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DEFENSE INTELLIGENCE SCHOOL
NATIONAL SENIOR INTELLIGENCE COURSE
11 FEBRUARY 1975

THE NATIONAL SECURITY STRUCTURE AND THE FUNCTIONS OF THE DIRECTOR OF CENTRAL INTELLIGENCE

TODAY I WOULD LIKE TO COVER FOR YOU BRIEFLY THE RESPONSIBILITIES OF DCI AND HOW HE CARRIES THEM OUT, SHOW YOU HOW THE INTELLIGENCE STRUCTURE IS PUT TOGETHER AT THE NATIONAL LEVEL, REFLECT ON THE TRENDS IN INTELLIGENCE AT THE NATIONAL LEVEL, AND NOTE THE CURRENT ISSUES AND PROBLEMS THAT THE DCI FACES.

ONE THING TO BE UNDERSTOOD AT THE OUTSET: THE DIRECTOR OF CENTRAL INTELLIGENCE WEARS TWO HATS -- UNDER ONE, HE IS THE PRESIDENT'S PRINCIPAL INTELLIGENCE ADVISOR. JUST AS A DIVISION COMMANDER HAS HIS G-2, SO THE COMMANDER-IN-CHIEF HAS HIS DCI. IN THIS ROLE AS THE NATION'S SENIOR INTELLIGENCE OFFICER, COLBY DOES NOT COMMAND OTHER INTELLIGENCE CHIEFS AND AGENCIES ANYMORE THAN DIVISION G-2 COMMANDS BRIGADE S-2'S. SINCE NOVEMBER 1971, HOWEVER, HE HAS BEEN DIRECTED BY THE PRESIDENT TO EXPRESS HIS VIEWS ON THE ALLOCATION OF RESOURCES TO NATIONAL INTELLIGENCE PROGRAMS AND TO COMMENT ON AND JUSTIFY THE INTELLIGENCE PROGRAMS AND BUDGETS OF THE OTHER INTELLIGENCE AGENCIES.

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UNDER HIS OTHER HAT, COLBY RUNS CIA. THIS IS A SEPARATE JOB, HOWEVER. AND, IN POINT OF FACT, HE SPENDS, OR UNTIL RECENTLY HAS BEEN SPENDING, MORE TIME AS THE PRESIDENT'S INTELLIGENCE OFFICER AND LEADER OF THE INTELLIGENCE COMMUNITY THAN HE DOES RUNNING THE CENTRAL INTELLIGENCE AGENCY.

Slide #1
Intelligence
Community

IN A FEW MINUTES, I'LL TALK ABOUT THE CIA ORGANIZATION BRIEFLY SO YOU CAN UNDERSTAND THE ROLE OF THE AGENCY IN THE INTELLIGENCE COMMUNITY. BUT, FIRST I WANT TO DESCRIBE THE COMMUNITY, ITS RELATIONSHIPS, THE COORDINATING MACHINERY THAT TIES IT TOGETHER, AND HOW IT RESPONDS TO THE WASHINGTON-LEVEL NATIONAL AUTHORITIES IT IS SET UP TO SERVE.

THE CENTRAL INTELLIGENCE AGENCY, ~~ABOUT WHICH I SHALL SAY MORE IN DUE TIME,~~ IS, OF COURSE, PART OF THE INTELLIGENCE COMMUNITY.

SECOND, THERE IS THE DEFENSE INTELLIGENCE AGENCY, WHICH IS RESPONSIBLE FOR PROVIDING GENERAL INTELLIGENCE SUPPORT TO THE OFFICE OF THE SECRETARY OF DEFENSE AND THE JOINT CHIEFS OF STAFF.

THE INTELLIGENCE UNITS OF THE ARMY, NAVY, AND AIR FORCE CONTINUE TO SUPPORT THE PARTICULAR MISSIONS OF EACH ONE OF THE SERVICES. MUCH OF THE WORK OF THE

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THREE SERVICE INTELLIGENCE COMPONENTS IS COORDINATED BY THE DIRECTOR OF DIA.

IN THE STATE DEPARTMENT, THERE IS AN INTELLIGENCE UNIT, THE BUREAU OF INTELLIGENCE AND RESEARCH (INR), WHICH SERVES THE SECRETARY OF STATE AND THE POLICY PLANNERS. IN A SENSE ALL OUR DIPLOMATIC PERSONNEL ARE INTELLIGENCE GATHERERS. BUT THERE IS ALSO A REQUIREMENT FOR MEN WHO APPLY THEMSELVES PROFESSIONALLY TO THE ANALYSIS OF THAT INFORMATION TO DETERMINE ITS BEARING ON PRESENT AND FUTURE IMPLICATIONS FOR US FOREIGN POLICY.

THE INTELLIGENCE COMPONENT IN THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION (ERDA), THE SUCCESSOR TO THE AEC, HAS A SPECIALIZED CHARTER DEVOTED TO THE VITAL FIELD OF INTELLIGENCE ON NUCLEAR ENERGY DEVELOPMENTS.

A PRIMARY RESPONSIBILITY OF THE FEDERAL BUREAU OF INVESTIGATION IS THE INTERNAL SECURITY OF THE UNITED STATES, BUT YOU CAN EASILY IMAGINE THE VITAL CONNECTION BETWEEN FOREIGN INTELLIGENCE AND INTERNAL SECURITY. SO THE FBI, TOO, IS A MEMBER OF THE INTELLIGENCE COMMUNITY. THE FBI AND CIA WORK VERY CLOSELY TOGETHER. IT ALSO SHOULD BE STRESSED HERE THAT BY LAW CIA HAS NO DOMESTIC INTERNAL SECURITY RESPONSIBILITY.

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IN RECOGNITION OF THE GROWING IMPORTANCE OF ECONOMIC INTELLIGENCE, THE TREASURY DEPARTMENT WAS OFFICIALLY ADDED TO THE INTELLIGENCE COMMUNITY BY PRESIDENT NIXON IN NOVEMBER 1971.

LASTLY, AND VERY IMPORTANTLY, THERE IS THE NATIONAL SECURITY AGENCY.

THESE, THEN, ARE THE INDIVIDUAL MEMBERS OF THE INTELLIGENCE COMMUNITY -- CIA, STATE, DIA, NSA, AND THE SERVICE INTELLIGENCE COMPONENTS, ERDA, TREASURY, AND THE FBI.

