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HOW RUMANIA STEALS U.S. TECHNOLOGY

One of the highest-ranking Soviet bloc intelligence officials ever to defect to the West, Ion Mihai Pacepa, recently revealed some of his first-hand knowledge about the strange world of technological espionage. Before coming to the United States, he was Deputy Director of the Rumanian Intelligence Service and personal advisor on security to the Rumanian Communist dictator Nicolae Ceausescu.

Sergei Petrovich, the Soviet general who supervised the Rumanian project, told Pacepa that the activities of the Rosenbergs and other atomic bomb spies were "no less important than the whole victory over Germany. They not only hastened the end of the imperialist nuclear monopoly but also, by dying without confessing, founded modern anti-American, anti-imperialist propaganda and the anti-nuclear peace movements.... They inaugurated a new era in which technology has become a vital support for politics."

So, the Soviets organized a worldwide intelligence operation under the direct control of the KGB in which agents scrounge for every scrap of scientific and technological information and forward it to Moscow. Pacepa tells how one of their key agents was a janitor in charge of burning classified military information.

Pacepa tells interesting stories about how the Rumanian Interior Ministry lays traps for tourists. Hotel telephones are tapped, microphones hidden in every room, and closed-circuit television gives round-the-clock surveillance of corridors and restrooms. Intelligence agents masquerade as waiters and conceal transmitters in ice buckets or ashtrays.

A small army of KGB-employed prostitutes works the bars, hotel lobbies, restaurants, theaters, opera and concert halls, streets and parks. Pacepa gives example after example of how the Rumanian intelligence operation used female agents to entrap Western businessmen and induce them to give or sell advanced technology.

Rumanian theft of U.S. hybrid corn technology by intelligence agents posing as agricultural engineers (who used the sealed diplomatic pouch to steal the seeds) has cost American farmers and seed producers not only their exports of seed corn, but their proprietary rights of ownership. By 1978 the profit to Rumania (and the business lost to

American farmers) was estimated at $300 billion.

Today, in almost any large European or American department store, you can find Pittsburgh glass produced in Rumania. An American consulting engineer was paid several hundred thousand dollars to supervise the installation of a Rumanian glass plant using the technology stolen from the United States.

When the direct export of technology to Soviet bloc countries is prohibited, Rumania uses fictitious firms specially created for the illegal diversion of technology. They used a Japanese firm as a conduit for U.S. high-grade microelectronic equipment, a Finnish firm as a conduit for Swedish high-pressure hydraulic presses, and an export-import company in Vienna for the illegal transfer of sensitive Western optical equipment.

In 1972 Ceausescu ordered that every citizen sent abroad, whether in a diplomatic, business or cultural capacity, must be either an intelligence agent or a collaborator. In 1978 intelligence agents were more than 90% of the Rumanian engineers, medical doctors, economists and teachers sent to the West under bilateral agreements.

Trade with the West is a most important source of technological intelligence. In 1978 70% of Rumanian foreign trade personnel abroad were intelligence officers; the rest were agents. They get valuable information even from maintenance and service manuals.

Consultants provide another important avenue of access. One London consulting firm, owned by a British citizen who became a Rumanian agent, furnished thousands of reports which the United States had supposedly restricted from going to Rumania.

Clandestine photography is another valuable tool. Ceausescu ordered that every piece of paper in the possession of every foreign visitor with technical, commercial and financial expertise be photographed. Sometimes the documents copied were so complete that Rumania could cancel all trade deals and manufacture Western products from the pictures.

In 1978, Rumanian authorities concluded that over 35% of the inventory and development of Rumanian industry was due at least in part to intelligence operations. The major beneficiaries were the chemical industry, medical-pharmaceuticals, metallurgy, semiconductors, integrated circuits, digital machine tools, and nuclear energy.

We are indebted to the Institute on Strategic Trade for publishing Ion Pacepa's valuable eyewitness report on Soviet-bloc espionage which has stolen the fruits of American industrial and agricultural enterprise.