the only special service in Russia not obliged to present its account books to the Central Bank. It was allowed to collect and process information about domestic and foreign threats. In 1994 the SBP, on Yel'tsin's insistence, established a department "P" responsible for combating corruption among the staff of the Russian government. The service was empowered to deal directly with Russia's judicial bodies. At the beginning of 1996 the SBP and the Main Military Procuracy conducted an operation at Moscow "Sheremetevo-2" airport confiscating a large shipment of jewels coming from London and worth \$3m. The whole operation took a year to plan. In the mid 1990s the SBP set up a female bodyguard section to guard wives of visiting foreign heads of state and the female members of Yel'tsin's family. The Chief of the SPB had the powers of a federal minister. In June 1996 the GUO was transformed into the Federal Security Service

(FSO) and on 2 August 1996 the SBP was subordinated to the FSO. The Protection Centre merged with the FSO Operational-Technical Department. In the mid 1990s the GUO, and then the FSO, had officially 20,000 to 22,000 people in its ranks. In reality 44,000 people were working for the GUO in 1996.

When on 19 June 1996 officers of the Presidential Security Service (SBP) detained two of Yel'tsin's presidential campaign workers carrying \$500,000 in cash, the head of the SBP, Korzhakov, asked Barsukov for a operational team from the FSB to investigate the affair. Yel'tsin fired them both the next day. Barsukov's most positive contribution to the development of the FSB was a transfer from FAPSI of unspecified communication operations⁸¹. With the departure of Korzhakov and Barsukov the political importance of the security empire build around the president was reduced to what it was originally set up to do, namely guard and protect him. Their numbers were reduced to 40,000 in 1998 and to 30,000 in 1999⁸². The SBP personnel was reduced from 4,000 in 1995 to 900 in 1999. For comparison, the USSR KGB 9th Directorate responsible for protecting Soviet officials employed 8,700 people⁸³.

Special Forces Units from the KGB to the FSB

The Alfa team was established in 1974 as a KGB rapid reaction anti-terrorist team. The Vympel group was set up in 1981 as a spin-off from Alfa. Vympel was a special purpose group of saboteurs trained to operate abroad. From the beginning of their existence both teams were misused by their political masters. In 1979 Alfa had been sent to Afghanistan before the main invasion to guard a handful of pro-Soviet activists who were to replace the existing Afghan government after the Soviet invasion. At the end of December 1979 Alfa was ordered to take President Amin's fortified palace, which they did. They were also used to quell prison riots and in ethnic conflicts around the USSR. In August 1991 Alfa refused to attack the Russian parliament. After the August 1991 coup Bakatin called the commanders of both elite teams, Alfa and Vympel, of the KGB to tell them that they were subordinate only to Gorbachev. After the USSR ceased to exist Yel'tsin took over both teams. In 1992 they were transferred to the newly created Main Protection Directorate (GUO). In October 1993 80 Alfa officers and about 100 Vympel officers were on standby under the command Lieutenant-General Mikhail Barsukov, but when ordered by Yel'tsin to attack the parliament they refused. As a punishment they were resubordinated to the MVD at the end of 1993. Out of 500 members of the Vympel team, 320 moved to other establishments and 120 decided to quit. Both teams were returned to the FSB in August 1995 to join the new antiterrorist centre. The events in Pervomayskoye showed once again that Moscow was still unable to use its elite units intelligently. In Budennovsk and Pervomayskoye Alfa was badly commanded and badly supported. In December 1995 the team liberated a group of Korean tourists taken prisoners by a gunman.

Terrorism & Organised Crime

In January 1997 the Russian Government set up the Interdepartmental Antiterrorist Commission. Its mission was to co-ordinate the organs of executive power: the FSB, the MVD, the MOD, FAPSI, the Federal Border Service, the General Prosecutor's office and the Premier. At the time of the inception of the commission Prime Minister Viktor Chernomyrdin chaired the commission's meetings. In the

Prime Minister's absence the commission is chaired by the head of the FSB⁸⁴. Russia recognises three types of terrorism: social, which aims at political and economic changes; nationalist and ethno-separatist and religious.⁸⁵

The kidnapping of a Swedish diplomat on 19 December 1997 showed that the commission had failed. The kidnapping ended with the death of Colonel Savel'yev, one of Russia's most experienced anti-terrorists experts. The kidnapper took the diplomat hostage on the eve of special services day and ordered him to drive towards the Kremlin. The FSB personnel, who had dealt successfully with much more dangerous and complicated cases, treated the kidnapping as a nuisance which happen to spill over into the traditional security services "birthday". They were not prepared for a lengthy talk with the kidnapper and were probably prodded by politicians annoyed to have a horror show in the middle of Moscow just before Christmas in the full view of the world's media. The operation from the very beginning was not properly co-ordinated. The investigation which followed the death of both the kidnapper and Colonel Savel'yev showed that irrespective of his bravery Savel'yev was not medically fit to take part in the operation. There were many unanswered questions as to the identity of the kidnapper and his death.

Until August 1999 the fight against terrorism was organised and supervised on three levels:

- the government, responsible for the supervision of the antiterrorist struggle,
- bodies directly involved in combating terrorism, namely FSB, MVD, SVR, FSO, MOD, and the FPS
- bodies carrying out preventive measures such as, the Ministry of Nuclear Energy, the Ministry of Transport and the Ministry of Emergency Situations.

All the antiterrorist forces were co-ordinated by the Interdepartmental Antiterrorist Commission. The Commission was responsible for setting up the operational staff in each individual case and no one was permitted to overrule its decision during the operation. The FSB had at its disposal Directorate A (the former Alfa unit), responsible for taking measures against terrorists on means of transport and buildings. Directorate B (the former Vympel unit) was to react in strategic installations, which is what they were originally trained to do for their missions abroad. Both Directorates were expected to act together in large scale operations. Special operations departments were set up by the FSB in 11 cities⁸⁶.

The badly led FSB was to some degree a victim of its own success in the Soviet period when as the KGB it had no problems with funding or recruitment and when it was forced to cooperate with other Soviet organisations it was either put in charge of joint operations or supervised than from the sidelines. The FSB's Soviet predecessor never had to deal with a conflict on the Chechen scale and was not trained for such eventualities. It was not prepared for combating organised crime because there was no organised crime in the USSR. By the time all forms of crime known to other countries around the world appeared in Russia, torn by conflicting social, political and economic interests, Yel'tsin was not interested in creating a unified and effective security system because such a system could threaten him. Security bosses selected by him were not supposed to be very competent because that would be a threat as well. The principal actors in the Chechen drama on the Russian side were the Ministry of Defence and the Ministry of Internal Affairs. The FSB was an important player in Chechnya but it had to combat organised crime, terrorism, drug smuggling and corruption on the territory of the whole Federation

as well. Russia had no other organisation with experience, facilities or personnel to deal with the crime wave⁸⁷.

Russia's economic problems were getting worse and the crime wave was getting bigger. It frightened potential investors and creditors. Yel'tsin wanted to have a security technocrat at the helm of the FSB. On 20 June 1996, the day he fired Barsukov, Yel'tsin promoted a little known deputy director of the FSB, Nikolay Dmitrevich Kovalev, to Acting Director and later to Director of the FSB. Kovalev began his career in the Moscow Directorate of the KGB and was later transferred to the 5th Directorate where he concentrated on foreign radio stations broadcasting in Russian. He later served in Afghanistan and after coming back worked for a while in the Moscow Directorate, from where in October 1994 he was promoted Deputy Director of the FSK. Kovalev did not seek promotion, was not involved politically, did not lobby for the job and was not one of the front runners for it. In 1994 he was in charge of a successful operation against the Italian Mafia's attempt to smuggle large sums of counterfeit dollars to Russia. Yel'tsin was worried about economic crime so Kovalev was offered a position he never asked for⁸⁸.

He was promoted over Viktor Zorin, First Deputy Director, who was not given the job because he was regarded as Chernomyrdin's man, and was too close to some of the Communist Party members. He also had unspecified financial links with two banks and an oil company, and was accused of being indiscreet when dealing with the Germans. Yet professionally, as the supervisor of anti-terrorist operations he had consistently and aggressively fought for good equipment for his operators. Another candidate, Deputy Director Anatoliy Safonov, had ties with a number of Siberian companies and a town house worth \$200,000. Anatoliy Trofimov, another Deputy Director of the FSB, was regarded as politically active, which had a detrimental effect on his managerial and operational achievements. Trofimov, in his position as the head of the FSB Moscow Directorate, had attempted to investigate the case of the money box for which Korzhakov and Barsukov were fired. He was fired in his turn on 20 February 1997 for unspecified serious infringements⁸⁹. The accusation could have been triggered by the arrest of three of his subordinates for dealing in drugs. The arrest was made by the MVD, which then leaked the information to the press. Trofimov was fired two days after the media reported the arrest⁹⁰. Another candidate for Barsukov's position was Valeriy Timofeyev, the Chief of the FSB Academy. He had no enemies but no supporters in Yel'tsin's close circle of confidants. In addition, he had earlier opted out from his position of a Deputy Director of the FSB to go to the Academy⁹¹.

Backstabbing & More Changes

The situation of apolitical Kovalev became more complicated when in August 1996 Boris Yel'tsin nominated a retired paratrooper, General Aleksandr Lebed, Secretary of the Security Council. Inexperienced, honest and brutal, Lebed helped Yel'tsin to win the July election and was rewarded with this powerful and sensitive position. Lebed's track record and his memoirs⁹², written almost like a political manifesto, petrified democrats and criminals alike. The first group thought that their newly won freedoms would be trampled on and the latter that they would not be able to go on milking the Russian economy and might be investigated and imprisoned for what they had already done. Yel'tsin's close circle included people representing both groups. Lebed's nomination coincided with Yel'tsin's edicts creating within the FSB the Long Term Programs Directorate (UPP). The unit was to be headed by Colonel Khokholkov. The directorate was to make forecasts concerning Russia's

security problems and to develop the most modern methods, using up to date technology to combat crime. When the report about the new body was leaked, the FSB stated that the unit was not yet fully operational.⁹³ Those leaking the information accused General Lebed of running his own mini-KGB. The FSB Public Relations Office felt obliged to reject the accusation, but had to admit the existence of the UPP. Yel'tsin did not order an investigation to locate the leak.

Shortly after his appointment Aleksandr Lebed mentioned a list of 30 FSB generals to be dismissed. In October 1996 the Russian media were told by an unspecified source within Yel'tsin's close circle that the list, compiled by the banker Boris Berezovskiy and passed to the president, did not exist.⁹⁴ The apparently groundless suspicion must have been real enough to the FSB officials, because when on 23 October 1996 Prime Minister Chernomyrdin, accompanied by Anatoliy Chubays, the head of the Presidential Administration and Sergey Stepashin, spoke to the leadership of the FSB, the first question asked, after the Prime Minister's speech, was about the impending dismissal of 30 FSB generals. Chernomyrdin assured the FSB leadership that there would be no dismissals⁹⁵. Yel'tsin must have felt very insecure if he sent to the FSB Headquarters not only his Prime Minister but the two people he trusted most. The last prime minister to visit the Lubyanka was Aleksey Kosygin in the 1970s. A commentator with a KGB background told RTR TV that after talking to members of the special services he concluded that most special services officers had voted for Lebed in the last election⁹⁶.

The economic security of Russia was a fashionable subject at the beginning of 1997. Kovalev was sent to the Economic Forum in Davos to reassure the world that the Russian economy was in good hands and that potential investors and their money should feel safe in Russia. The FSB acquired the Economic Counterintelligence Directorate within the Counterintelligence Department. Among its many tasks, the directorate was to control the contacts between Russian defence enterprises and foreigners and to prevent strategically important Russian companies being taken over by foreigners. The directorate was also responsible for watching Russian banks, whose activities were seen as damaging to Russian interests, and high-ranking officials and state employees suspected of having bank accounts in the West. The FSB's Public Relations Centre announced in May that its activities benefited Russia by \$33 million; however they did not provide a breakdown of the total sum or a description of individual cases of economic security vigilance⁹⁷.

On 22 May 1997 Boris Yel'tsin signed Decree No 515 on the new structure of the FSB⁹⁸. The rumours about dismissals continued. Two of Kovalev's first deputies, Viktor Zorin and Anatoliy Safonov, were allegedly fired and other members of the central apparatus were also threatened with dismissal⁹⁹. In fact Safonov moved to chair the newly created Russian-Belorussian Union's Security Committee and Zorin became the head of the Main Directorate of Special Programmes (GUSP), the most secret of all security organisations, answerable only to the president¹⁰⁰. The official reason for yet another reform was "optimisation of the system of control inside the FSB"¹⁰¹.