IN ORDER TO ROUND OUT THE PICTURE OF THE COMMUNITY, I MUST ADD A NUMBER OF WHAT WE CALL "SERVICES OF COMMON CONCERN." IT MIGHT BE MORE ENLIGHTENING TO CALL THEM NATIONAL INTELLIGENCE ASSETS. THESE ARE ACTIVITIES WHICH SERVE THE ENTIRE GOVERNMENT RATHER THAN ANY PARTICULAR DEPARTMENT OR AGENCY. SUCH AN ACTIVITY MAY BE MANAGED, STAFFED AND FUNDED BY ONE AGENCY, BUT ACTUALLY OPERATE DIRECTLY FOR THE ENTIRE INTELLIGENCE COMMUNITY.

THE LARGEST OF THESE NATIONAL INTELLIGENCE ASSETS IS THE NATIONAL SECURITY AGENCY, WHICH IS RESPONSIBLE FOR CRYPTOLOGIC INTELLIGENCE -- INTERCEPTING AND DECODING ELECTRICALLY TRANSMITTED MESSAGES. ITS PRODUCT IS DISSEMINATED WITH ADMIRABLE SPEED THROUGHOUT THE

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INTELLIGENCE COMMUNITY, AND HAS PLAYED A VITAL ROLE IN MANY OF OUR MOST CRUCIAL INTELLIGENCE JUDGMENTS OVER THE YEARS.

25X1

OTHER IMPORTANT NATIONAL INTELLIGENCE ASSETS ARE THE NATIONAL PHOTOGRAPHIC INTERPRETATION CENTER, AND

25X

THIS IS A QUICK LOOK AT THE PRINCIPAL ELEMENTS OF THE INTELLIGENCE COMMUNITY. AGAINST THIS BACKGROUND LET US NOW LOOK AT THE ROLE OF THE DCI.

THE NATIONAL SECURITY ACT OF 1947 CREATED THE CIA AND ALSO THE OFFICE OF THE DIRECTOR OF CENTRAL INTELLIGENCE. WHILE THE DIRECTOR WAS THE CHIEF OF THE CIA, HE WAS ALSO CHARGED WITH COORDINATING THE ENTIRE FOREIGN INTELLIGENCE EFFORT OF THE US GOVERNMENT. THIS LATTER TASK WAS PERFORMED IN VARIOUS WAYS AND WITH VARIOUS DEGREES OF EFFECTIVENESS BY SUCCESSIVE DIRECTORS THROUGH THE YEARS.

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HOWEVER, A STEADILY EXPANDING INTELLIGENCE COMMUNITY DURING THE 1960S, ACCOMPANIED BY EVER-INCREASING INTELLIGENCE BUDGETS, STIMULATED THE NATIONAL LEADERSHIP IN 1971 TO CALL FOR MORE EFFECTIVE COORDINATION OF THE ENTIRE COMMUNITY BY THE DCI.

ON NOVEMBER 5, 1971, IN A DEVELOPMENT OF MAJOR SIGNIFICANCE FOR NATIONAL INTELLIGENCE, THE PRESIDENT DIRECTED THE DCI TO TAKE ~~SIGNIFICANT~~ IMPORTANT MANAGEMENT STEPS FOR IMPROVING THE EFFECTIVENESS OF THE INTELLIGENCE COMMUNITY. I WOULD LIKE TO REVIEW THESE STEPS WITH YOU, AND ELABORATE ON HOW SOME OF THE MACHINERY OF THE COMMUNITY OPERATES.

THE PRESIDENT'S OBJECTIVES IN DIRECTING THESE MANAGEMENT STEPS WERE TO ENSURE:

-- CONTINUING REVIEW OF THE RESPONSIVENESS OF THE US INTELLIGENCE EFFORT TO HIS NEEDS.

-- STRENGTHENED LEADERSHIP FOR THE COMMUNITY AS A WHOLE.

-- MORE EFFICIENT USE OF RESOURCES IN THE COLLECTION OF INTELLIGENCE INFORMATION.

-- AN EXAMINATION OF INTELLIGENCE PROGRAMS WITH A VIEW TO ELIMINATING THE LEAST PRODUCTIVE ONES.

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-- IMPROVEMENT IN THE QUALITY, SCOPE, AND TIMELINESS OF INTELLIGENCE INFORMATION.

JUST WHAT MANAGEMENT IMPROVEMENTS WERE DIRECTED BY THE PRESIDENT? THE FOUR FOLLOWING STEPS REPRESENT THE MAJOR CHANGES:

-- AN ENHANCED LEADERSHIP AND PROGRAM ADVISORY ROLE FOR THE DIRECTOR OF CENTRAL INTELLIGENCE.

-- ESTABLISHMENT OF A NATIONAL SECURITY COUNCIL INTELLIGENCE COMMITTEE.

-- ESTABLISHMENT OF AN INTELLIGENCE RESOURCES ADVISORY COMMITTEE.

-- RECONSTITUTION OF THE UNITED STATES INTELLIGENCE BOARD. THIS DIRECTIVE WAS REAFFIRMED BY PRESIDENT FORD IN A LETTER TO MR. COLBY ON OCTOBER 9, 1974.

LET US DISCUSS THESE CHANGES, BRIEFLY, ONE BY ONE.

AS WE HAVE SEEN, THE DIRECTOR OF CENTRAL INTELLIGENCE HAS ALWAYS HAD A RESPONSIBILITY FOR DEVELOPING REQUIREMENTS FOR NATIONAL INTELLIGENCE AND FOR COORDINATING ITS PRODUCTION. UNDER THE RESTRUCTURING DIRECTED BY THE PRESIDENT, THE DIRECTOR OF CENTRAL INTELLIGENCE WAS ASKED TO FORMULATE A CONSOLIDATED INTELLIGENCE PROGRAM BUDGET, AND TO RECONCILE INTELLIGENCE REQUIREMENTS AND PRIORITIES WITH BUDGETARY CONSTRAINTS. WHILE THE PRESIDENTIAL DIRECTIVE DID NOT GIVE THE DCI ANY IN-

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CREASED COMMAND AUTHORITY OVER THE OTHER COMPONENTS OF THE INTELLIGENCE COMMUNITY, HE WAS GIVEN THE SIGNIFICANT NEW RESPONSIBILITY OF BEING INFORMED ON AND EXPRESSING VIEWS WITH RESPECT TO THE ALLOCATION OF ALL INTELLIGENCE RESOURCES IN THE COMMUNITY, PARTICULARLY THOSE OF A NATIONAL CHARACTER. IN THIS REGARD THE DIRECTOR MAY BE CALLED ON BY THE PRESIDENT, THE KEY CONGRESSIONAL COMMITTEES AND BY THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET TO COMMENT ON AND DEFEND THE INTELLIGENCE PROGRAMS AND BUDGETS OF THE DEPARTMENT OF DEFENSE AND DEPARTMENT OF STATE. WHILE THE AUTHORITY TO INFLUENCE BUDGETS CARRIES CONSIDERABLE WEIGHT, THE OBJECTIVES OF THE PRESIDENT'S DIRECTIVE WILL CONTINUE TO BE ACCOMPLISHED LARGELY THROUGH COOPERATION, HARD WORK, AND GOOD SENSE. I THINK WE HAVE MADE A PROMISING START.

