

ON INTEGRITY OF INTELLIGENCE IN COUNTRIES OF EASTERN EUROPE

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Abstract: This article examines the evolution of intelligence and counterintelligence services in selected Eastern European countries, formerly part of the Soviet Union, in the two decades of independence. It emphasises transitional influences, the high level of secrecy and the lack of effective parliamentary oversight. In this environment, a common feature of the transition process is the general lack of integrity. Not surprisingly, instead of serving as a guardian against corrupt practices in government, they turn into a major conduit of political and economic corruption.

Keywords: Intelligence governance, parliamentary oversight, corruption.

Introduction

By the start of the third decade after the collapse of the Soviet Union, some countries of the East European region (for the purposes of the current article, the authors defines “East European region” as including former Soviet republics Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia and Ukraine) were mostly focused on strengthening their statehood and on establishing their national political systems. Meanwhile, after more than twenty years of independent existence, their further progressive development is still hindered by the heritage of the Soviet past, the impact of which is increasingly amplified by their own legacy of ineffective governance and high level of corruption.

In the 1990s, the quick transition from centrally planned nationalized economy of the Soviet Union to a rudimentary market economy in most countries of the region (especially Russia and Ukraine) took the form of an unfair privatization of public resources through corruption and theft and created a huge inequality between different components of society. Besides that, the collapse of the dominant communist ideology left a moral vacuum – because of the intolerance of the communist ideology to religious and other non-systemic organizations, in practice there were no respected churches and civic organizations to set moral and ethical

standards. As part of the society, the members of the security institutions were also disillusioned and often disoriented; a culture of tolerance to widespread social injustice has grown.

In some countries, sharp downsizing of the military and security structures made many well-trained people redundant, and they looked for ways to adjust to a very different and difficult new civilian life. In addition to that, the number of ill-paid and thus less motivated police forces was growing. At the same time, countries from the region waged different kinds of local wars (Armenia, Azerbaijan, Georgia, Moldova and Russia), fought against separatist movements (Azerbaijan, Georgia, Moldova and Russia), underwent internal conflicts and revolutions (Georgia, Russia and Ukraine), while the only peaceful country in the region (Belarus) turned to the former authoritarian Soviet political model. Regional conflicts had a rather corrosive impact on defence and security sectors' integrity delaying their democratization: loosening control over financial and other resources, increasing secrecy and limiting oversight. These developments contributed to the weakening of the early prospects for stable and secure societies and the rapid growth of criminality and corruption.

As a consequence, the countries of the East European region are still in a transition mode. Their law enforcement and judiciary are still undergoing the process of the (re)building, reconstruction or transformation, which makes them naturally vulnerable to the interests of criminal groups, corruption and other phenomena, contradicting to the interests of a stable and prosperous society guided by the rule of law, rather than by the rule of selfish clan interests or of groups of corrupt individuals' interests.

Caught between economic strain and political uncertainty of a prolonged transitional period, the security sectors of these countries are still balancing between the weak democratic expectations of their people, on the one hand, and the authoritarian sentiments of their national leadership on the other. Some enthusiastic attempts to reform individual segments of the security sector without taking into account the damaging influence of surrounding corrupt environments brought either only partial success or none at all.

In addition to political and economic factors, specific problems of the security sectors' personnel (institutional ethos, social status, justified benefits) negatively affect the moral of the police and military officers – both of lower ranks and, even more so, of the top leadership. They know the “rules,” according to which the civilian political and commercial sectors function, and are normally dissatisfied with their own financial status and the level of compensation for their highly responsible

mission. The lack of satisfaction in security structures' personnel in many cases forces them to search for unofficial income.

When speaking about the most specific segment of the security sector—the intelligence—it could be said that all intelligence services of the new independent states of Eastern Europe, albeit to a different degree, still represent descendants of the former Soviet KGB. In Belarus, even the name of the intelligence service was left intact – KGB of the Republic of Belarus. In the rest of the countries from the region former KGB served as the basis for the establishment of national intelligence and security structures through the restructuring, e.g. separation (and sometimes later reunification) of foreign intelligence services, border guards, VIP protection structures, government communications and other branches of the former Soviet KGB.