On 24 May the FSB Public Relations Office was forced to make vague comments on the decree, which suggests that they were not told about its details. In the next statement a member of the office staff admitted that the FSB received a copy of the edict but then added that their superiors had forbidden them to discuss some points of the edict because it concerned presidential staff.¹⁰² On 28 May unnamed

FSB personnel questioned the professional competence of those who composed the edict.

The new edict abolished a position of one first deputy director. The FSB was therefore run by: the Director, a First Deputy Director, Five Deputy Directors – heads of FSB departments, one Deputy Director - Head of the Moscow City and region directorate, and 11 members of a collegium which had to be approved by the president.

The FSB structure was changed; 14 directorates were replaced by 5 departments and 6 directorates:

- Counterintelligence Department,
- Anti terrorist Department,
- Analysis, Forecasts and Strategic Planning Department,
- Personnel and Management Department,
- Operational Support Department,
- Directorate of Analysis and Suppression of the Activity of Criminal Organisations,
- Investigation Directorate,
- Operational-Search Directorate,
- Operational-Technical Measures Directorate,
- Internal Security Directorate,
- Administration Directorate,
- Prison “Lefortovo” and
- Scientific-Technical centre.¹⁰³

The reforms of May 1997 resulted in the abolition of all vacant posts in the FSB and forced some generals into retirement, who would otherwise have been kept on. The FSB was not to recruit civilian personnel and the number of places offered by the FSB Academy was cut back. Experienced investigators moved from the FSB to the MVD, to work for the courts or transferred to the operational structures of the FSB with fixed hours and possibilities for moonlighting. The salaries in the FSB at the beginning of 1998 had fallen so low that this became “practically the main problem” for the personnel. A colonel in the FSB with 15 years seniority earned R2,200 a month, a lieutenant received R1,500¹⁰⁴. The salaries of SVR employees were 50% higher; those of the FSO 150% higher. The FSB leadership planned to employ many of the redundant officers on a freelance basis but the financial crash of August 1998 dramatically worsened the organisation’s financial status. In September 1998 the FSB staff received half of their salaries and distribution of meal allowances had stopped at the beginning of the year.¹⁰⁵ In July 1997 Kovalev commanded 45,000 operatives¹⁰⁶. The total number of FSB employees at the end of 1997 was 80,000¹⁰⁷, 4,000 less than in August 1995¹⁰⁸. In mid 1994 Stepashin was quoted saying that he could not be expected to “look into the souls of his 100,000 staff”¹⁰⁹.

On 4 July 1997 Boris Yel'tsin signed a decree ordering cuts in the FSB central apparatus by 20%, to 4,000¹¹⁰. The decree was to be implemented by the end of the year but it was either annulled or the figures required were reached by natural attrition and transfers.

For budgetary reasons Yel'tsin planned to subordinate the FPS to the FSB. The rumours about the merger the which circulated at the end of 1997 and at the beginning of 1998 were not unfounded. When on 30 December 1993 the border

troops where detached from the Security Ministry their well connected and capable head Andrey Nikolayev defended its corner successfully. To protect Russia's porous frontiers Nikolayev succeeded in reinforcing border guards' fire power and improving counterintelligence and intelligence operations. The FPS was also given permission to conduct its own investigations. Yel'tsin first accepted the proposed merger because he was told that it would allow him to save 10% of funds allocated to the FPS. On 21 January 1998, he even signed an instruction ordering the government to prepare a draft edict on operational subordination of the FPS to the FSB. The order was later rescinded¹¹¹. This did not stop Yel'tsin from reducing the FSB manpower which at the beginning of 1998 was 75,000 people. The supporting staff was cut by 40%¹¹².

Shop-A-Spy Telephone Line

Soon after Kovalev took over, the FSB announced a "shop-a-spy" telephone line. Anyone could dial 224-35-00 and tell a member of a specially selected FSB group about a crime or betrayal or even confess his own transgressions¹¹³. The group immediately took several hundred phone calls and accepted 30 of them as serious after filtering out the hoaxers and the nutters. Four of the 30 serious phone calls were made by foreigners. Five phone calls were treated as extremely serious¹¹⁴. In January 1998 Aleksandr Zdanovich, the head of the FSB Public Relations Office said that the confidential telephone lines received more than 900 calls and that 46 of them were relevant to FSB work¹¹⁵. Nikolay Kovalev claimed in July 1998 that the confidential hotline had had 1,000 phone calls. The FSB found 87 of them of interest. The FSB's 64 territorial bodies were equipped with similar confidential telephone lines and received more than 300 "relevant" tips¹¹⁶. In September 1998 the FSB announced that in the course of the year the confidential lines had received 1,300 calls. Five per cent of them were made by people mentally disturbed and 5% of information received could be described as productive¹¹⁷. In St Petersburg the FSB confidential line was set up at the end of October 1997 and in two months received 400 phone calls, of which 95 were of direct interest for the FSB and 100 others for other law enforcement agencies¹¹⁸.

Co-operation with Private Companies

Since 1996 the FSB has been working on establishing the Consultative Council of the Russian FSB, a body which would allow it to liaise and cooperate with the private security companies of its choice and to develop better contacts with the Russian business community. The Council included FSB officers and representatives of private investigative and security companies and was expected to improve the security of the business community. The FSB was ordered by Yel'tsin to organise special squads to protect investors and their investment. The new squads were also to control commercial structures to uncover law breakers. A statement to that effect was issued by Nikolay Kovalev, accompanying Yel'tsin on official trip to Helsinki in March 1997.¹¹⁹ The plan was not entirely realistic but of all solutions available, setting up the Council was probably the best. It would also allow the FSB to look at private security and investigative companies, which are usually run by former special services officers. The FSB announced only that the council's activity was to be based on state interest and its overall mission would be to assist the authorities in defence of society and individuals¹²⁰.

The project had, in theory at least, enormous potential. In mid 1998 Russia had 2,500 banks and 72,000 commercial organisations with their own security services¹²¹. Some of these companies had their own security organisations which could compete in size with those of a medium country. The giant Gazprom employs 20,000 people in its security system, including 500 people working in the central staff¹²². In the general atmosphere of economic and political insecurity even the largest companies could not afford not to be represented on the Council. The Council had great potential to become a mix of security companies' semi-private club, a stock exchange of information and job centre. The unwilling could always be persuaded. Russia, after all, is a superpower when it comes to possession, by private companies and individuals, of unauthorised spy equipment, the value of which was estimated by the end of 1997 to be \$150-170 m¹²³. The FSB had ways and means to lean on private companies by revoking their permits, certificates and licences. Its own biggest problem was not that private companies would not want to cooperate but that the council would be used to get information from Lubyanka or that the more talented and successful FSB officers would be head-hunted by private enterprise.

Listening & Watching

Constant reforms of the special services and corresponding reshuffling of their leaders were reported, discussed and criticised because of the accompanying public squabbles and personalities involved. While it did not attract as much publicity, Yel'tsin paid equal attention to electronic means of reinforcing his position. According to unnamed Russian lawyers, in 1995 there were 7.5m "victims" of unsanctioned telephone tapping in Russia. About 50 people worked on every shift monitoring telephone conversations at the Kutuzovskaya telephone exchange. One of Yel'tsin's first decrees in 1996 was "On Controlling Developers and Users of Special Means Intended For Covert Information Gathering", empowering the FSB to co-ordinate all eavesdropping operations of the Russian Special Services¹²⁴. The Ministry of Communication order No 9 of 31 January 1996 "Organising Work To Support Operational-Investigative Work of Mobile Communications Networks" contained rules for radio wave mobile communication operators on installing technical means of support for operational investigative measures and was accompanied by specific technical requirements which had to be approved by the FSB¹²⁵.

That did not mean the FSB or FAPSI would automatically listen to all mobile radio communications, but the order would allow them to do so without the need for a major investment or further authorisation.

In June 1997 Yuriy Skuratov, then Russia's general prosecutor quoted a list of organisations permitted to conduct phone tapping by their operational investigative activity rules adopted in 1995. These were the MVD, FSB, GUO, SBP, FPS, SVR, Tax Police and Custom Service. The list does not include FAPSI¹²⁶. The tapping of a telephone line was expensive because 6 operators were needed for round-the-clock tapping of one line. The total cost of tapping of one telephone line was in the mid 1990s estimated at R100,000,000 for six months¹²⁷. At that time a student at the FSB Academy was paid R600,000 a month; an officer in the antiterrorist centre R1,500,000 and a FSB general a little more than R3m¹²⁸.

The FSB has been trying to force the Russian internet service providers to install interception equipment on their servers. It is called the System of Operational

Intelligence Measures (SORM in Russian). The FSB has been aiming to establish three control levels:

- full control, allowing for constant monitoring of the information flow,
- random, listing outgoing and incoming flows of information,
- passive, limited monitoring of a specific area¹²⁹.

Those Internet users who feel threatened by the FSB can be reassured that its monitoring and financial capacities would be stretched to breaking point very quickly. After all, the telephone tapping facilities in Moscow were by 1998 assessed at 5,000-8,000 phone calls a day for intercity or international lines¹³⁰. Nevertheless selected users could be monitored constantly. The special services had already requested to enforce compulsory installation of SORM in 1991. The appropriate law was drafted in 1998 and it seems that by 1999 all major telephone exchanges had the SORM system installed.¹³¹ The opponents of the SORM system acknowledge that the FSB is legally entitled to listen to telephone conversations, but they argue that legally, an organisation tapping a telephone line needs a warrant for a specific line and specific time. The SORM system allows blanket telephone surveillance without warrant or time limit and the user does not need a special permit to upgrade it.

Kovalev's Biggest Battle

On 27 March 1998 Boris Berezovskiy, one of the richest men in Russia, the owner of a media empire, close confidant of the Yel'tsin family and the presumed source of many security leaks, requested a meeting with the FSB director Nikolay Kovalev. Berezovskiy explained to Kovalev that a week earlier he had been contacted by Lieutenant-Colonel Aleksandr Litvinenko from the FSB Directorate of Analysis and Suppression of the Activity of Criminal Organisations (URPO), who told him that several members of URPO planned to assassinate him. Berezovskiy had already been a target of an assassination attempt and treated the threat very seriously. Litvinenko and three of his FSB colleagues who confirmed his story had already reported it to Yevgeniy Savostyanov, deputy head of the Presidential Administration responsible for special services. When Kovalev called the four officers and ordered them to write a report they refused, saying that the conversation about killing the tycoon was "frivolous". The FSB began its own investigation and Kovalev suspended all the suspects until the end of the investigation. In May the FSB investigators concluded that the accusations against the URPO leadership were groundless and Kovalev reinstated them in May 1998.

Berezovskiy did not give up even after Kovalev's dismissal on 25 July 1998. One of the richest and most influential Russian businessmen was preparing for another battle with the FSB and no one could stop him because of his contacts with the Yel'tsins. On 13 November Berezovskiy wrote an open letter to the new director of the FSB, Vladimir Putin, repeating the accusations. Four days later Lieutenant-Colonel Litvinenko and his colleagues repeated the accusation at a press conference and the next day, on a visit to Tbilisi in his capacity as CIS Executive Secretary, Berezovskiy announced that Russia's General Prosecutor's Office and the FSB were criminal organisations. Boris Yel'tsin did not react, Vladimir Putin did. On 19 November 1998 in a TV interview, Putin denied Berezovskiy's accusations, said that he had known Berezovskiy for many years and he respected him, but then added "Boris Abramovich: do your job. Boris Abramovich is the CIS Executive Secretary, isn't he?"¹³² The next day, 20 November, Yel'tsin called Putin and demanded that

Berezovskiy's accusations were to be treated seriously and the case was to be taken by the General Prosecutor's Office. Putin was also told to submit a report on the whole case by 20 December 1998. On 23 November Russia's largest TV channel ORT, controlled by Berezovskiy, showed an interview with a group of serving FSB officers, who were willing to give their names and to describe how their department (URPO) planned to kidnap one of the brothers Dzhabrailov, Moscow-based Chechen businessmen. The officers claimed that there were no written orders but that Nikolay Kovalev knew about the operation. Kovalev sued Berezovskiy four days later¹³³.

Berezovskiy's accusations looked like a political game for several reasons.