OTHER CHANGES DIRECTED BY THE PRESIDENT CONSIST OF VARIOUS COORDINATING MECHANISMS THAT SHOULD MAKE FOR MORE EFFECTIVE CONTROL OF THE INTELLIGENCE COMMUNITY. LET US LOOK AT THESE MECHANISMS, AND SEE WHAT THEY ARE DESIGNED TO ACCOMPLISH.

Slide #2 Rel. of DCI to Pres. & Intel Community

NSCIC

THE NATIONAL SECURITY COUNCIL INTELLIGENCE COMMITTEE FILLS A GAP THAT HAD BECOME QUITE WORRISOME OVER THE YEARS. THERE WAS NO ARRANGEMENT FOR SYSTEMATIC FEED-

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BACK OF CRITICISM AND COMMENT FROM HIGH POLICY USERS OF FINISHED INTELLIGENCE. THE NEW COMMITTEE IS CHAIRED BY DR. KISSINGER, AND ITS MEMBERS ARE THE UNDER SECRETARY OF STATE, THE DEPUTY SECRETARY OF DEFENSE, THE ATTORNEY GENERAL, THE CHAIRMAN OF THE JCS, AND THE DCI -- IN OTHER WORDS, THE POLICY LEVEL FOR WHICH NATIONAL INTELLIGENCE IS DESIGNED.

WITH THIS COMMITTEE, THE PRESIDENT HAS CREATED A FORMAL GROUP OF SENIOR POLICY OFFICIALS TO DEVELOP GUIDANCE FOR THE INTELLIGENCE PRODUCT NEEDED TO SUPPORT THE FORMULATION OF U.S. FOREIGN AND DEFENSE POLICY. THIS COMMITTEE WILL ALSO PROVIDE FOR A CONTINUING EVALUATION OF THE INTELLIGENCE PRODUCT FROM THE STANDPOINT OF PRIME INTELLIGENCE USERS. THIS WILL ENABLE THE INTELLIGENCE COMMUNITY TO RESPOND IN A MORE ORDERLY, TIMELY, AND EFFECTIVE MANNER TO THE NATIONAL INTELLIGENCE NEEDS.

IRAC

ANOTHER NEW ELEMENT CREATED BY THE 1971 DIRECTIVE WAS THE INTELLIGENCE RESOURCES ADVISORY COMMITTEE (IRAC). IIT IS CHAIRED BY THE DCI AND INCLUDES REPRESENTATIVES OF STATE, DEFENSE, OMB AND CIA. THIS COMMITTEE IS ADVISORY TO THE DCI IN HIS RESOURCES

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MANAGEMENT ROLE. IT ASSISTS IN THE DEVELOPMENT AND REVIEW OF THE ANNUAL NATIONAL FOREIGN INTELLIGENCE PROGRAM, WHICH IS A COMPOSITE OF ALL THE SEPARATE NATIONAL AND DEPARTMENTAL PROGRAMS CONTRIBUTING TO THE NATIONAL INTELLIGENCE EFFORT. BASED ON THE IRAC REVIEW OF THESE PROGRAMS, THE DCI SUBMITS EACH YEAR TO THE PRESIDENT HIS RECOMMENDATIONS ON THE LEVEL OF EFFORT AND THE MIXTURE OF ACTIVITIES WHICH, IN HIS JUDGMENT, NEED TO BE FUNDED FOR THE ATTAINMENT OF THE NATIONAL INTELLIGENCE OBJECTIVES. THESE RECOMMENDATIONS, ONCE APPROVED BY THE PRESIDENT, CONSTITUTE THE BASIS FOR THE INTELLIGENCE PORTION OF THE PRESIDENT'S BUDGET AS IT IS SENT TO CONGRESS.

AS YOU CAN APPRECIATE, THE ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE, DR. HALL, PLAYS A VERY MAJOR ROLE IN THE WORK OF THE IRAC. OF ALL THE INTELLIGENCE RESOURCES BEING REVIEWED, SOME 80 PERCENT ARE WITHIN THE DEFENSE BUDGET, AND THESE ARE SPECIFICALLY DR. HALL'S RESPONSIBILITY.

IT IS MR. COLBY'S POLICY TO INVITE THE DIRECTOR OF NSA AND THE DIRECTOR OF DIA TO PARTICIPATE IN IRAC PROCEEDINGS IN THEIR CAPACITY AS NATIONAL INTELLIGENCE PROGRAM MANAGERS.

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IR&D

IN THE FALL OF 1973, THE DCI ESTABLISHED A SUBCOMMITTEE OF IRAC TO PROVIDE A FORUM FOR THE MUTUAL EXCHANGE OF R&D INFORMATION. THE INTELLIGENCE RESEARCH AND DEVELOPMENT COUNCIL IS CHAIRED BY DR. MALCOLM CURRIE, THE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING, AND INCLUDES AS MEMBERS ALL PROGRAM MANAGERS FOR INTELLIGENCE OR INTELLIGENCE-RELATED R&D ACTIVITIES IN THE GOVERNMENT. THE SPACE SHUTTLE -- MASS DATA STORAGE -- REMOTE SENSOR TECHNOLOGY -- ARE SOME OF THE AREAS WHICH HAVE BEEN SELECTED FOR FURTHER ATTENTION BY THE COUNCIL AS PART OF ITS PROGRAM TO IDENTIFY GAPS WHICH COULD BENEFIT FROM MORE R&D EFFORT. THIS COUNCIL HAS CLEARLY BECOME ONE OF THE MOST SIGNIFICANT AND PRODUCTIVE BODIES IN THE INTELLIGENCE COMMUNITY STRUCTURE.

USIB

WHILE THE IRAC SERVES AS THE COORDINATING BODY TO ADVISE THE DCI ON RESOURCE MANAGEMENT, THE FULL RANGE OF SUBSTANTIVE INTELLIGENCE COORDINATION IS ACCOMPLISHED THROUGH THE U.S. INTELLIGENCE BOARD (USIB) STRUCTURE. THIS BOARD HAS EXISTED ON ONE FORM OR ANOTHER FOR A NUMBER OF YEARS.