Typically, the most essential components of the former KGB—the internal security and domestic intelligence units—were adjusted to the local requirements of the independent states and continue to serve to the national governments as highly elitist and professional security tools. They still retain the noticeable cultural traits of their Soviet predecessor. Overall, the intelligence bodies in the region remain highly secretive, with their domestically oriented branches (the counter intelligence) having retained their law enforcement status, as they are often used to collect information and to apply special methods not only against the threats to national security, but also against political opponents at home, as well as abroad.

Despite the structural differences in the composition of intelligence in the present-day security sectors of the individual states of the region, typically their intelligence services lack transparency, and democratic oversight and control of their activities is virtually absent. This naturally creates an environment conducive to abuse of authority and corruption, which in most cases remains unnoticed by the wider public and even by parliaments, while ruling regimes have to tolerate or cover the abuses in intelligence services in exchange to their loyalty. This, in turn, contributes to the formation of a “culture of impunity,” similar to that of the police, where personnel of the internal intelligence feel themselves above the law, and that inevitably leads to increasing public scandals provoked by uncontrolled intelligence members. For instance, when they provoke tragic traffic accidents driving while intoxicated, or when some of them escape abroad and start making revealing and incriminating statements, the information is being covered.

The different functions of the internal and external intelligence services define differences in the typology of corruption risks. While internal intelligence is under

much stricter control exercised by their institutions' internal security divisions and national prosecutor's offices with respect to the management of budgetary funds, they still have the opportunity to receive "concessions" for, and derive benefits from their fighting high profile economic crimes and high level corruption. In Ukraine, for instance, such examples have allegedly become rather common. According to the former head of the parliamentary committee on national security and defence Anatoliy Grytsenko, Ukraine's security intelligence service (Sluzhba Bezpeky Ukrainy – SBU) routinely exercises unlawful interference in commercial activities of Ukrainian enterprises. He referred to the publication of documents about the alleged cases of pressure by Sevastopol Directorate of SBU on local electricity and water supply companies forcing them to cancel provision of their services to a specific enterprise. He also insisted that similar interferences are "common place everywhere [in Ukraine]".¹

Of course, such interference by internal intelligence can be of "routine" political nature only – to pressure the opposition to the government or its supporters. However, the lack of any meaningful independent oversight by parliamentary or other bodies inevitably creates a fertile ground for de-facto privatization of the intelligence service's authority and assets in order to extract illegal profits to benefit corrupt intelligence officials and operatives.

In contrast to internal intelligence services, foreign intelligence services, due to excessive operational secrecy, relatively high freedom of spending money on operations and informants, and often unmeasurable (intangible) criteria for success of the intelligence work, have somewhat different, but still broad opportunities for corruptive misuse of funds. Illustrative example for the "inefficient" use of intelligence resources could be given from year 2010, when FBI apprehended the so-called "sleeper ring" of ten Russian under-cover agents, who had been residing in the United States for a long time (at least a decade), leading a good family life in the middle-class neighbourhoods and having performed seemingly no other intelligence missions than observation. According to one sceptical commentator in *The New York Times*, "The truth is, in the business of spying most things never quite happen. Because everything must be done by indirection, espionage by its nature is time-consuming and clumsy. Great effort, brilliant ingenuity and meticulous planning—not to mention heaps of cash—more often than not produce tiny results."²

Naturally, such a truth is more applicable to big ambitious countries with huge intelligence budgets spent on political, military or economic espionage. In the region of the Eastern Europe only Russia corresponds to this description. Other countries have much more limited budgets and capabilities, but they also attempt to play

intelligence games, where modest resources are sometimes spent inappropriately. This is caused, for instance, when local regimes want to know about the activity of opposition representatives travelling abroad, or they may load intelligence with other “specific” missions serving private, rather than national interests.