- The URPO was set up on the basis of the Long Term Programs Directorate (UPP) which was in the past accused by unknown officials around Yel'tsin of being Lebed's mini-KGB. The head of the UPP was then Colonel Khokholkov and the head of the URPO was Major-General Khokholkov.
- The alleged order to kill Berezovskiy was given in December 1997. Why did it take Lieutenant-Colonel Litvinenko and his colleagues so long to inform either Berezovskiy or anyone else who would take the case?
- Has the officer in charge of one of the most efficient security substructures, URPO, asked for a progress report from Litvinenko?
- How could Litvinenko know that Nikolay Kovalev knew about the assassination order if it was not given in writing or by Kovalev himself and in his presence?
- Litvinenko already knew Berezovskiy, had worked for him and boasted about their friendship.
- All four accusing officers moonlighted as Berezovskiy's bodyguards¹³⁴.
- The officers claiming that they were given orders to kill Berezovskiy spoke also at length about the seemingly non-related issue of the FSB's unorthodox attempt to liberate two FSB officers kidnapped by the Chechens. The alleged attempt involved kidnapping Dzhabrailov, brother of a controversial Chechen Moscow-based businessman. The officers spoke about the operational details of the whole undertaking, expressing anxiety about the methods they were ordered to use¹³⁵. Putting aside the sudden moral qualms of the group, their willingness to talk about operations against any Chechens, especially about such a controversial figure as Dzhabrailov at a time when the Chechens were not popular is unusual, unless one remembers Boris Berezovskiy's attempts to negotiate the release of several hostages in Chechnya. The FSB was against his involvement in any negotiations because his methods and money encouraged potential kidnapers and served his own interest.
- Two of the accusers were about to be reprimanded for unrelated transgressions by the superiors they accused of plotting Berezovskiy's murder.
- In September 1995 Litvinenko was involved in an unusual case of a stolen garment sold by Marya Tikhonova, a daughter of Yel'tsin's then chief of staff Sergey Filatov. The target of the investigation was not Tikhonova but Filatov¹³⁶.

Boris Berezovskiy was allowed by Yel'tsin and his entourage to continue his private vendetta after the first FSB investigation. In April 1998 Yel'tsin made him the Executive Secretary of the CIS. He was not fired when the second investigation

ordered by Yel'tsin and supervised by Putin found no substance in Litvinenko's accusations. After his dismissal from the FSB Litvinenko found work as an adviser of the CIS Executive Secretariat, where he was arrested in the spring of 1999 on unrelated charges. Litvinenko's colleagues who supported his accusations were fired from the FSB and found jobs on Boris Berezovskiy's staff¹³⁷. The URPO was disbanded and General Khokholkov was fired although Major-General Yuriy Bagrayev of the Main Military Prosecutor's Office stated publicly that the statements made by Litvinenko and his colleges against their superiors were baseless. Khokholkov was offered a job at the State Tax Office. His directorate was closed down soon after his appointment and he was not offered another job¹³⁸.

Nikolay Kovalev won the court case against Berezovskiy in April 1999 but did not ask for any material compensation because he was "not convinced of the clean origin of Berezovskiy's money"¹³⁹. In September 1999, in an interview with the Italian daily *Repubblica*, Berezovskiy claimed that generals once responsible for Yel'tsin's security, Barsukov and Korzhakov, commissioned a series of murders¹⁴⁰.

Reform & Perish

Rumours about Kovalev's dismissal continued. He was fired on 25 July 1998. The main reason for his dismissal was his investigation of corruption in the FAPSI. The investigation allowed his enemies to convince Yel'tsin that Kovalev's ultimate goal was to take over FAPSI and that he was becoming too powerful. Yel'tsin signed Kovalev's dismissal while on holiday in Karelia¹⁴¹.

Before Kovalev's departure Yel'tsin restructured the FSB once again. On 6 July 1998 he signed a decree approving a new FSB structure, with a new Department of Economic Security¹⁴². The changes introduced by Yel'tsin left the Counterintelligence Department with two sub-directorates: Counterintelligence Operations and the newly created Information and Computer Security Directorate. The Directorate of Economic Counterintelligence became a separate department within the FSB and the Military Counterintelligence Directorate was given more autonomy. The FSB also acquired a directorate responsible for protection of the Constitution.

On 26 August 1998 Yel'tsin signed a readjusting decree authorising the FSB to have two first deputies, a deputy director with the rank of state secretary, six deputy directors responsible for individual departments and one deputy director, the head of Moscow and Moscow Oblast Directorate. The FSB Collegium was increased from 11 to 17 in August 1998. All its members have to be approved by the President¹⁴³. 6 October 1998 brought another presidential decree abolishing the post of state secretary, but upgrading the status of the head of the St Petersburg FSB, making him a deputy director of the FSB. This position was given to Viktor Cherkasov¹⁴⁴. In November 1998, the FSB Computer and Information Security Directorate became an independent body within the FSB.

At the end of 1998 The FSB leadership thus consisted of:

- The Director,
- Two First Deputy Directors,
- Eight deputy directors, six responsible for FSB departments, two for Moscow and St Petersburg,
- A Collegium of 17 members,

Department 1 - Counterintelligence
 with Computer Security Directorate and
 Operational Directorate,
 Department 2 - Antiterrorist
 with Alfa and Vypel units,
 Department 4 - Economic Security,
 Department 5 - Analysis, Forecasting & Strategic Planning,
 Department 6 - Organisational and Personnel,
 Department 7 - Operational Support Services,
 All the departments were headed by deputy directors.
 Directorate 3 - Military Counterintelligence,
 Directorate 8 - Constitutional Security,
 Directorate 9 - Internal Security,
 An Investigation Directorate,
 A Treaties and Legal Affairs Directorate,
 A Computer and Information Security Directorate,
 An Administrative Directorate,
 Sub-Department (Otdel) 10, Military Mobilisation¹⁴⁵.

On 5 December 1998 from his hospital bed Yel'tsin dismissed several of his top officials. The head of the Presidential Administration Valentin Yumashev was replaced by the former military counterintelligence expert, FAPSI deputy head of personnel and the director of the Russian Border Troops Colonel-General Nikolay Bordyuzha. The head of FAPSI, General Starovoytov and the special services supervisor in his administration Yevgeniy Savostyanov were also fired. Savostyanov was replaced by Major-General Makarov, another military counterintelligence specialist. Makarov worked for FAPSI until 1994 when he left to work for a private company¹⁴⁶. One of the most significant reforms of the FSB in 1998 was the return of the Military Counterintelligence Directorate as a separate element. The directorate was even given its old number, "3", which it had in the KGB.

Military Counterintelligence

After the August 1991 coup the new Minister of Defence Yevgeniy Shaposhnikov asked for military counterintelligence to be moved to the Ministry of Defence. Vadim Bakatin originally agreed but the problem was never solved to the Ministry of Defence's satisfaction.¹⁴⁷ After the USSR KGB was abolished politicians hesitated what to do with the Military Counterintelligence Directorate. Sergey Stepashin who was then a RSFSR deputy and the Chairman of the RSFSR Supreme Soviet Defence and Security Committee admitted at the beginning of November 1991 that the problem of military counterintelligence had not yet been resolved but added "The Defence Ministry must have its own."¹⁴⁸ During the October 1993 events White House supporters attacked the Moscow Military Counterintelligence building where they seized weapons and demanded that the officers in charge order all Military Counterintelligence cells in the armed forces to enforce the White House supporters' wishes¹⁴⁹. They failed but Yel'tsin and his supporters must have asked themselves why their opponents had succeeded in entering the Military Counterintelligence building. Whatever the real reason, that was the end of discussion about the transfer to the MOD. There were however rumours that military counterintelligence could become another, separate, security body¹⁵⁰.

The functions of Military Intelligence have always been divided into two main parts: counterintelligence work and police work. Counterintelligence work has changed

dramatically during the 1990s. Russia had pulled out from the Warsaw Pact countries, from most of the former Soviet republics and Mongolia and had no large units stationed in the far abroad countries. Its weapons were still of enormous interest to many foreign countries but the biggest problems were chaos, lack of money, undisciplined soldiers, unprotected weapon storage, and individuals and groups, both foreign and local, wanting to buy or steal weapons and explosives. The head of Military Counterintelligence responsible for the Moscow Military District (MD), Major-General Anatoliy Kachuk, described counterintelligence and intelligence work as the primary tasks of his department. Catching spies is glamorous, catching thieves, especially in Russia, is not. The modern thieves in the Russian armed forces may still like to steal petrol and alcohol but the real money comes from the successful theft of weapons and explosives. General Kachuk said that between mid 1995 and 1997 there were 70 documented attempts at theft from subunits and depots in the Moscow MD. In addition, the regional FSB bodies confiscated 51 firearms, 50,000 rounds of ammunition, 250 grenades and 28 kg of explosives. Several cases quoted by General Kachuk suggest that the supporters of creation of a military police force might have a point. An attempt by an intoxicated cadet from the Tula artillery school trying to sell an AK-74 to local criminals, for example, should really be a police matter¹⁵¹.

In 1996 the Duma Defence Committee submitted a plan of how Military Police should fit into the MOD. The plan rejected a "garrison-district" model and suggested a regional-territorial model¹⁵². The project never took off, however, because Yel'tsin was afraid that it would reduce his powers. It was also rejected by the military, who were afraid that the judiciary and the local authorities would be entitled to interfere with their affairs, and it would weaken the power of commanders. It would almost certainly guarantee the involvement of the MVD, and would provoke turf conflicts with military counterintelligence.

Colonel-General Aleksey Alekseyevich Molyakov, the head of the Military Counterintelligence Directorate of the FSB, admitted that the situation in the army remained one of Russia's most acute problems, which he ascribed to lack of money, the "Chechen syndrome" and unauthorised use of weapons.¹⁵³ Asked about his relationship with the Defence Minister Sergeyev, Molyakov described it as constructive.

The structure of the Directorate begins at battalion level. Each branch of the Armed Forces and each army, fleet, corps and division has a military counterintelligence directorate or department. Their priority tasks are counteraction of foreign intelligence services, protection of the Armed Forces against sabotage and terrorism, protecting, within their competence, weapons of mass destruction, illegal sales of weapons and corruption within the armed forces. Molyakov claims to have about 6,000 subordinates. The Law On Operational Investigative Activities allows the Directorate to recruit collaborators within the sphere of its operations and the Directorate also has collaborators in foreign countries in accordance with the statute on military counterintelligence organs. The number of collaborators working for his organisation is estimated at 50,000. Molyakov described the directorate's work on protecting Russia's nuclear weapons as one of the most important tasks. The Military Counterintelligence Directorate conducts its activities in military formations of the MVD, FAPSI, FPS and other forces. This is sometimes euphemistically called "operational support"¹⁵⁴. The directorate is also responsible for issuing travel permissions for the uniformed members of Russia's power structures. In 1996 5,000 servicemen from all power structures, including FAPSI, applied for permission to travel abroad. Information

from the directorate goes to the FSB, where it is distributed to the President, the Prime Minister, the Security Council and the leaders of the Federal Assembly chambers¹⁵⁵. In recognition of his work in January 1998 General Molyakov was appointed the head of the Military Inspectors Directorate at the State Military Inspectorate of the Russian Security Council. His previous post was given to Lieutenant-General Vladimir Petrishchev¹⁵⁶.

Like all the heads of the security structures and substructures General Molyakov had to supervise several controversial cases. Cases which involve environmental pollution by the military, financial mismanagement and theft in the armed forces, and technical military publications always bring out the worst in the military counterintelligence organs. What is secret and what is not is often decided by people who are not in touch with modern life or who follow their own narrow interests. The case of Grigoriy Pasko is a good example of this. Captain 2nd Rank Grigoriy Pasko, a journalist of the Pacific Fleet newspaper "Boyevaya Vakhtha", was arrested on 20 November 1997 on his return from a trip to Japan. Customs officials found secret documents in his luggage and he was charged with treason. In a letter smuggled to the local press Pasko claimed that he was framed. The whole case began to sound increasingly bizarre when Rear-Admiral German Ugryumov, the FSB chief for the Pacific Fleet, was quoted as saying that he was not accusing Pasko of being a spy or working for a foreign power, although Pasko was officially accused of trying to pass secret information to a "certain international organisation".¹⁵⁷ What enraged the local authorities was that Pasko was trying to prove that of \$125m given to Russia by Japan for a nuclear waste processing plant, only \$25m were spent and the rest disappeared without trace with, according to Pasko, the approval of the Pacific Fleet top brass. Pasko was finally found guilty of abusing his credentials when collecting sensitive information and sentenced to three years imprisonment, but covered by a recent amnesty he was not detained. The disappearance of the \$100m was not investigated¹⁵⁸.