THIS BOARD WAS ESTABLISHED UNDER DIRECTIVES OF THE NATIONAL SECURITY COUNCIL THE DIRECTOR OF

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CENTRAL INTELLIGENCE, BY NATIONAL SECURITY COUNCIL DIRECTIVE, IS THE CHAIRMAN OF USIB. THIS, BY THE WAY, IS ONE PLACE WHERE THE DIRECTOR'S TWO JOBS -- HIS "TWO HATS" -- ARE VERY CAREFULLY DIFFERENTIATED. WHEN HE CHAIRS THE U.S. INTELLIGENCE BOARD, HE IS THERE AS THE PRESIDENT'S PRINCIPAL INTELLIGENCE OFFICER, NOT AS THE HEAD OF CIA. THE USIB PASSES ON THE AGREED, COORDINATED JUDGMENTS OF THE ENTIRE INTELLIGENCE COMMUNITY -- WHAT WE CALL "NATIONAL INTELLIGENCE" -- AND IT MIGHT HAMPER THIS FUNCTION IF THE DIRECTOR WERE SIMULTANEOUSLY TO ACT AS CHAIRMAN AND TO ADVANCE THE VIEWS OF THE CENTRAL INTELLIGENCE AGENCY. FOR THIS REASON, CIA HAS SEPARATE REPRESENTATION ON THE BOARD IN THE PERSON OF THE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE.

THE OTHER PRINCIPALS ARE:

- THE STATE DEPARTMENT DIRECTOR OF INTELLIGENCE AND RESEARCH;
- THE DIRECTOR OF THE DEFENSE INTELLIGENCE AGENCY;
- THE DIRECTOR OF THE NATIONAL SECURITY AGENCY;
- THE DEPUTY ASSISTANT ADMINISTRATOR OF THE ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION;
- THE ASSISTANT TO THE DIRECTOR OF THE FBI; AND
- A REPRESENTATIVE OF THE TREASURY DEPARTMENT.

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SINCE THE ESTABLISHMENT OF DIA, THE INTELLIGENCE CHIEFS OF THE ARMY, NAVY, AND AIR FORCE HAVE CONTINUED TO ATTEND AND PARTICIPATE IN USIB, BUT AS OBSERVERS RATHER THAN AS OFFICIAL MEMBERS.

THE FACT IS, HOWEVER, THAT THEY ARE ACTUALLY FULL PARTICIPANTS. MR. COLBY SOLICITS THEIR VIEWS ON ALL MATTERS. ALSO, THEY HAVE FULL MEMBERSHIP ON ALL USIB COMMITTEES. MR. COLBY HAS ALSO INVITED DR. HALL TO PARTICIPATE IN USIB MEETINGS, AND HE IS INDEED ACTIVE IN ALL BOARD DISCUSSIONS PARTICULARLY THOSE WHICH ARE RESOURCE-RELATED.

THE ROLE OF THE USIB IS TO ASSIST AND ADVISE THE DCI IN THE ESTABLISHMENT OF INTELLIGENCE OBJECTIVES, THE IDENTIFICATION AND PRIORITY ORDERING OF REQUIREMENTS, THE PRODUCTION OF NATIONAL INTELLIGENCE ESTIMATES AND OTHER STUDIES, THE DISSEMINATION AND PRESENTATION OF INTELLIGENCE, AND THE SECURITY POLICY ASPECTS OF PROTECTING INTELLIGENCE SOURCES AND METHODS.

USIB COMMITTEES

BECAUSE OF THE SCOPE OF ITS CONCERNS AND THE CONTINUOUS NATURE OF ITS WORK, THE USIB IS SUPPORTED BY 13 FULL-TIME COMMITTEES, EACH STAFFED BY REPRESENTATIVES OF THE SAME AGENCIES OR DEPARTMENTS HAVING

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MEMBERSHIP ON THE BOARD. THESE COMMITTEES GENERALLY FALL INTO THREE FUNCTIONAL CATEGORIES OF COLLECTION, SUBSTANTIVE PRODUCTION, AND SUPPORT PROCESSES. THE COMMITTEE CHAIRMEN, MANY OF THEM FULL-TIME IN THEIR CHAIRMENSHIP, ARE APPOINTED FROM ANY MEMBER AGENCY OF THE BOARD AND ARE ALL RESPONSIBLE TO THE DCI IN HIS CAPACITY AS CHAIRMAN OF USIB.

ALTHOUGH THE USIB AND THE IRAC REPRESENT THE PRINCIPAL ADVISORY BODIES FOR DCI COORDINATION OF SUBSTANTIVE AND RESOURCE MANAGEMENT MATTERS IN THE COMMUNITY, THERE ALSO WAS THE NEED FOR FULL-TIME STAFF SUPPORT IN THE GENERAL AREAS OF MANAGEMENT AND EVALUATION, AND IN THE SUBSTANTIVE FIELD. TO MEET THESE NEEDS AND TO REPLACE SOME RELATIVELY OUT-MODED ACTIVITIES, THE DCI CREATED THE NATIONAL INTELLIGENCE OFFICERS AND THE INTELLIGENCE COMMUNITY STAFF.

NIOs

ESTABLISHED BY MR. COLBY IN OCTOBER OF 1973 UNDER THE DIRECTION OF MR. GEORGE CARVER, DEPUTY TO THE DCI FOR NATIONAL INTELLIGENCE OFFICERS, THE NIOS ARE THE DCI'S PRINCIPAL STAFF OF OFFICERS AND PERSONAL REPRESENTATIVES FOR SPECIFIC GEOGRAPHIC AREAS AND FUNCTIONAL SUBJECTS AND ARE RESPONSIBLE TO HIM FOR

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THE ENTIRE INTELLIGENCE PROCESS, WITH SPECIAL EMPHASIS ON THE PRODUCTION OF ESTIMATES AND OTHER NATIONAL PRODUCTS. THEIR JOB IS TO ENLIST ALL ELEMENTS OF THE COMMUNITY IN THE DEVELOPMENT OF THE BEST POSSIBLE ASSESSMENTS OF THE INTELLIGENCE QUESTIONS FACING THE POLICYMAKERS. (THE DCI HAS INSTRUCTED THAT COMMUNITY REPORTS AND ESTIMATES BE INDEPENDENT OF POLICY PRESSURE AND OBJECTIVE IN TONE AND CONTENT, AND INCORPORATE MINORITY OR ADVERSE VIEWS WHEN THESE EXIST.)

INTELLIGENCE COMMUNITY STAFF

THE PRESENT INTELLIGENCE COMMUNITY STAFF HAD ITS BEGINNING IN A SMALL NATIONAL INTELLIGENCE PROGRAMS EVALUATION STAFF ESTABLISHED IN 1963 TO LOOK AT COMMUNITY PROBLEMS ON AN AD HOC BASIS.