Consequently, intelligence officers may decide that if authorities use national assets for their benefit, agents or station operatives can afford some luxury at the expense of the service’s budget for paying informants, or to not claim part of the profit from undercover enterprises, used to conceal intelligence operations abroad.

An illustrative case of this bizarre mixture of professional intelligence versus personal and political interests may be taken, for example, from Ukrainian foreign intelligence history, when in 2004, general of foreign intelligence Valeriy Kravchenko made in Germany public accusations against his superiors. According to Kravchenko, “Foreign intelligence abroad closely watched after the opposition activists. It also tried to survey foreign financial transactions of a number of leading politicians and business structures which supported opposition.”³ In its turn, Ukrainian security service officials insisted that accusations were groundless. The press centre of the SBU accused fugitive general Kravchenko in submission to his “mercantile interests” while serving abroad and having no desire to return to his home country.⁴

Instances of inefficiency or simply direct misuse of foreign intelligence resources can be found in many countries of the world, including in the United States. For instance, in the “case of Kyle Foggo” a senior intelligence officer, whose responsibilities included the procurement of goods and services for highly sensitive operations, arranged multiple contracts to a company of his close friend. In return, he was rewarded with expensive holidays and promises of future employment. Foggo tried to justify the use of his friend’s company by claiming that he needed to procure the goods and services from a trusted supplier. However, in the end, Foggo was found guilty, sentenced and served a term in prison.⁵

Attractive life in wealthy countries create strong incentives for operatives from Eastern European intelligence services to violate ethical standards of personnel policy in favour of relatives and friends, as well as to offer different forms of “gratitude” for desired appointments to such countries. It is not uncommon for countries from Eastern Europe, when defence attachés, intelligence operatives or security offices in the embassies “by coincidence” happen to be the relatives of influential officials in their home countries, or relatives of the friends of influential officials.

The factor of intangibility of intelligence results as one of the major factors, nurturing corruption in regional intelligence services, is further amplified by excessive secrecy. According to one of the internationally recognized experts in intelligence, "... the smaller the circle of knowledge, the greater the risk that public funds will be misused. For example, if information about an informant is limited to the intelligence officer "running" the informant, then there exists the opportunity for officers to create non-existent "phantom agents" for the purpose of embezzling the funds allegedly being paid to these agents. Even when informants are real, secrecy rules can make it easier for intelligence officers to keep for themselves money allocated to informants without much risk of detection."⁶

The key difference, though, between the countries from East Europe and the democratic countries of the West is the presence or, in fact, absence of real intelligence oversight. Activities such as the open hearings in the Congressional Committee on Intelligence (the USA), or the public reports by the Canadian Auditor General on intelligence, will likely be anathema in Eastern European countries for a long time to come.

In fact, the legislative bodies of all these countries have no separate functioning committees on intelligence. In Belarus, Russia, Ukraine and other countries from the region the formal and very limited authority of parliamentary control over intelligence services, among other responsibilities, is vested in committees or subcommittees on "security," "national security" or "national security and defence" (See the table below on "Parliamentary committees in countries of the Eastern Europe exercising oversight over intelligence services").

This certainly runs contrary to the culture and traditions of parliamentary oversight in established democracies: "The international norm is for the parliament to establish a specialized body which is mandated to provide oversight of the intelligence services. Without such a specialized committee, it is hard if not impossible for the parliament to exercise systemic and focused oversight of the intelligence services."⁷

The level of corruption in intelligence services is naturally lower (for sure, much less becomes public), than in the police. However, due to the high level of general corruption in East European countries, the risk of waste of intelligence resources and their ineffective use in intelligence operations will still remain higher, than in the case

Table 1: Parliamentary structures in countries of the Eastern Europe exercising oversight over intelligence services.

Country	Structures
Armenia	Permanent Commission on defense, national security and internal affairs
Azerbaijan	Defense and security Committee
Georgia	Defense and security Committee
Moldova	Commission on national security, defense and public order
Russia	Committee on security and fighting corruption
Ukraine	Committee on national security and defense

of established democracies with their functioning system of civilian democratic control of the security sector.