Retired naval officer Aleksandr Nikitin was arrested on 6 February 1996 and charged with espionage, for supplying a Norwegian environmental group Bellona with information about Russia's illegal dumping of radioactive material in Murmansk and Arkhangelsk. The Norwegians were particularly interested in Russian depleted nuclear fuel dumped 45km from the Norwegian border. When commenting on Nikitin's case, FSB director Kovalev said that although Bellona did not task Nikitin with anything illegal, he on his own initiative had used a false identity card to get into a secret facility to obtain the information.¹⁵⁹ Nikitin was later acquitted.

The author of the article "Missiles over the Sea" which appeared in two consecutive issues of the unrestricted "Tekhnika I Voruzhyeniye" military periodical was threatened with criminal charges because according to the FSB it contained military secrets. In his defence, the author insisted that the article contained his own analysis based on open source material. An external expert who advised the FSB that the article included secrets was an author of a book with similar information¹⁶⁰. One of the least glorious pages of the recent history of the 3rd Directorate was its attempt in May 1998 to force Colonel Mikhail Bergman to take part in a smear campaign against his former commander Aleksandr Lebed. Bergman refused and was threatened with being framed as an Israeli spy¹⁶¹.

With the second Chechen conflict Acting Prime Minister Putin reinforced the Third Directorate's position in the armed forces and all other military formations by signing a Statute on the FSB structures in the armed forces and other bodies. The

statute reaffirms the presence of the military counterintelligence directorate of the FSB in all military bodies in Russia, including formations set up in wartime. This covers Russian formations and organs based outside Russia. The organs of military counterintelligence are allowed to conduct intelligence relevant to the safety of Russian military formations. The Third Directorate is permitted to cooperate with Russian intelligence organs. The military counterintelligence bodies are to protect special communication equipment in all military structures and participate in decisions relevant to foreign travel of military and civilian personnel of these structures as well as treatment of foreign nationals and stateless persons on Russian soil. The structure and number of military counterintelligence personnel in military bodies is determined by the FSB director after a recommendation by the 3rd Directorate of the FSB¹⁶².

Working with Neighbours

After the mass desertion from the crumbling USSR many republics found themselves in difficulties when it came to setting up their own special services. Some of the larger republics like Ukraine, Belarus and Kazakhstan had modest training facilities and training infrastructure inherited from the KGB or the GRU. The others had nothing. Like everything else in the Soviet Union the KGB was highly centralised. All the decisionmaking was done in Moscow. All strategic analytical and technical work was conducted in Moscow and the local security officials were frequently Russian. The republican security structures were able to conduct counterintelligence and limited intelligence work across their borders or against visiting foreigners. In the not so distant past even these activities were co-ordinated and monitored from Moscow and planned according to Moscow's wishes and directives. Military counterintelligence organs belonged to the KGB, not to the Soviet Armed Forces and were even more centralised. Almost all technical aspects of counterintelligence work were Russian, including cryptography. The top KGB leadership was Slavic. The non Slavic republican security bosses had no experience in management at national level. The new rulers and security bosses were very often old communists repainted in their national colours. Even those among them who were fascinated by democracy and the free market economy could not understand them. The republics were linked with Russia economically and ethnically. The republican special services found themselves short of personnel, short of necessary equipment, short of appropriate training facilities and relevant teaching personnel, short of ideas and finally short of funds. Russia was willing to help, but its own special services were constantly being restructured, its economy was in a dive and its organs were themselves experiencing difficulties with personnel retention.

One of the substantial problems concerning the co-operation with the CIS special services is not only their different political, commercial and security interests but also different legal systems, which may allow the citizens of the countries once belonging to the USSR to sell Russian secrets, an act which is not punishable in their own countries.

Special services of the FSU republics involved in combating international crime are often interested in co-operation with Russia but mutual distrust provokes occasionally justified accusations of spying and violating of co-operation agreements. As early as 19 October 1991 the Russians held talks with republican security representatives on creating an interrepublican security system¹⁶³. At the end of November 1991 Vadim Bakatin, at this stage the head of the new Inter-

republican Security Service (MSB), announced that Russia had signed agreements with security services from Ukraine, Belarus, Moldova, Kazakhstan, Tajikistan and Kyrgyzstan, that agreements with Uzbekistan and Turkmenistan were ready, and agreements with Azerbaijan and Armenia were being prepared. Not all the agreements were officially announced and some included a section which stated that the signatory countries would not carry out subversive acts against each other and did not regard each other as potential adversaries. Such agreements were signed with Uzbekistan and Ukraine. Some of the republics were also ready to cooperate with Moscow on electronic intelligence gathering. Moscow also trained intelligence students from several republics. In mid 1992 Major-General Sergey Stepashin, Deputy Security Minister, announced that Russia had signed agreements on co-operation and interaction of the Russian Security Ministry and its counterparts in the majority of the former union republics except the Baltic states¹⁶⁴. As the head of the FSK Sergey Stepashin said in April 1994 that Russia had made representations to Kazakhstan and Uzbekistan about attempts by the special services of the two countries to recruit Russian citizens. He added that five members of the Georgian special services had been detained by the FSK and sent back to Tbilisi. Four years later the head of the FSB Moscow Directorate Colonel-General Aleksander Vasilevich Tsarenko mentioned that in spite of the CIS Almaty Treaty which forbids the signatories to spy on each other, the presence of several CIS special services in Moscow was felt with discomfort¹⁶⁵.

The heads of the security bodies of the twelve CIS states met for the first time on 15 March 1995 in Odintsovo near Moscow. The participants agreed that they would meet regularly and set up a co-ordinating secretariat in Moscow. The next such conference was to take place at the end of May 1995 in Tbilisi, where a treaty specifying specific forms of co-operation was to be signed. All participants accepted the need to cooperate in combating organised crime, terrorism, and drugs and weapons smuggling. Some participants suggested not only an exchange of information but also joint operations¹⁶⁶. The following CIS security summit took place in the Tajik capital Dushanbe at the beginning of April 1996. The participants agreed to set up a single data bank for special services to combat terrorism and drug trade. The participants also took a decision to set up a standing co-ordination council and technical committee working on a data bank¹⁶⁷. The leaders of the CIS countries' special services met again in Moscow on 14 April 1997. The participants discussed the joint databank on organised crime on the territory of the former USSR. The new CIS crime data bank contains information on organised crime, drug trafficking, arms smuggling and non proliferation of nuclear components and has two main parts. The first has information accessible to all interested special services. The second contains operational information. If one of the services does not want certain information to reach a third party an appropriate "no access" procedure can be applied. All special services have equal rights when it comes to access to the database. The technical side is taken care of by reputable foreign companies and has relatively easy security access.¹⁶⁸ Just before his dismissal in 1998 Nikolay Kovalev said that 15 protocols had recently been signed with various CIS special services on fighting organised crime, smuggling of strategic raw materials, nuclear weapons components and ensuring security of the railroads. It was announced in July 1998 that the first part of the CIS Special Services Databank had been completed¹⁶⁹.

The meeting of heads of the CIS security services in Kishinev in October 1997 aimed at improving co-ordination against terrorism and protection and safety of nuclear sites. At this meeting Nikolay Kovalev informed the participants that 401

spies were at work in Russia¹⁷⁰. Some of the participants must have wondered if what they heard was meant to be a warning or simply a lecture like in the old times.

The CIS law enforcement bodies, tax services, border guards and customs services met in Moscow at the beginning of December 1997 to improve co-ordination between the member countries and the services¹⁷¹. The following week Moscow hosted a security conference, "The Russian special services past and present" at the FSB Academy, with 160 specialists coming from Russia, Belarus, Kazakhstan and Ukraine¹⁷². The CIS Council of the heads of security and special forces met again on 30 September and 1 October 1999 in St Petersburg at the 6th Session of the Council. The participants discussed co-operation in combating terrorism. An Uzbek delegation took part in the meeting for the first time. Nikolay Patrushev, the new director of the FSB, was unanimously elected "Chairman of the Council of the Heads of security services and special forces of the CIS member states"¹⁷³.

The second part of the last decade also saw more bilateral meetings and agreements between Russia and its southern neighbours. Russian and Azeri security chiefs met in Moscow in May 1997 to discuss co-operation in combating economic crime and terrorism¹⁷⁴. A Kazakh delegation of security officials visited Moscow at the beginning of December 1997. The head of the FSB praised the cooperation between the secret services of the two countries. After a tip-off from their Kazakh colleagues, the FSB had been able to close down "a training course organised by a group of Kurds in Russia"¹⁷⁵. Vladimir Putin visited Kyrgyzstan in mid September 1998 to discuss security problems with his Kyrgyz counterparts¹⁷⁶. At the end of January 2000 the FSB and their Ukrainian counterparts the SBU at a working meeting in Kiev agreed to co-operate in combating organised crime, terrorism, smuggling and recruitment of mercenaries¹⁷⁷. A delegation headed by FSB deputy director Colonel-General Vladimir Pronichev visited Georgia at the beginning of February 2000 to talk about joint action against terrorism, the situation on the Russian (Chechen) - Georgian border and about security problems at the Russian military bases in Georgia¹⁷⁸. Considering the timing and the position of General Pronichev, the head of the amalgamated Antiterrorist Department and the Directorate of Constitutional Security, the main reason for the visit must have been infiltration of the Russian Georgian border by the Chechen fighters.

Crooks, Spies & Allies

Like many other special services, the FSB and its predecessors had to look for new ways to use their skills and experience in the post Cold War world but in contrast with them it did not have to look far or for long. Imbued with patriotism, nationalism, Marxism-Leninism and a profound ignorance of democratic systems many high ranking security officers saw their role as pursuing foreign spies and being decently rewarded for their efforts. Instead they were constantly pushed to chase and investigate petty crooks, domestic Mafia, ethnic, religious, political extremists and selected politicians, for which they were neither adequately rewarded or appreciated. Russia in the meantime was becoming a very fine place in which to steal something. It had natural resources, non ferrous metals, sometimes hidden in the strategic reserve's super secret storage sites, sophisticated weapons and many scientific achievements. Vulnerable at first to a multinational contingent of foreign and domestic crooks, Russian business quickly adapted to the situation, becoming more corrupt and brutal than their partners and clients. On the other end of the economic scale highly educated and skilful scientists, constructors and technicians had become poor and resentful. Members of both

groups were ready to steal what the foreign buyers were willing to buy. In general, the first group wanted to become rich, the second to survive. Several countries have been trying to acquire Russian military technology and scientific achievements both legally and illegally, provoking understandable anxiety which often deteriorated into full blown Soviet-style paranoia, fed by impressive looking but often irrelevant statistics. Factors which complicate the issue further are the loose interpretation of law and the existing rules, and imprecise use of terminology by Russian security officials.

Details of the threat from foreign spies, supported by outlandish statistics, are made officially available to the media on a regular basis but even the official MVD paper "Shchit I Mech" stopped publishing comprehensive crime statistics several years ago. In July 1992, Sergey Stepashin the Chairman of the RF Parliament Defence and Security Committee, said that foreign intelligence services were working even more brazenly against Russia than before¹⁷⁹. In December 1993 Major-General Venyamin Vladimirovich Kashirshikh, deputy chief of the Counterintelligence Directorate of the soon to be renamed Security Ministry said that some Western special services had very quickly changed the situation in the former Eastern Bloc and some parts of the FSU. Many unnamed countries were now working against Russia. They were mainly interested in scientific information.¹⁸⁰ The Russians were not afraid of foreign armies but of hostile foreign intelligence services. They were convinced that after the collapse of the USSR the CIA sent on average 15 agents to each independent state of the FSU¹⁸¹.

In 1994, the FSK caught 22 Russian nationals working for foreign special services. It stopped about 60 attempts by Russian nationals to transfer secret materials to the representatives of foreign states. The FSK would not elaborate as to the difference between "working for" and "transfer" or whether "transfer" meant selling. An unnamed FSK spokesman said that foreign special services were widening their subversive and intelligence activities. He said that foreign special services were mainly interested in nuclear weapons, other modern weapons, reforms of defence systems, advanced technologies and fundamental science studies.