FOLLOWING THE PRESIDENTIAL DIRECTIVE OF NOVEMBER 1971, THIS NUCLEUS WAS EXPANDED BY MR. HELMS INTO THE INTELLIGENCE COMMUNITY STAFF WITH A FAR BROADER MISSION. HOWEVER, IN SPITE OF ITS NAME, IT, LIKE ITS PREDECESSOR, WAS STILL, FOR THE MOST PART, MANNED BY CIA OFFICERS. WHEN DR. SCHLESINGER BECAME DCI IN EARLY 1973, HE REORGANIZED THE STAFF TO MAKE IT REPRESENTATIVE OF THE ENTIRE COMMUNITY. THIS STAFF BEGAN TO HIT ITS STRIDE WITH THE ASSIGNMENT OF LTG ALLEN [redacted] 25X1

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25X1

[redacted] AS YOU ARE AWARE, BOTH OF THESE OFFICERS HAVE MOVED ON TO HEAD MAJOR AGENCIES OF THE COMMUNITY.

THE IC STAFF IS ORGANIZED TO SUPPORT THE DCI IN THE FOUR PRIMARY AREAS OF HIS COMMUNITY RESPONSIBILITY -- RESOURCES MANAGEMENT, COLLECTION AND PROCESSING, PRODUCT IMPROVEMENT, AND COORDINATION AND PLANNING.

THE PRESENT IC STAFF IS A BLEND OF CIA PROFESSIONAL PERSONNEL, ACTIVE-DUTY INTELLIGENCE OFFICERS FROM THE MILITARY SERVICES, CIVILIAN REPRESENTATIVES FROM NSA, DIA, AND THE STATE DEPARTMENT, PLUS A FEW INDIVIDUALS DRAWN FROM PRIVATE INDUSTRY. ALTHOUGH HOUSED IN THE CIA HEADQUARTERS BUILDING, THE IC STAFF SUPPORT TO THE DCI IS CLEARLY IN A COMMUNITY SENSE, AND IT DEALS WITH ALL AGENCIES AND DEPARTMENTS ON AN EQUAL BASIS, THE CENTRAL INTELLIGENCE AGENCY BEING ONE AMONG SEVERAL.

LET'S TURN BRIEFLY TO MR. COLBY'S SECOND HAT AS DIRECTOR OF CIA.

THE DCI IS THE ADMINISTRATIVE HEAD OF CIA. IT IS THE ONLY AGENCY OF THE INTELLIGENCE COMMUNITY OVER WHICH HE EXERCISES COMMAND RESPONSIBILITY. WHILE HE DELEGATES MUCH OF THE DAY-TO-DAY RUNNING OF THE AGENCY TO HIS DEPUTIES, HE IS MANAGER OF CIA, ESTABLISHING POLICY AND MAKING COMMAND DECISIONS. HE IS

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ACCOUNTABLE FOR ALL THE ACTIVITIES ENGAGED IN BY THE AGENCY IN THE FURTHERANCE OF ITS MISSION.

THE MISSION AND FUNCTIONS OF CIA ARE PROVIDED FOR IN THE NATIONAL SECURITY ACT OF 1947. SPECIFICALLY, CIA'S PRIMARY FUNCTIONS FALL INTO THREE BROAD CATEGORIES:

-- COLLECTION OF INTELLIGENCE;

-- COVERT ACTION OPERATIONS; AND

-- PRODUCTION OF FINISHED INTELLIGENCE.

CIA COLLECTS INTELLIGENCE INFORMATION IN THE FIELD IN THE FOLLOWING WAYS:

25X1

(1) OVERT COLLECTION -- [redacted]

25X1

25X1

(2) CLANDESTINE COLLECTION - [redacted]

25X1

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25X1

ANOTHER MAJOR MISSION OF CIA IS THE PRODUCTION OF FINISHED NATIONAL INTELLIGENCE AND ITS TIMELY DISSEMINATION TO THE PRESIDENT, THE NATIONAL SECURITY COUNCIL AND OTHER TOP POLICYMAKERS. CIA HAS PRODUCTION RESPONSIBILITIES FOR:

(1) CURRENT INTELLIGENCE -- INCLUDING A SPECIAL PUBLICATION FOR THE PRESIDENT ALONE.

(2) RESEARCH: ON A SELECTIVE BASIS, POLITICAL, ECONOMIC, SCIENTIFIC AND TECHNICAL, BIOGRAPHIC, GEOGRAPHIC, AND STRATEGIC.

(3) ESTIMATES: NATIONAL INTELLIGENCE ESTIMATES ARE THE RESPONSIBILITY OF THE DCI AND ARE BASED ON CONTRIBUTIONS FROM ALL AGENCIES, INCLUDING CIA.

(4) CONTRIBUTIONS TO NATIONAL SECURITY COUNCIL PAPERS.

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THESE, THEN, ARE SOME OF THE PRIMARY FUNCTIONS OF THE CENTRAL INTELLIGENCE AGENCY.

CIA ORGANIZATION

Slide #3 Org. of CIA

AS FOR THE ORGANIZATION OF THE CENTRAL INTELLIGENCE AGENCY, CIA IS DIVIDED INTO FOUR PRINCIPAL GROUPINGS -- REFERRED TO AS DIRECTORATES -- AND SEVERAL STAFF OR SPECIAL FUNCTIONS, THE HEADS OF WHICH REPORT DIRECTLY TO THE DIRECTOR. AN EXAMPLE OF THE LATTER IS THE OFFICE OF LEGISLATIVE COUNSEL.

NOW FOR THE DIRECTORATES, THE DDI, OR INTELLIGENCE DIRECTORATE, IS THE PRINCIPAL PRODUCER OF FINISHED SUBSTANTIVE INTELLIGENCE, WHICH I REFERRED TO EARLIER. THIS DIRECTORATE INCLUDES FUNCTIONAL OFFICER RESPONSIBLE FOR CURRENT INTELLIGENCE, ECONOMIC RESEARCH, POLITICAL RESEARCH, AND STRATEGIC (MILITARY) RESEARCH, WHICH PROVIDE THE MUSCLE FOR THE PRODUCTION PROCESS. THE DDI IS ALSO RESPONSIBLE FOR OVERT COLLECTION [redacted] 25X1

[redacted] 25X1

THE DIRECTORATE OF SCIENCE AND TECHNOLOGY, AS THE NAME SUGGESTS, CONCENTRATES ON THE SCIENTIFIC AND TECHNICAL ASPECTS OF THE AGENCY'S INTELLIGENCE ACTIVITES, INCLUDING HIGHLY SOPHISTICATED TECHNICAL COLLECTION OPERATIONS, TOGETHER WITH THE RESEARCH AND DEVELOPMENT SUPPORTING SUCH ACTIVITIES, AS WELL AS THE PRODUCTION

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OF SUBSTANTIVE INTELLIGENCE ON ADVANCED WEAPONS AND OTHER S&T CAPABILITIES OF FOREIGN NATIONS. IT ALSO ADMINISTERS THE NATIONAL PHOTOGRAPHIC INTERPRETATION CENTER IN CLOSE COLLABORATION WITH DIA.