Conclusion

As part of the political organisation of the states, the security sectors of the countries in the East European region are directly dependent on the factors shaping the political, economic and social environment, including the general level of corruption. In particular, they depend on the governance and control mechanisms, the effectiveness of the rule of law and the civilian oversight, the level of public trust in authorities and security structures, social justice, availability of resources and in particular adequate budgets, rigorous financial and judicial control, and the country's economic status.

These factors also affect the level of corruption risks, to which the security sectors are exposed. And the other way around, the integrity of the security sector, the intelligence services in particular, is among the major factors determining the success or failure of individual country's development.

Overall, corruption in security sectors of Eastern Europe is a key challenge to the nation building process in this region. The authorities regularly declare decisive intentions to overcome corruption, nominally acknowledging the fact that this phenomenon is widely spread. However, their efforts to intensify the fight against corruption have so far been mostly limited to punitive reaction and fragmentary superficial reforms, rather than systemically addressing the true sources of corruption.

Futile anti-corruption efforts as part of the reform of the security sectors of the countries from the region also prove that the reform should not be sector-oriented but target the overall situation in the country.

As regards the intelligence services, countries of the region still adhere to the Soviet culture of excessive secrecy and tolerate the lack of genuine parliamentary oversight. In their statements and practical actions the authorities from East European countries still fall short of admitting the universally recognized fact, proven by the international experience, particularly by the experience of the neighbouring countries in Central and Southern Europe,⁸ that only by increasing the transparency in the security sector and by enhancing the democratic oversight a decisive positive change in the fight against corruption could be achieved.

Consequently, the current environment is conducive for misappropriation of resources in intelligence services and will likely remain so in the near future. Systemic results in combating corruption in the security sectors of the countries in Eastern Europe will require significant and long-lasting efforts by authorities and societies as well.

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Notes:

- ¹ Anatoliy Grytsenko, "Law-enforcement bodies turned out to be "law-violating" ones," *Internet Blog of Anatoliy Grytsenko*, 19 February 2011, www.grytsenko.com.ua/news/view-pravookhoronni-orhany-peretvorylysja-na-pravoporushni-hrytsenko.html.
- ² Charles McCarry, "Under Cover of Ineptitude," *The New York Times*, 10 July 2010, http://www.nytimes.com/2010/07/11/opinion/11mccarry.html?_r=0.
- ³ Yuriy Butusov, "Ukrainian Intelligence. Shake before Using," *Dzerkalo Tyzhnia*, 11 March 2005, http://gazeta.dt.ua/archive/ukrayinska_rozvidka_pered_vzhivannyam_zbovtati.html (in Ukrainian).
- ⁴ Press-center of the Security Service of Ukraine, "As concerned the publications on 18.02.2004 in the media of data on the employee of Ukrainian Embassy in Germany Kravchenko V.M.," 20 February 2004.
- ⁵ Aidan Wills, "Financial Oversight of Intelligence Services," in Hans Born and Aidan Wills, eds., *Overseeing Intelligence Services. A Toolkit* (Geneva: DCAF, 2012), quote on p. 154.

www.dcaf.ch/content/download/101743/1568620/version/1/file/Born_Wills_Intelligence_oversight_TK_EN.pdf

- ⁶ Aidan Wills, “Financial Oversight of Intelligence Services,” p. 151.
- ⁷ Hans Born and Ian Leigh, “Democratic Accountability of Intelligence Services,” *DCAF Policy Paper # 19* (2007), www.dcaf.ch/content/download/35401/526019/file/PP19_Born_Leigh.pdf.
- ⁸ See the accompanying paper in this volume by the former director of Czech civilian external intelligence agency: Petr Zeman, “Intelligence Services of the Czech Republic: Current Legal Status and Its Development,” *Information & Security: An International Journal* 30, no. 2 (2014): 67-84, <http://dx.doi.org/10.11610/isij.3006>.

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