The Russians noted also increasing activity by the East European and Baltic intelligence services which they said were controlled by their Western counterparts. The activities of special services of unnamed Moslem countries were also on the rise. 90 foreigners working as experts and advisers in Russia were identified in 1995 as having "foreign special service status"¹⁸². Thanks to the FSK's work more than 500 accidents had been avoided. The activities of more than 40 armed formations pursuing political goals were uncovered. The FSK became aware of 200 mercenary recruiters, 80 of them foreigners. It also gave data concerning its crime fighting successes and the financial value of some of its achievements¹⁸³. Yuriy Baturin, national security adviser to Boris Yel'tsin, expressed his concern about the espionage efforts of North Korea and China in Russia. Russia was especially concerned with the North Korean nuclear programme. In KGB document No 363-K addressed to the leadership of the USSR, Chairman Kryuchkov warned as early as 22 February 1990 that Pyongyang had produced its first nuclear device but had no plans to test it as it would not be able to conceal it¹⁸⁴. Moscow was also apprehensive about the spread of Chinese organised crime in the Far East. Baturin said in 1994 that Moscow was interested in an agreement with Kazakhstan which would permit Russia to organise tighter security on its borders¹⁸⁵. In July 1994 an unnamed member of the Russian Parliament quoted an unnamed representative of the GRU and declared during close hearings that Turkey, Pakistan, Iran and Afghanistan showed interest in the Central Asian republics¹⁸⁶. In October 1994 the

Chairman of the Duma's Security Committee, Viktor Ilyukhin, said that foreign intelligence services were stepping up their activities as the Russian security services showed signs of decay. Ilyukhin added that even the intelligence services of Finland and Sweden had become more active in the border area with Russia. He accused the German intelligence service of opening intelligence stations in the Baltic republics, criticised the USA for its activities in Magadan and Yakutiya and warned, as if hesitating which was more dangerous, that 35,000 businesses in Russia were forced to pay protection money to 135 Russian criminal organisations which had 100,000 criminals at their disposal¹⁸⁷. According to Major-General Aleksandr Mikhaylov, the head of the FSB PR centre, the Turkish, Polish and German intelligence services were stepping up their activities on Russian territory.¹⁸⁸

In 1996 Kovalev spoke of 28 Russian citizens being convicted of espionage in 1995. There were 11 similar convictions by mid 1996. The number of successful interventions of the FSK/FSB to stop Russian citizens selling secrets to foreign bidders increased to 100.¹⁸⁹ In a series of statements and interviews given before the anniversary of the Russian security services Nikolay Kovalev said that the FSB had identified and placed under surveillance 400 professional secret agents of foreign countries and 39 of their Russian collaborators. He concluded that the FSB continued to the work against activities of foreign intelligence services within Russia¹⁹⁰. In 1997 30 foreign intelligence officers were expelled from Russia and 7 Russian citizens collaborating illegally with foreign powers were apprehended¹⁹¹.

Speaking at the FSB collegium meeting on 4 March 1998 Kovalev said that 29 foreign intelligence agents had been exposed in Russia in 1997, 18 Russian citizens were prevented from passing "important state information" and that 400 foreign special services personnel had not yet done anything illegal but were being monitored¹⁹². (It will be remembered that in October 1997 at the conference of the heads of CIS security services in Kishinev Kovalev had said that there were 401 spies working in Russia¹⁹³.) He did not say whether "exposed" meant arrested, detained, expelled or warned, if the "important state information" was actually secret or if the 400 foreign special services personnel who had done nothing illegal were the same 400 he had mentioned the year before. At the end of the month Kovalev added that although counterintelligence remained the FSB's main activity, economic security, combating terrorism and investment protection were at the top of its priority list¹⁹⁴.

During a 1997 graduation ceremony at the FSB Academy Nikolay Kovalev stated that the activities of foreign special services in Russia were comparable to the WWII period¹⁹⁵. The Soviet Union and then Russia regarded the intelligence services of the USA, the UK, Germany, Israel and France as the most dangerous. In the post Cold War changes Moscow discovered that for political, economic, military and even religious reasons it had become a target of smaller and poorer countries. In July 1997 the Russians accused Argentina, Brazil, Mexico, Egypt, Jordan and Tanzania of "stepping up" their intelligence activities in Russia¹⁹⁶ and at the end of the year added Pakistan, Iran, China and Saudi Arabia to this and the usual list of foreign intelligence services operating in Russia¹⁹⁷.

The FSB director Colonel-General Nikolay Patrushev announced in January 2000 that in 1999 the illegal activities of 65 officers of foreign intelligence services had been cut short and that 30 Russian nationals willing to sell secrets to foreigners were thwarted.¹⁹⁸ The number of Russians willing to sell secrets had grown into epidemic proportions, lamented the daily Segodnya in February ¹⁹⁹.

On occasion the FSB releases the names of those caught spying for foreign powers and discusses individual cases, deriding the discrepancy between the money they asked for and the value of what they were selling. The total sum asked by, or offered to, two officers from the Strategic Rocket Forces, three officers working for the GRU Centre for Space Reconnaissance, three Ministry of Foreign Affairs employees and one scientist accused of spying for foreign powers was laughably small.

The old acronym which used to describe the principles of recruitment of spies, MISE (money, ideology, sex and ego), changed in the Russia of the 1990s into the Russian leadership's CIA (corruption, incompetence and arrogance). A Russian national selling a secret may indeed be greedy and dishonest, but he will wonder how the losses incurred by Russia as a result of his betrayal compare with wholesale plunder of the country by corrupt, incompetent and arrogant politicians, state officials and businessmen.

In spite of adversarial relations with the special services of several Western countries, the Russian security structures were also ready to cooperate. Co-operation between Western special services and the KGB began in the early 1990s. The USA and West Germany were particularly keen to work with the USSR against organised crime and drug trafficking. The Americans forecasted correctly that the USSR might in the future experience drug problems familiar to those in several Western democracies; the Germans were about to merge with the GDR, inheriting Soviet and East German "stay behind" criminal structures. The Germans also experienced problems with some members of the ethnic German community emigrating from the USSR to Germany. The walls between East and West were crumbling and there was a need for law enforcement bodies to cooperate. The only organisation authorised and competent to talk about security co-operation in Russia was the KGB. The MVD knew only about domestic crime, had modest foreign contacts, little experience in dealing with transnational crime and was not to be allowed to learn. Foreigners were not to be trusted and only the KGB knew how to deal with them.

The combination of Western greed and ideological liberalism permitted a large group of Russia's undeserving rich to settle in or to visit practically any country of their choice. Co-operation with the Russian special services ceased to be an option and became a must. Several KGB generals visited the USA and the heads of both the FBI and the CIA were invited to Moscow. By mid 1994 the FSK had bilateral agreements with Germany, Turkey, Greece, Poland, China, France and the Czech Republic and exchanged liaison officers with Germany, France, Poland and the Czech Republic. The Russians were surprised and unhappy that the USA did not want to sign a similar agreement. A high ranking Russian security team went to Turkey on at least three occasions and in 1996 bought from the Turks mobile phone eavesdropping equipment²⁰⁰. At the beginning of 1997 the FSB co-operated and exchanged information with 30 countries. By the end of the year it had contacts with 80 countries and official representatives in 18.²⁰¹

As with CIS countries, the FSB was particularly active in establishing bilateral contacts with the far abroad countries in the second part of the last decade. At the beginning of February 1997, during a visit of the FSB director Nikolay Kovalev to the World Economic Forum in Davos, the Russian and French special services agreed on exchanging information on terrorist acts using explosives in Moscow and Paris. A week later Kovalev received the head of the Romanian Information Service Virgil Magureanu to discuss the co-operation of both services in fighting terrorism

and organised crime. After British Home Secretary Michael Howard held talks with the director of the FSB Nikolay Kovalev on combating terrorism and organised crime, smuggling drugs, weapons and radioactive materials in January 1997, the heads of the FSB and British Security Service met in Moscow in November to discuss further co-operation²⁰². After the Red Mercury affair and mutual public accusation, the co-ordinator of the German special services Berdt Schmidbauer met Nikolay Kovalev and the head of the SVR Vyacheslav Trubnikov on 15 April 1998²⁰³.

Kovalev's last trip abroad as Director of the FSB was to Israel. The Russians were concerned about growing Islamic extremism assisted by foreign countries and organisations, especially in Chechnya. The Israelis worried about nine Russian institutes selling sensitive technology to Iran. Both countries agreed to talk about extradition procedures for wanted criminals. In August the Russian Ambassador in Israel, Mikhail Bogdanov, asked Tel Aviv for an exchange of intelligence information on Islamic extremists²⁰⁴. With Vladimir Putin's assured victory in the 2000 Presidential election Russian Mafia bosses may decide to move to other countries to enjoy their richly undeserved earnings, in which case the value of FSB connections for other special services in Europe and North America could go up. Nikolay Kovalev warned the Davos forum in 1997 that the West was not familiar with the way Russian criminals operate and that the western law enforcement bodies were not accustomed to working with such a "system of coordinates"²⁰⁵.

Vladimir Putin

Putin's appointment on 25 July 1998 as the new director of the FSB, was a logical step on Yel'tsin's political chessboard. Vladimir Vladimirovich Putin graduated from Leningrad University in 1975 and joined the KGB. He had planned to join the KGB since he was a boy. After completing secondary education he applied to join the KGB and was told to get a degree first²⁰⁶. After graduating and attending specialist security courses Putin worked in the counterintelligence department of the Leningrad Directorate of the KGB. At the end of the 1970s he was transferred to the intelligence department of the directorate²⁰⁷, when he was supervised by General Oleg Kalugin for at least a year.²⁰⁸ Putin's immediate boss in Leningrad, Feliks Dmitrevich Sutyurin, was transferred to the Intelligence Academy in Moscow at the end of the 1970s. Putin began his studies at the same Academy in either 1982 or 1983²⁰⁹. The transfer to the Intelligence Academy was an important promotion and opportunity. He spent a year improving his German and was sent to the GDR in 1985²¹⁰. Among the Warsaw Pact countries the GDR was always singled out for special attention from Moscow. The country was divided into 14 districts, each district had a directorate of the Security Ministry of the GDR and each such directorate had a group of KGB officers attached to it. Putin served four years in the Dresden group, where he was promoted twice²¹¹.

The reforms of the FSB went on before and after Putin's nomination as head. In April 1998 two directorates of the 4th, Economic Security, Department were divided into several subdivisions and many officers were dismissed. Several heads and the deputy heads of two directorates were also fired²¹². In the first interview given to the media after he was nominated to the post of the FSB director, Putin said that some substructures of the organisation could be merged and that the computer department within the organisation would be strengthened²¹³. In August 1999 Boris Yel'tsin merged the 2nd Department responsible for combating terrorism with the Constitutional Security Directorate, with overall command retained by the head of the 2nd (Antiterrorist) Department General Pronichev. General Zotov, the head of

the Constitutional Security Directorate and his first deputy General Zubkov were made redundant²¹⁴. A Separate Department responsible for the safety of nuclear facilities was set up in the FSB in October 1999²¹⁵.

As a former professional security expert Vladimir Putin may be tempted to undertake another major reform of the FSB although Security Council Secretary Sergey Ivanov in February 2000 denied rumours that the FSB, the FPS and FSO were going to merge²¹⁶. Speaking on 5 November 1998 to the Duma deputies, Vladimir Putin said that the Ministry of Finance allocated so little money to the organisation that even the best of his officers were leaving the force. He called for increased salaries and moral support²¹⁷. He got a promise that the salaries in the FSB would be increased by 25% in 1999²¹⁸. On 9 August 1999 Yel'tsin appointed Putin acting Prime Minister. He was replaced by Lieutenant-General Nikolay Platonovich Patrushev.

The FSB Academy

The FSB's comparatively modest salaries do not put off many candidates competing for a place in the FSB Academy. A former KGB School, the Academy, situated at 62 Michurinskiy Prospect in Moscow, had at the beginning of the 1990s to change its curriculum, rewrite its manuals and operate with a reduced budget. In 1993 Deputy Security Minister Vasiliy Frolov, speaking at the beginning of the academic year ceremony, said that in spite of the financial problems there would be no money-savings in training the necessary personnel²¹⁹. The Academy went through lean years at the beginning of the 1990s and in 1992 there was only a little more than one applicant for a place, but by 1997 there were 10 candidates for each place. The Academy has Counterintelligence, Language and Special Departments and an Institute of Cryptography, Communications and Information Technology. It trains students in 11 specialisations including: investigators, lawyers, operatives with foreign languages, interpreters, cryptographers, experts in security of information systems and experts in security of telecommunication systems. The Academy trains specialists for "practically all" power structures²²⁰.