THE THIRD DIRECTORATE IS THE DIRECTORATE OF ADMINISTRATION WHICH EMBRACES THE VERY IMPORTANT AND HIGHLY SPECIALIZED SUPPORT SERVICES, SUCH AS SECURITY, COMMUNICATIONS, TRAINING, PERSONNEL, FINANCE, LOGISTICS, PRINTING AND HOUSEKEEPING FUNCTIONS. THIS DIRECTORATE ALSO HOUSES THE AGENCY'S COMPUTER CENTER.

THE FOURTH DIRECTORATE IS THE DDO OF OPERATIONS DIRECTORATE WHICH ANOTHER WAY OF REFERRING TO THE CIA'S CLANDESTINE SERVICES. [redacted] 25X1

25X1

25X1 [redacted] THE DDO IS ORGANIZED IN A SERIES OF AREA DIVISIONS, SIMILAR TO THE STATE DEPARTMENT'S REGIONAL BUREAUS. IT HAS STAFFS FOR SPECIALIZED MATTERS [redacted] 25X1

25X1

X1 [redacted] THE DIRECTORATE ALSO OPERATES CIA'S CLANDESTINE UNITS ABROAD, WHICH ARE CALLED "STATIONS".

THE OPERATIONS DIRECTORATE AND THE CHIEFS OF THESE OVERSEAS STATIONS SUPPORT THE DIRECTOR IN HIS RESPONSIBILITY FOR COORDINATING THE COVERT COLLECTION OPERATIONS WHICH ARE CONDUCTED BY OTHER U.S. INTELLIGENCE ORGANIZATIONS. THE OVERSEAS "STATIONS" OPERATE UNDER THE GENERAL SUPERVISION OF THE U.S AMBASSADOR IN THE COUNTRY IN WHICH THEY ARE LOCATED, AND FUNCTIONS AS A PART OF THE COUNTRY TEAM.

Slide #2 Rel. of DCI to Pres & Intel Community

NATIONAL INTELLIGENCE COMMUNITY STRUCTURE

TO SUM UP THIS PART OF THE PRESENTATION HERE IS A QUICK LOOK AGAIN AT THE STRUCTURE OF THE NATIONAL INTELLIGENCE COMMUNITY.

-- AT THE POLICY LEVEL ARE THE PRESIDENT AND THE NSC, TO WHOM THE DCI REPORTS.

-- AT THE MANAGEMENT LEVEL ARE THE USIB AND IRAC, THE TWO ADVISORY BODIES TO THE DCI ON SUBSTANCE AND RESOURCE MANAGEMENT.

-- AT THE COORDINATION LEVEL (IMPLEMENTATION) ARE THE NIOs AND IC STAFF, WHO ASSIST THE DCI IN HIS COMMUNITY ROLE.

-- AT THE IMPLEMENTATION LEVEL (OPERATIONAL) ARE THE AGENCIES AND DEPARTMENTAL STAFFS WHO COLLECT, PROCESS, AND PRODUCE FOREIGN INTELLIGENCE. (I.E., MEMBER AGENCIES OF USIB)

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PROBLEMS, ISSUES, TRENDS, FUTURE

PROBLEMS

UNFRIENDLY PRESS -- FOLLOWING SUCCESSES IN EXPOSING THE WATERGATE AFFAIR, AND AIDED BY REVELATIONS BY FORMER CIA EMPLOYEES, THE PRESS HAS TURNED ITS ATTENTION TO THE INTELLIGENCE COMMUNITY GENERALLY AND TO THE CIA IN PARTICULAR. THE REVELATIONS FOR THE BASIS FOR PRESS ALLEGATIONS OF ILLEGAL ACTIVITIES AND EXCESSES IN INTELLIGENCE OPERATIONS. WHILE THE CHARGES BEING MADE REFER IN THE MAIN TO ACTIVITIES WHICH WERE, IN FACT, BOTH CORRECT AND NECESSARY, AN INORDINATE AMOUNT OF TIME AND EFFORT IS BEING DEVOTED TO PREPARING MATERIAL AND TESTIFYING BEFORE A VARIETY OF COMMISSIONS AND CONGRESSIONAL INVESTIGATING BODIES. THE HOSTILITY OF THE PRESS AND THE NATURAL DESIRE TO EXPLAIN OR REFUTE THE CHARGES MADE WILL CERTAINLY LEAD TO A BROADENING OF THE DISCUSSION AND FURTHER REVELATIONS OF DETAILS OF HERETOFORE SECRET INTELLIGENCE ACTIVITIES. I SEE NO EARLY END TO THIS PRESS HOSTILITY, AND IT WILL BE INCUMBENT ON THE INTELLIGENCE COMMUNITY AS A PART OF OUR GOVERNMENT STRUCTURE, TO RESPOND TO THE OFFICIAL INVESTIGATIONS AND QUERIES WHICH ARE GENERATED. ONE OF OUR GOALS WILL BE TO PROTECT THE MOST VITAL CLASSIFIED

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ACTIVITIES WHICH ARE ESSENTIAL FOR CONTINUED SUCCESS OF OUR NATIONAL INTELLIGENCE UNDERTAKINGS.

A CONCERNED CONGRESS -- THE MAKE-UP AND ATTITUDE OF THE 94TH CONGRESS, AIDED AND ABETTED BY THE HOSTILE PRESS, PRESENTS US WITH WHAT IS ESSENTIALLY A CONGRESS ALSO CONCERNED ABOUT THE INTELLIGENCE COMMUNITY. CONGRESSIONAL CONCERN SEEMS TO TAKE THE FORM OF SUSPICION AND A POSSIBLE LACK OF CONFIDENCE RATHER THAN OPEN HOSTILITY AS IN THE PRESS, ALTHOUGH THERE ARE MINOR ELEMENTS OF OPEN HOSTILITY EVEN IN CONGRESS. CERTAINLY CONGRESS MUST REACT TO THESE CONCERNS, AS INDEED THEY ARE REACTING ACROSS A BROAD FRONT. IN THE LONG RUN I'M SURE THE COMMUNITY WILL BE HELD ACCOUNTABLE TO CONGRESS IN A MORE DETAILED WAY AND PROBABLY THROUGH SOME NEW MECHANISMS SUCH AS A JOINT INTELLIGENCE OVERSIGHT COMMITTEE. THERE MAY BE ADVANTAGES TO THIS IN THAT A CONGRESSIONAL COMMITTEE DEDICATED TO REVIEWING INTELLIGENCE ACTIVITIES COULD BE A SOURCE OF UNDERSTANDING, SUPPORT AND DEFENSE AGAINST OTHER HOSTILITIES.