The head of the FSB Counterintelligence Directorate Valeriy Pechenkin said in 1997 that while many experienced personnel left the FSB ranks, young people joining the organisation are highly motivated and do so for patriotic reasons²²¹. In 1997, 600 students graduated from the FSB Academy²²².

Seeing Foreign Threats

The best example of how a security service may lose its direction was given by Vadim Bakatin when he announced that the KGB had collected 580 volumes of information on Professor Sakharov²²³. All the ingredients for future abuses of power are still present in Russian society and even more so in security structures.

Threat assessments are too often made by high ranking officials fomed by the old Soviet thinking and with little or no knowledge of the surrounding world. The Draft National Security Concept of 1997, approved by the Russian Federation Security Council, said that "the threat of large scale aggression being unleashed against Russia in the next five to 10 years is unlikely" but warns against "the penetration of Russian, state organs of power and administration, political parties, banking

institutions, security facilities and industrial enterprises by foreign intelligence services". These services conduct "disinformation activities with a view to getting the wrong political decisions made"²²⁴.

In 1997 the Federation Council Defence Committee was one of the proponents of the reunification of all special services and organised a roundtable discussion where a member of the committee Nikolay Ryzhak, formerly Major-General and deputy head of the Third Main Directorate of the KGB, complained that Russia had become a Mecca for foreigners, including "hordes of spies", and that no one was monitoring the movements of foreigners any more.²²⁵ Ryzhak said several months later that every person born in England (sic) received a medical card which contains all information about that person, even fingerprints, adding "This is why it is so difficult for our illegal immigrants to take root in England"²²⁶.

The Edict on Secrecy, No 61 of 24 January 1998, lists among secrets dual technology, a vaguely formulated but lengthy list of economic links with CIS countries, including the volume of shipments between Russia and the CIS of rare metals and other, unspecified materials of strategic importance, as well as "information revealing volumes of deliveries of reserves of strategic types of fuel". The last item covers three ministries, including the Russian Ministry of Agriculture.²²⁷ To emphasise the threat, respectable statistical methods are used to calculate losses to the national economy resulting from emigration of Russian scientists. The Russian Ministry of Science and Technology came out with an assessment to show that Russia's losses for every specialist leaving Russia would be about \$300,000 and that through emigration Russia might suffer losses of up to \$20bn. How this figure was reached considering Russia's growing unemployment and inefficient economy remains a mystery.

Even seemingly real successes announced by Russia's security organs border occasionally on scaremongering. In April 1994 Sergey Stepashin, Director of the FSK, announced that "As a result of the measures taken on the basis of information supplied by the FSK organs more than 400 major disasters and the preconditions for them were successfully prevented in 1993 including 54 at nuclear power generating installations"²²⁸.

The lack of common sense and clear thinking in the FSB was in evidence after two explosions in Moscow on 22 September 1999. Bags of suspicious looking mixture with a detonator were found in an apartment building in Ryazan'. The house was inspected at the request of the residents. The FSB Director Nikolay Patrushev was obliged to explain that it was all an exercise and the sacks contained sugar. An unnamed FSB officer was quoted three hours later as saying "we are shocked and bewildered by Patrushev's statement"²²⁹. The FSB apologised that afternoon, claiming that the whole incident was the result of the Vikhr antiterrorist exercise. According to the FSB statement identical devices were planted in several other cities²³⁰. The FSB had continued the exercise even after the two huge blasts in Moscow. An MVD report after the inspection stated that the sacks contained hexogen²³¹.

The obsession with secrecy occasionally leads to an arrest for which the FSB is always blamed, without anyone asking who issued the arrest warrant and for what reason, or why the warrant was not challenged. One such case was the arrest of a scientist Mirzoyanov, who raised the alarm about violation by Russia of a chemical weapons ban treaty. In autumn 1999 the FSB accused a well known Vladivostok based maritime scientist Vladimir Soyfer of revealing state secrets to foreign

organisations. The district court of Vladivostok ruled that Soyfer was not a spy and that the documents seized by the FSB during house searches and his passport must be returned to him²³². Soyfer was arrested because two contradictory laws were incorrectly interpreted by the FSB. Article 276 of the Russian Penal Code says that development, production, storage and disposal of nuclear ammunition is a state secret. This means that even those who live near burial sites of dumped toxins, poisonous or radioactive substances may not challenge it.²³³ On the other hand the law on state secrets says that environmental issues cannot be secret under any circumstances²³⁴. The FSB lost the case, apologised but decided to appeal.

The second Chechen war forced the Russian government and the FSB to pay more attention to information warfare. The smoother, more consequential and harsher information and propaganda campaign conducted by Moscow suggests that during the last few months a substantial amount of money and manpower has been channelled into the operation. The FSB, which at this stage of the conflict is one of the main providers of information for the government from the conflict area, must have developed its public relations and media section considerably. Although the creation of a special structure within the FSB dealing with information and propaganda has been denied by the head of its PR Office General Zdanovich²³⁵ its successes, be it to the detriment of a free flow of information, are so evident that the temptation to create it in the near future might become irresistible.

The Future of the FSB

Vladimir Putin will have to reform the special services if he plans to change Russia. Yel'tsin's security priority, after attempting illegally and unsuccessfully to set up a Ministry of Security and Internal Affairs, was to build separate power structures with the status of a service or an agency to reduce their parliamentary supervision to the absolute minimum. The result was several, quarrelling rather than co-operating, power structures answerable only to the erratic President. Russia's biggest security threats are not foreign spies but its own corrupt politicians and state officials, criminal organisations, domestic and foreign terrorists and the drug trade. No amount of security decrees and reforms can replace competent, motivated and honest personnel. In the perfect Russian world such personnel could expect the complete support of their superiors and a helping hand from judicial and power structures, all within the bounds of legality. In the brutalised, corrupt and divided Russian society these are unrealistic expectations. The best Vladimir Putin and Russia's security chiefs can expect from their subordinates, at the moment at least, is common sense and brutality which does not degenerate into cruelty in action. Their subordinates can hope that they will have superiors who will not order them to run an exercise imitating terrorists during a national search for real terrorists, or opt for the "go go go solution" only because a hijacker holding a hostage in the centre of Moscow spoils someone's image; and that in the future the FSB director will be too ashamed to announce, like one of Putin's predecessors, that during the first 11 months of 1996 the FSB sent 4,157 analytical and information documents to the Russian President, prime minister and secretary of the Security Council²³⁶. The FSB has been given duties which other existing organisations should be able to perform. Putin himself announced in June 1999 that the FSB was tasked to ensure fair elections²³⁷. The FSB was recently ordered help with the recovery of R137 billion which enterprises owe to the Pension Fund²³⁸. Putin's and the FSB's biggest enemy is contempt for law in Russia's population and among its bureaucrats.

Putin will rely on the FSB because there is no other organisation which would compete with it in performing its tasks. But his closeness to it may hinder reforms within the FSB. When Prime Minister Kiriyenko presented Putin to the FSB collegium the new director said that he had returned home. Will he be able to order and supervise its spring cleaning and then send away on holiday the inefficient and corrupt members of the household? If he is successful he may also lose able officers fed up with yet another purge. Will he be ruthless enough to convince the Russians that the times when crime and punishment are inexorably linked are back? If so, Russia may breathe a sigh of relief but there would be a price to pay. Contacts with foreigners will be monitored more closely, the foreign diplomatic, business and media community will find itself on a shorter leash and the attitude towards all foreigners could become distant and on occasions hostile. That will depend on whether Putin becomes Peter the Great, Yuriy Andropov, Gorbachev with a whip or... Aleksandr Kerenskiy.

Endnotes

¹ Vladimir Putin, speaking to Russian writers, stressed that Russia does not have much time for reforms. (ORT 1 March 2000)

² Khrushchev was informed about the impending coup and Semichastnyy's role in it but could not believe that a man who owed him his career would conspire against him. For Semichastnyy the party discipline was of paramount importance and this is why he supported Brezhnev and the majority in the Presidium of the CPSU. (Messengers from Moscow, Brian Lapping Production).

³ V F Grushko claims in his memoirs "Sudba Razvedchika", Moskva, Mezhdunarodnoye Otnosheniya, 1997, p210, that Gorbachev rang him on the morning of 22 August on the secure line giving him the job of acting head of the KGB. He adds that the job was given several hours later to the head of the Intelligence Directorate L V Shebarshin. Shebarshin writes in "S zhizni nachalnika razvedki", Mezhdunarodnyye Otnosheniya, Moskva, 1994, p104 that Grushko called the collegium, as the most senior of the remaining officers, himself soon to be arrested but told Shebarshin only that Gorbachev rang and requested that everyone in the KGB should "work calmly".

⁴ In his memoirs "Chelovek Za Spinoy", Russlit 1994 p279 Gen Medvedev argues that he obeyed the order of his immediate KGB superior and one of the coup conspirators, Gen Plekhanov, because he worked for the KGB, he was a KGB general, he was paid by the KGB and swore his oath to the KGB, failing to mention that Gorbachev was legally his boss.

⁵ Boris Yel'tsin: Ot Rassveta Do Zakata", Interbuk 1997, p117. Yel'tsin wanted to disband only the USSR KGB. This would weaken Gorbachev at the time when he, Yel'tsin, was not only the hero of the putsch but controlled also the RSFSR KGB. In accordance with existing laws, on 14 July 1990, the RSFSR State Committee for Public Security for Co-operation with the USSR Ministry of Defence and the USSR KGB had been set up. On the basis of that committee the RSFSR State Defence and Security Committee was established on 31 January 1991(Aleksey Mukhin, "Spetssluzhby I Ikh Predstaviteli V Rossiyskom Obshechestviye", Moskva 1999). Yel'tsin and Kryuchkov, with Gorbachev's, approval held talks about the creation of a Russian KGB on 5 May 1991. The next day both signed the protocol on establishing the Russian KGB. The legal justification for the creation of the Russian KGB was that the RSFSR was the only republic without his own KGB. The KGB of the RSFSR was subordinated to the USSR KGB and was to be funded from its budget (Moscow Central Television, 2nd Channel, 11 May 1991 FBIS-SOV-91-092). The central apparatus of the Russian KGB during the August coup had 20 people. V A Podelyakin, First Deputy Chairman of the RSFSR KGB, claimed in an interview for Rossiyskaya Gazeta, 2

November 1991 p7, that there were 23 officers in the central apparatus of the RSFSR KGB during the events of August. Ten days after the coup the number grew to 300. At that time the USSR KGB central apparatus employed 30,000 people (El Pais 1 September 1991 p5. FBIS-SOV-91-175-A).

⁶ "Kremlevski Zagovor" Lisov and Stepankov, Ogonek, 1992 p21. On 6th August 1991, the day Gorbachev left for holiday to Foros, Zhizhin, with a group of security and military officers, including Gen Pavel Grachev, on Kryuchkov's orders, began to work on a strategic forecast of the consequences in case emergency were to be introduced in the whole country.

⁷ Vadim Bakatin is quoted in Moscow News Nr 40 1991, p9, FBIS-SOV-91-205, as saying that the central apparatus employed 60,000 officers. Lt-Gen Shebarshin estimated that 92-93% of the USSR KGB personnel worked on the protection of government communication, ciphering, special construction and border protection; 5-7% dealt with counter-intelligence matters and 2% worked for intelligence service. (Nezavisimaya Gazeta, 18 August 1993, p6, FBIS-SOV-93-159)

⁸ "Izbavleniye ot KGB", Vadim Bakatin, Novosti, Moskva 1992, p64.

⁹ The units transferred back to the ministry were: the 103rd Vitebsk Air Assault Division, the 75th Nakhichevan Motor-rifle Division, the 48th Motor-rifle Division and the 27th Independent Motor-rifle Brigade. (Predsedateli KGB Rassekrechennye Sudby, Leonid Mlechin, Tsentrpoligraf 1999, p606.) The special forces group Alfa was transferred to the direct control of president Gorbachev.

¹⁰ "Izbavleniye ot KGB" Vadim Bakatin, p54 and Lisov and Stepankov, p105.

¹¹ TASS, 12 September 1991. Titov claimed that he was on holiday from 25 July and on 5 August went to Sochi. He returned on the evening of 21 August and went to work the next morning. (Rossiyskaya Gazeta 13 September 1991 p1, FBIS-SOV-91-178)

¹² El Pais, 1 September 1991 p5. FBIS-SOV-91-175-A.

¹³ Estonian Radio, 9 October 1991, BBC Summary of World Broadcasts (SWB) SU/1200 A2/4.

¹⁴ Rossiyskaya Gazeta, 2 November 1991, FBIS-SOV-91-216. The figures as to how many people transferred from the Union to the Russian KGB vary depending on sources. The figure of 18,000 staffers was mentioned by A A Oleynikov, First Deputy Chairman of the USSR KGB during an interview with Izvestiya, 1 November 1991, p1. This probably included the transfer of 30-40% of operational personnel which he mentioned in an interview which appeared next day in Rossiyskaya Gazeta (FBIS-SOV-91-214) and Rossiyskaya Gazeta, 28 November 1991, p1. See also TASS 29 November 1991, Interfax, 29 November 1991, Moscow Russian TV Network 29 November 1991.

¹⁵ Berlin ADN, 30 November 1991, FBIS-SOV- 91-232.

¹⁶ "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999 p615.

¹⁷ Ibid.

¹⁸ "Izbavleniye ot KGB", Vadim Bakatin, Novosti, Moskva, 1992, p223-235. Irrespective of whether Bakatin told Gorbachev about his intention to ask Yel'tsin for money for the MSB, the request must have convinced Yel'tsin that Gorbachev was losing control of what was left of the USSR KGB.

-
- 19 TASS, 24 December 1991, "Izbavleniye ot KGB", Vadim Bakatin, Novosti, Moskva, 1992, p233 and 234.
- 20 TASS, 26 December 1991 and "Spetssluzby I Ikh Predstaviteli V Rossiskom Obshchestve", Aleksey Mukhin, Moskva 1999, p20. For legal reasons the AFB was resurrected between 15 January and 24 January 1992 when a new decree was prepared, "Zapiski Presidenta", Boris Yel'tsin, Ogenek Publishers, Moscow 1994 p400.
- 21 "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999 p621.
- 22 After the coup of August 1991, Vadim Bakatin requested the list of all monitored telephones. He was given the complete list of 700 telephones. "Izbavleniye ot KGB", Vadim Bakatin, Novosti, Moskva, 1992, p134.
- 23 "Zapiski Presidenta", Boris Yel'tsin, Ogenek Publishers, Moscow 1994 p336-337.
- 24 Barannikov was probably referring to a conference "The KGB Yesterday, Today and Tomorrow" which took place in February 1993 and which some of his subordinates attempted to stop.
- 25 Nezavisimaya Gazeta, 1 September 1993, p1& 3.
- 26 TASS, 1 September 1993.
- 27 Ivanenko's views on Yel'tsin's plans: Predsedateli KGB Rassekrechennye Sudby, Leonid Mlechin, Tsentrpoligraf 1999, p622.
- 28 Interfax, 22 September 1993.
- 29 Izvestiya, 2 November 1993, p5.
- 30 Rossiyskaya Gazeta, 15 October 1993, FBIS-SOV-93-201.
- 31 Nezavisimaya Gazeta, 2 February 1994, p1, FBIS-SOV-94-023 and "Spetssluzby I Ikh Predstaviteli V Rossiskom Obshchestve", Aleksey Mukhin, Moskva 1999, p20.
- 32 Obshchaya Gazeta, 24-31 December 1993, p2, FBIS-SOV-93-246.
- 33 "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p629-630. The investigative apparatus was returned to the FSK in 1994. When Yel'tsin issued a directive for the MVD to return the Lefortovo prison to the FSB, the Ministry failed to comply with it for quite a while.
- 34 Nezavisimoye Voyennoye Obozreniye, Nr 19, 1996, p7.
- 35 Rossiyskaya Gazeta, 12 January 1999, p2; ORT 10 January 1994; Komsomolskaya Pravda, 11 January 1994, p1; Pravda 11 January 1994, p1, FBIS-SOV-94-006 and 008 "Spetssluzby I Ikh Predstaviteli V Rossiskom Obshchestve", Aleksey Mukhin, Moskva 1999, p21.
- 36 "Istoriya Otechestvennykh Organov Bezopasnosti", V V Korovin, Norma, Moskva 1998, p208-214.
- 37 "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p630.
- 38 Komsomolskaya Pravda, 16 March 1994, p1, FBIS-SOV-94-051.

-
- 39 Komsomolskaya Pravda, 29 November 1994, p10, FBIS-SOV-94-231.
- 40 NTV, 7 April 1995, FBIS-SOV-95-070, TASS 13 June 1994.
- 41 TASS, 23 November 1994 and Segodnya, 24 November 1994, p1 FBIS-SOV-94-227.
- 42 Segodnya, 27 July 1994 p2, FBIS-SOV-94-144.
- 43 Radio Rossiya, 9 November 1991, FBIS-SOV-91-218.
- 44 Radio Rossiya, 11 November 1991, FBIS-SOV-91-218.
- 45 TASS, 13 November; 14 November 1991.
- 46 Interfax, 14 November 1991, FBIS-91-221.
- 47 TASS, 14 November 1991.
- 48 Kommersant Daily, 4 May 1994, p14, FBIS-SOV-94-086. The Chechens authorities referred to all those accused of espionage for Moscow either as KGB personnel or KGB collaborators long after the KGB was disbanded.
- 49 TASS, 20 September 1994.
- 50 TASS, 31 August 1994, Interfax, 31 August 1994.
- 51 TASS, 20 September 1994.
- 52 Argumenty I Fakty, No 5, February 1995, p1,3; FBIS-SOV-95-023.
- 53 Komsomolskaya Pravda, 23 March 1995, p1, FBIS-SOV-95-057.
- 54 Rossiyskiye Vesti, 10 January 1995, p2.
- 55 Interfax, 10 May 1995.
- 56 TASS, 28 February 1995.
- 57 ORT, 4 April 1995, FBIS-SOV-95-086.
- 58 Komsomolskaya Pravda, 14 March 1996.
- 59 Severnyy Kavkaz, 19 August 1995, FBIS-SOV-95-166 and Kommersant Daily, 15 August 1995, p3,4, FBIS-SOV-159.
- 60 Rossiskaya Gazeta, 20 December 1996, p4-5.
- 61 ITAR-TASS, 19 March 1997.
- 62 Rossiyskaya Gazeta, 26 September 1997, p2, FBIS-SOV-97-268.
- 63 RTR, 16 December 1997, FBIS-SOV-350.
- 64 Interfax, 4 April 1998.
- 65 ITAR-TASS, 5 May 1998.
- 66 Interfax, 5 August 1999.

-
- 67 ITAR-TASS, 18 August 1999.
- 68 Severnyy Kavkaz, 4 February 2000, p8.
- 69 Kommersant Daily, 23 February 1995, p1, FBIS-SOV-95-036.
- 70 "Istoriya Otechestvennykh Organov Bezopasnosti", V V Korovin, Norma, Moskva 1998, pp216-236.
- 71 Izvestiya, 18 March 1995, p1&2.
- 72 Ibid.
- 73 "Istoriya Otechestvennykh Organov Bezopasnosti", V V Korovin, Norma, Moskva 1998, p237-247.
- 74 "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p21.
- 75 Edict 633 must have been drafted during the Budennovsk affair.
- 76 TASS, 24 September 1995.
- 77 TASS, 4 February 1997.
- 78 "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p638.
- 79 Ibid, p639.
- 80 "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p32.
- 81 Obshchaya Gazeta, 17-23 April 1997, p7, FBIS-SOV-084.
- 82 In contrast with the generously staffed SBP, the FSB had in 1997, 200 people working on criminal organisations (Nikolay Kovalev interviewed by Komsomolskaya Pravda, 8 February 1997, p22 FBIS-SOV-97-028).
- 83 Moskovskiy Komsomolets, 11 November 1998, p2; Obshchaya Gazeta No 7, 16-22 February 1995, p5 FBIS-SOV-95-048-S. "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p32; Moskovskiye Novosti, 26 May-2 June 1996; Obshchaya Gazeta No 2, 12 January 1995, FBIS-SOV 95-022-S. Obshchaya Gazeta, 17-23 April 1997, p7, FBIS-SOV-084; Parlamentskaya Gazeta, 29 September 1996, p1-2, FBIS-SOV-98-288; Argumenty I Fakty No 19, May 1998. According to Komsomolskaya Pravda, 5-11 December 1997, p4 at the time of Korzhakov's dismissal in 1996 the SBP had 750 operational employees and about 120 of them left the service with their boss.
- 84 Komsomolskaya Pravda, 7 May 1997, p1.
- 85 Nikolay Kovalev, quoted in TASS, 4 February 1997.
- 86 Interview with Maj-Gen Vladimir Sergeevich Kozlov, Chief of Staff and deputy head of the FSB Antiterrorist Department, Segodnya, 21 June 1999, p2.
- 87 During the Soviet era only the KGB was authorised to investigate crimes or accidents with foreign links. Even the most insignificant event involving foreign currency or foreign nationals was dealt with by the KGB. No other organisation had personnel trained to deal

with the Russian crime wave in Russia or abroad. Every type of large scale crime in Russia has foreign links, if only because criminals prefer foreign currency, foreign cars, foreign holidays and foreign banks. The only organisation which had a remote chance of stemming the crime wave was the KGB and its successors unless the Russian authorities were ready to invest heavily in specialised training and equipment for the MVD or set up yet another power structure.

88 ORT, 21 June 1996.

89 NTV, 20 February 1997, FBIS-SOV-97-035.

90 Moskovskaya Pravda, 20 February 1997, FBIS-SOV-97; Kommersant Daily 21 February 1997, p3.

91 Moskovskiy Novosti, Nr 27 1996, p7, "Predsedateli KGB Rassekrechennyye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p641-642, "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p111. Komersant Daily, 5 March 1998, p2.

92 A Lebed', "Za Dzerzhavu Obidno", Grigori Peidzh pub, 1995.

93 Segodnya, 19 October 1996.

94 Ekho Moskvyy Radio, 16 October 1996.

95 NTV, 23 October 1996, FBIS-SOV-96-207.

96 RTR TV, 26 October 1996, FBIS-SOV-96-209.

97 Nezavisimaya Gazeta, 13 May 1997, p2; Expert 14 April 1997, p46-48, FBIS-SOV-97-095; Nazavisimaya Gazeta, 16 April 1997, p2.

98 TASS, 24 May 1997.

99 Komsomolskaya Pravda, 27 May 1997, p1.

100 Obshchaya Gazeta, 23-29 April 1998, FBIS-SOV-98-148, "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p48. It is interesting that those who leaked secret information harming Yel'tsin did not dare to disclose information about the GUSP.

101 Obshchaya Gazeta, 29 May-4 June 1997, FBIS-SOV-97-104.

102 Ibid.

103 Moskovskiy Komsomolets, 4 July 1997, p1-2, FBIS-SOV-97-195, Nezavisimoye Voennoye Obozreniye, 21-27 June 1997, p8 and "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p22.

104 Kommersant Daily, 5 March 1998, p2.

105 TV6, 23 September 1998, FBIS-SOV-98-266.

106 Moskovskiy Komsomolets, 4 July 1997, p1-2, FBIS-SOV-97-195.

107 Nezavisimoye Voennoye Obozreniye, 19-25 December 1997, p1&7.

-
- ¹⁰⁸ Argumenty I Fakty, August 1996, No 31, p1&3. In August 1995 the FSB had more generals than the whole KGB.
- ¹⁰⁹ Interview with Sergey Stepashin, Rossiskiye Vesti, 6 July 1994, p2 FBIS.
- ¹¹⁰ Nezavisimoye Voyennoye Obozreniye, 19-25 December 1997, p1&7.
- ¹¹¹ Kommersant Daily, 24 January 1998, p1; Vek, No 5, 1998, p3; Na Perelome, Andrey Nikolayev, Sovremennyy Pisatel, Moskva 1998, p324.
- ¹¹² "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p22.
- ¹¹³ Moskovskiy Komsomolets, 4 July 1997, p1-2, FBIS-SOV-97-195.
- ¹¹⁴ Komsomolskaya Pravda, 26 June 1997, p2.
- ¹¹⁵ RTR, 25 January 1998, FBIS-SOV-98-029.
- ¹¹⁶ Komsomolskaya Pravda, 14 July 1998, p3.
- ¹¹⁷ Novyye Izvestiya, 2 September 1998, p2, FBIS-SOV-98-245.
- ¹¹⁸ Nezavisimaya Gazeta, 4 February 1998, p1&2.
- ¹¹⁹ RIA, 20 March 1997.
- ¹²⁰ Nezavisimaya Gazeta, 4 September 1998, p2 and RTR, 3 September 1998, FBIS-SOV-98-246).
- ¹²¹ Komsomolskaya Pravda, 14 July 1998, p3.
- ¹²² Nezavisimaya Gazeta, 6 February 1997, p5.
- ¹²³ Nezavisimaya Gazeta, 19 November 1997, p6.
- ¹²⁴ Moskovskiy Novosti, 21-28 January 1996, p10.
- ¹²⁵ Argumenty I Fakty, No 17 1996.
- ¹²⁶ Novaya Gazeta, 9-15 June 1997, FBIS-SOV-97-114.
- ¹²⁷ Trud, 20 September 1997, FBIS-SOV-97-266.
- ¹²⁸ Novyye Izvestiya, 30 December 1997, p1-2, FBIS-UMA-97-364. In theory FSB personnel were also entitled to special food vouchers, discounts on municipal and intercity transport in Russia, free uniforms and generous housing allocations. In practice the food was frequently not available, the uniforms were not a practical solution because of the nature of the FSB work, municipal and intercity transport was dilapidated and the housing stock available was of a low standard. In addition the salaries were either not paid in full or the payments were delayed.
- ¹²⁹ Novyye Izvestiya, 5 August 1998, p1&3, FBIS-SOV-98-224.
- ¹³⁰ Kommersant Vlast, 18 July 1998, p36-40.
- ¹³¹ Kommersant Telekom Supplement, 6 May 1999, p18.