PROTECTION OF SOURCES AND METHODS -- ONE OF THE KEYS TO CONTINUED SUCCESS OF THE INTELLIGENCE EFFORT IS THE PROTECTION FROM PUBLIC DISCLOSURE OF THE TECHNIQUES, METHODS AND SOURCES BY WHICH WE ACHIEVE SUCCESS. IN-

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FORMATION WE OBTAIN IS LIKELY TO BE LESS SENSITIVE THAN THE METHOD OR SOURCE FROM WHICH IT CAME. THE INFORMATION MAY BE TRANSITORY, BUT THE SOURCE MUST BE PROTECTED TO SERVE AGAIN. IN SOME CASES, INFORMATION ITSELF MAY REVEAL THE SOURCE OR METHOD BY WHICH IT WAS PROCURED. THUS, WE CLASSIFY INFORMATION TO PROTECT THE TEMPORARY ADVANTAGE WE GAIN BY HAVING IT, BUT MORE IMPORTANTLY TO PROTECT THE MEANS BY WHICH WE GOT IT. THIS PROTECTION OF SOURCES AND METHODS IS, BY FEDERAL LAW, THE RESPONSIBILITY OF THE DCI, AND IS AT THE ROOT OF MOST OF OUR CLASSIFICATION AND CONTROL SYSTEMS. PRESS REVELATIONS, THE NEED TO MAKE DETAILED EXPLANATIONS FOR PUBLIC RECORD, AND SUCH OTHER ACTIONS AS THE NEW FREEDOM OF INFORMATION ACT (PASSED BY CONGRESS OVER PRESIDENT FORD'S VETO), ALL SERVE TO COMPLICATE EFFECTIVE EXECUTION OF THIS RESPONSIBILITY BY THE DCI.

TIGHTER BUDGETS -- DURING THE 1960S, THE INTELLIGENCE COMMUNITY ENJOYED EXPANSION AND INCREASING BUDGETS, PRIMARILY BECAUSE OF TECHNOLOGICAL ADVANCES AND SUPPORT TO THE SOUTHEAST ASIA CONFLICT. HOWEVER, OVER THE PAST FOUR OR FIVE YEARS, THERE HAVE BEEN CONCERTED EFFORTS TO MAKE REDUCTIONS IN INTELLIGENCE RESOURCES AND TO HOLD THE ANNUAL BUDGET AT A LEVEL

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FIGURE. THESE ACTIONS, PLUS THE IMPACT OF INFLATION, HAVE CAUSED MAJOR REDUCTIONS IN OPERATIONAL RESOURCES, ESPECIALLY IN MANPOWER. OVER THE PAST FIVE YEARS WE

X1 HAVE ABSORBED [redacted] REDUCTION IN INTELLIGENCE MANPOWER, MOSTLY IN THE DEFENSE STRUCTURE. ONLY A SMALL PART OF THIS IS ATTRIBUTED TO THE DRAWDOWN IN SOUTHEAST ASIA. MOST OF IT RESULTS FROM INFLATIONARY EROSION AS WE ATTEMPT TO MAINTAIN OUR TECHNICAL SYSTEMS. THE PROFICIENCY AND CAPABILITY OF OUR TECHNICAL ADVANCES, HOWEVER, HAS ENABLED US UP TO THIS POINT TO TAKE THESE MANPOWER REDUCTIONS WITHOUT UNACCEPTABLE DAMAGE TO MISSION ACCOMPLISHMENT. THE CHALLENGE IN THE YEARS AHEAD, OF COURSE, WILL BE TO MAINTAIN AND EVEN INCREASE OUR INTELLIGENCE CAPABILITIES WHILE CONTINUING TO ABSORB INFLATIONARY TRENDS WITHOUT SUBSTANTIALLY LARGER BUDGETS.

LET ME MENTION SOME PARTICULAR ISSUES DIRECTLY RELATED TO THE TIGHT BUDGET PROBLEM.

MANPOWER IMPLICATIONS -- INTELLIGENCE IS A MANPOWER-

X1 INTENSIVE EFFORT. BETTER THAN [redacted] OF OUR INTEL- 25X

LIGENCE BUDGET GOES TO PAY THE SALARIES OF OUR PEOPLE. THE REST GOES FOR TECHNICAL SYSTEMS, EQUIPMENT INVESTMENT, RESEARCH AND DEVELOPMENT, AND SUPPORT ACTIVITIES. EACH NEW BUDGET CRUNCH USUALLY RESULTS IN FURTHER MANPOWER REDUCTIONS, BECAUSE IT'S EASIER TO CUT DOWN ON SALARIES

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THAN IT IS TO DISCARD A TECHNICAL SYSTEM, A BUILDING OR A COMMUNICATIONS NETWORK. UNPALATABLE AS IT IS, I'M AFRAID THIS TREND WILL CONTINUE. CERTAINLY WE WON'T HAVE ANY NET MANPOWER INCREASES IN THE FORESEEABLE FUTURE. ONE SOLUTION LIES IN RESEARCH AND DEVELOPMENT EFFORTS TO MAKE OUR MANPOWER RESOURCES MORE PRODUCTIVE THROUGH USE OF LABOR-SAVING DEVICES, MODERNIZED METHODS AND AUTOMATED ASSISTANCE TO HUMAN FUNCTIONS.

DEMANDS VS. RESOURCES -- WE ARE CONSTANTLY FACED WITH INTELLIGENCE REQUIREMENTS WHICH EXCEED OUR ABILITY, WITHIN EXISTING RESOURCES, TO SATISFY. A LEVEL BUDGET COMPLICATED BY INFLATION PRECLUDES ADDITIONAL RESOURCES. INSTEAD, WE MUST PROVIDE TRADE-OFFS. WHEN WE TAKE ON A NEW TASK, SOMETHING ELSE MUST YIELD. THESE ARE HARD DECISIONS AND THEY ARE ALMOST ALWAYS UNPOPULAR.

COLLECTION VS. EXPLOITATION -- ADVANCES IN OUR TECHNICAL SYSTEMS MAKE IT POSSIBLE FOR US TO COLLECT MORE INFORMATION THAN WE CAN EXPLOIT. BY "EXPLOITATION" I MEAN THE ABILITY TO PROCESS RAW DATA INTO MEANINGFUL INFORMATION, ANALYZE IT, AND USE IT EFFECTIVELY IN AN

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EXPLOITATION. THUS, THE IMBALANCE BETWEEN COLLECTION AND EXPLOITATION IS AN EVER-PRESENT CONCERN.