-
- 132 RTR, 19 November 1998, FBIS.
- 133 Nezavisimaya Gazeta, 21 November 1998, p3; Moskovskiy Komsomolets, 22 May 1998, p1&2, FBIS-SOV-98-146; Izvestiya, 28 November 1998, p2; ORT, 23 November 1998; Profil, 23 November 1998; Moskovskiy Komsomolets (Internet version) 20 November 1998; RTR, 19 November 1998.
- 134 RTR, 19 November 1998.
- 135 ORT, 23 November 1998, Kommersant, 20 November 1998.
- 136 Moskovskiy Komsomolets, 22 May 1998, p1&2, FBIS-SOV-98-146.
- 137 Moskovskiy Komsomolets, 27 March 1999, p1&2.
- 138 Moskovskiy Komsomolets (EV), 6 April 1999.
- 139 Rossiyskaya Gazeta, 9 April 1999 Weekend Edition, p3.
- 140 La Repubblica (EV), 3 September 1999.
- 141 Kommersant Vlast, 4 August 1998, p26-28; "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p644.
- 142 Nezavisimoye Voyennoye Obozreniye, 17 July 1998, p8.
- 143 "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p22.
- 144 ITAR-TASS, 7 October 1998.
- 145 Rossiskaya Gazeta, 29 May 1997, p4; Nezavisimoye Voyennoye Obozreniye, 17 July 1998, p8; Nezavisimaya Gazeta, 4 September 1998, p2; Novyye Izvestiya, 3 September 1998, p2, FBIS-SOV-98-245; Russkiy Telegraf, 29 August 1998, p1, FBIS-SOV-98-244; Russkiy Telegraf, 29 August 1998, p1, FBIS-SOV-98-244; Segodnya, 28 August 1998; Nezavisimaya Gazeta, 27 August 1998, p1; Parlamentskaya Gazeta, 27 August 1998, p1&6, FBIS-SOV-98-251; Kommersant Vlast, 4 August 1998, p26-28; Nezavisimaya Gazeta, 28 July 1998, p1&3; Kommersant, 18 November 1998, p2; "Spetssluzby I Ikh Predstaviteli V Rossiyskom Obshchestve, Aleksey Mukhin, Moskva 1999, p22.
- 146 Kommersant Daily, 8 December 1998, p1&3; Nezavisimoye Voyennoye Obozreniye, No 47 December 1996, p1; NTV, 7 December 1998.
- 147 "Predsedateli KGB Rassekrechennye Sudby", Leonid Mlechin, Tsentrpoligraf 1999, p607.
- 148 Krasnaya Zvezda, 5 November 1991, p2.
- 149 Izvestiya, 2 November 1993, p5.
- 150 Moskovskiy Komsomolets, 27 January 1994, p1, FBIS-SOV-94-019.
- 151 Krasnaya Zvezda, 14 May 1997, p4.
- 152 Izvestiya, 8 August 1996, p2.
- 153 Nezavisimaya Gazeta, 19 July 1997, p1-2.

-
- 154 Nezavisimaya Gazeta, 19 July 1997, p1-2.
- 155 Nezavisimoye Voyennoye Obozreniye, 2-8 August 1997, p1&7.
- 156 Nezavisimaya Gazeta, 1 August 1998, p1.
- 157 Novyye Izvestiya, 11 December 1997, p1. FBIS-TEN-97-345.
- 158 Ren TV, 21 September 1999; TASS, 14 February 2000.
- 159 Komsomolskaya Pravda, 8 February 1997, p2.
- 160 Izvestiya, 17 April 1997, p4.
- 161 Nezavisimaya Gazeta, 21 November 1998, p2.
- 162 Rossiyskaya Gazeta, 12 February 2000, p6.
- 163 Moscow Central TV First Program, 19 October 1999, FBIS-SOV-9-203.
- 164 Interfax, 17 September 1992.
- 165 Moskovskiy Komsomolets, 5 March 1998, p1, 7. FBIS-98-077.
- 166 TASS, 15 March 1995; Interfax, 15 March 1995; Segodnya, 15 March 1995, p2. FBIS-SOV-95-053.
- 167 Dushanbe Radio, 4 April 1996, FBIS-SOV-96-014-L.
- 168 Moskovskiy Komsomolets, 17 April 1997, p2, FBIS-SOV-97-075.
- 169 Komsomolskaya Pravda, 14 July 1998, p3.
- 170 NTV, 9 October 1997.
- 171 ITAR-TASS, 4 December 1997.
- 172 ITAR-TASS, 11 December 1997.
- 173 ITAR-TASS, 5 October 1999.
- 174 ITAR-TASS, 17 May 1997.
- 175 ITAR-TASS, 4 December 1997.
- 176 ORT, 18 September 1998.
- 177 NIAN, 26 January 2000.
- 178 Prime-News, Tbilisi, 5 February 2000.
- 179 Rossiskiy Vesti, 6 July 1992, FBIS-SOV-94-131.
- 180 Komsomolskaya Pravda, 28 December 1993, p3, FBIS-SOV-93-248.
- 181 Segodnya, 15 April 1997, p1&2.
- 182 Interfax, 31 March 1995.

-
- 183 Segodnya, 5 April 1995, p7.
- 184 Izvestiya, 24 June 1994, p4.
- 185 Izvestiya, 9 June 1994, p3.
- 186 Interfax, 25 July 1994.
- 187 Interfax, 1 October 1994.
- 188 TASS, 7 June 1995.
- 189 Izvestiya, 2 August 1996, p4.
- 190 RTR, 17 December 1996, FBIS-SOV-96-244; TASS, 17 December 1996. When in 1996 a former KGB officer was arrested by the FBI the FSB compiled a list of 46 former employees of US intelligence organisations working in Russia, for expulsion. Komsomolskaya Pravda, 8 February 1997, p22, FBIS-SOV-97-028.
- 191 Kommersant Daily in Russian, 30 July 1998, p1-2.
- 192 Izvestiya, 5 March 1998, p1.
- 193 NTV, 9 October 1997.
- 194 Ekho Moskvyy Radio, 23 March 1998, FBIS-SOV-98-080.
- 195 Moskovskiy Komsomolets, 4 July 1997, p1-2, FBIS-SOV-97-195.
- 196 Nezavisimoye Voyennoye Obozreniye, 5-11 July 1997, p7.
- 197 Nezavisimoye Voyennoye Obozreniye, 19-25 December 1997, p1-7.
- 198 Rossiyskaya Gazeta, 26 January 2000.
- 199 Segodnya, 4 February 2000, p7.
- 200 TASS, 2 June 1993; Rossiyskiye Vesti, 6 July 1994, p2; TASS, 25 February 1995; Komsomolskaya Pravda, 25 February 1995, FBIS-SOV 95-039; Moskovskiy Novosti, 21-28 January 1996, p10.
- 201 Rossiyskaya Gazeta, 20 December 1997, p3; Komsomolskaya Pravda, 8 February 1997, p2, FBIS-SOV-97-028.
- 202 Interfax, 20 November 1997; TASS, 10 February 1997; ITAR-TASS, 4 February 1997; ITAR-TASS, 29 January 1997.
- 203 RIA, 13 & 15 April 1998.
- 204 Vremya Moskovskiy Novosti, 19 August 1999, p6; ITAR-TASS, 15 July 1998; Novyye Izvestiya, 22 July 1998, p3, FBIS-TAC-98-204.
- 205 Nezavisimaya Gazeta, 5 February 1997, p1-2.
- 206 Komsomolskaya Pravda, 17 February 2000, p8-9.
- 207 See the interview with the Secretary of the Security Council of the Russian Federation, Sergey Ivanov, Komsomolskaya Pravda, 3 February 2000, p8-9, and

Komsomolskaya Pravda, 17 February 2000, p8-9. Ivanov graduated with a language degree from Leningrad University and was sent to the KGB Counterintelligence School in Minsk. When he returned to Leningrad he worked in the Intelligence Department of the Leningrad KGB Directorate with Putin.

²⁰⁸ Kalugin came to work in Leningrad on 3 January 1980, and was met “ by the local chief of Intelligence and his deputy” (Spy Master, Oleg Kalugin, Smith Gryphon Publishers, London 1994, p288). Kalugin's duties in Leningrad included the Internal Security Section. He also sat on the Leningrad Foreign Travel Commission, “a body that decided which citizens were sufficiently reliable and worthy to travel abroad” (Ibid p289). In a recent TV appearance Kalugin spoke about Vladimir Putin’s professionalism without enthusiasm. Komsomolskaya Pravda, 17 February 2000, p8-9.

²⁰⁹ Putin worked for the Leningrad Intelligence Department until either 1981 or 1982 because his colleague, Sergey Ivanov, who went to Moscow in 1980 claims that Putin came later - Komsomolskaya Pravda, 3 February 2000, p8-9.

²¹⁰ Komsomolskaya Pravda, 17 February 2000, p8-9.

²¹¹ Komsomolskaya Pravda, 17 February 2000, p8-9.

²¹² Segodnya, 3 April 1999.

²¹³ Kommersant Daily in Russian, 30 July 1998, p1-2.

²¹⁴ Moskovskiy Komsomolets, 15 September 1999; Nezavisimaya Gazeta, 1 September 1999, p2.

²¹⁵ Interfax, 14 October 1999.

²¹⁶ Interfax, 3 February 2000.

²¹⁷ ITAR-TASS, 5 November 1998.

²¹⁸ Izvestiya, 19 December 1998, p1&2.

²¹⁹ TASS, 1 September 1993.

²²⁰ Krasnaya Zvezda, 28 October 1994, p1; NTV, 1 September 1998, FBIS-SOV-98-259.

²²¹ Nezavisimaya Gazeta, 8 May 1997, p1&2.

²²² NTV, 24 June 1997.

²²³ Literaturnaya Gazeta, 18 December 1991, p2&3, FBIS-SOV-91-249.

²²⁴ Moskovskiy Komsomolets, 15 May 1997, p2, FBIS-SOV-97-095.

²²⁵ Segodnya, 14 May 1997, p3.

²²⁶ Parlamentskaya Gazeta, 28 November 1998.

²²⁷ Rossiyskaya Gazeta, 3 February 1998, p4.

²²⁸ Komsomolskaya Pravda, 5 April 1994, p3, FBIS-SOV-94-065.

²²⁹ Ekho Moskvyy, 24 September 1999.

-
- 230 Kommersant, 25 September 1999, p1&3; ITAR-TASS, 24 September 1999.
- 231 NTV, 24 September 1999.
- 232 NTV, 14 February 2000.
- 233 Kommersant Daily, 29 January 1998, p1.
- 234 NTV, 14 February 2000.
- 235 Izvestiya 4 February 2000 (Internet version).
- 236 Interfax, 17 December 1996.
- 237 RIA, 30 June 1999.
- 238 Kommersant (EV), 10 September 1999.

Disclaimer

The views expressed are those of the
Author and not necessarily those of the
UK Ministry of Defence

The Conflict Studies Research Centre

Directorate General Development and Doctrine
Royal Military Academy Sandhurst
Camberley
Surrey
GU15 4PQ
England

Telephone : (44) 1276 412346

Or 412375

Fax : (44) 1276 686880

E-mail: csrc.dgd&d@gtnet.gov.uk

<http://www.ppc.pims.org/csrc>