THESE BUDGET-RELATED ISSUES -- MANPOWER LOSSES, INCREASING REQUIREMENTS, AND COLLECTION EFFECTIVENESS -- ALL UNDERSCORE THE INCREASED IMPORTANCE OF INTELLIGENCE RESOURCES MANAGEMENT AND EVALUATION. DR. HALL'S STAFF AND THE DCI'S INTELLIGENCE COMMUNITY STAFF ARE DEVOTING NEARLY FULL TIME WORKING TOGETHER TO FIND THE BEST SOLUTIONS TO THESE AND SIMILAR ISSUES.

LONG RANGE PLANNING -- IN THE MANAGEMENT AND OPERATION OF THE INTELLIGENCE COMMUNITY, IT IS ALL TO EASY TO BECOME SO ENGROSSED IN CURRENT AND SHORT-TERM PROBLEMS THAT WE TEND TO NEGLECT THE LONGER-RANGE FUTURE. THE RATHER FUNDAMENTAL CHANGES NOW TAKING PLACE IN THE WORLD SCENE AND THE MANNER IN WHICH THE INTELLIGENCE COMMUNITY WILL BE EXPECTED TO REACT TO THESE CHANGES HAVE REEMPHASIZED TO US THE NEED FOR A BETTER PLANNING SYSTEM. THE DCI, THROUGH HIS INTELLIGENCE COMMUNITY STAFF HAS TAKEN THE LEAD IN THIS EFFORT THROUGH ISSUANCE OF "INTELLIGENCE PERSPECTIVES 1975-1980." THIS DOCUMENT LAYS OUT THE MID-TERM ACTIONS TO BE TAKEN WITHIN THE COMMUNITY, BOTH SUBSTANTIVE AND MANAGERIAL. GENERAL ALLEN'S AGENCY HAS PRODUCED A NATIONAL SIGINT PLAN, WHICH IS CURRENTLY UNDERGOING FINAL REVIEW, AND

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WE ARE BEGINNING DEVELOPMENT OF A NATIONAL IMAGERY PLAN. IN THE NEAR FUTURE WE HOPE TO START ON A NATIONAL HUMAN SOURCES PLAN. ALL OF THESE PLANS SHOULD ULTIMATELY LEAD TO DEVELOPMENT OF A NATIONAL INTELLIGENCE STRATEGY.

NATIONAL/TACTICAL INTERFACE -- ONE OF THE SPECIFIC CHARGES GIVEN TO THE DCI BY THE PRESIDENT WAS TO REVIEW THE EFFECTIVE UTILIZATION OF ALL INTELLIGENCE RESOURCES, INCLUDING SO-CALLED "TACTICAL" RESOURCES. "TACTICAL" RESOURCES ARE THOSE INTELLIGENCE ACTIVITIES SERVING IN DIRECT SUPPORT OF OUR DEPLOYED MILITARY FORCES. I PREFER TO CALL THEM MILITARY FORCE SUPPORT ACTIVITIES. TO A GREAT EXTENT, THESE RESOURCES ARE NOT INCLUDED IN OR REVIEWED AS A PART OF THE NATIONAL INTELLIGENCE PROGRAMS. THUS, THERE ARISES THE ISSUE OF HOW WE CAN MAKE COMPARISONS IN USE AND EFFECTIVENESS OF NATIONAL RESOURCES AND THE MILITARY FORCE SUPPORT RESOURCES. AS YOU CAN READILY APPRECIATE, THERE IS A STRONG RISK OF DUPLICATION BETWEEN THESE TWO CATEGORIES OF RESOURCES, AND THE IDENTITY OF INTERFACES BETWEEN THEM IS A MAJOR MANAGEMENT PROBLEM. SIMPLY PUT, IT'S A MATTER OF DETERMINING HOW NATIONAL RESOURCES CAN BE APPLIED TO SATISFY OPERATIONAL NEEDS OF MILITARY COMMANDERS AND, ALTERNATIVELY, HOW THE INTELLIGENCE RESOURCES, ORGANIZED AS PART OF THE MILITARY FORCE STRUCTURE, MIGHT CONTRIBUTE USEFULLY

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TO NATIONAL INTELLIGENCE REQUIREMENTS. ONCE WE DO THAT AND IMPLEMENT MUTUAL SUPPORT PROCESSES, WE CAN ACHIEVE SUBSTANTIAL ECONOMY OF RESOURCES. THAT IS OUR OBJECTIVE. THE DCI, THROUGH HIS INTELLIGENCE COMMUNITY STAFF, HAS UNDERTAKEN A COMPREHENSIVE STUDY OF THIS PROBLEM WITH THE JOINT CHIEFS OF STAFF.

WARNING -- A PRINCIPAL OBJECTIVE OF THE INTELLIGENCE COMMUNITY -- INDEED, ONE OF THE MAIN REASONS FOR ITS ESTABLISHMENT -- IS TO BE ABLE TO WARN OF ENEMY ATTACK, MOST NOTABLY SOVIET STRATEGIC ATTACK. FOR MANY YEARS, THIS HAS BEEN THE FUNCTION OF THE USIB WATCH COMMITTEE. BUT CONCERN OVER THE ABILITY OF THAT COMMITTEE TO FUNCTION EFFECTIVELY HAS RECENTLY LED TO A MAJOR OVERHAUL OF THE WARNING MACHINERY. WE ARE NOW IN THE PROCESS OF ESTABLISHING A NEW BODY, THE STRATEGIC WARNING COMMITTEE, CHAIRED BY [redacted] OF DIA, WITH A STAFF HEADED BY A SENIOR CIA OFFICER AND CO-LOCATED WITH THE NATIONAL MILITARY INTELLIGENCE CENTER IN THE PENTAGON. THIS COMMITTEE AND ITS SMALL STAFF WILL FOCUS EXCLUSIVELY ON THE BIG "W" QUESTION -- INDICATIONS OF STRATEGIC ATTACK. OTHER WARNING PROBLEMS SUCH AS, FOR EXAMPLE, A PERUVIAN ATTACK ON CHILE -- WHICH WE REFER TO AS THE SMALL "W" PROBLEMS -- WILL BE HANDLED IN A NEW KIND OF ALERT MEMORANDA TO BE ISSUED BY THE DCI TO THE HIGHEST LEVEL POLICYMAKERS.

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CRISIS MANAGEMENT -- A RELATED PROBLEM CONCERNS HOW BOTH WASHINGTON POLICYMAKERS AND INTELLIGENCE OFFICIALS DEAL WITH A CRISIS ONCE IT HAS STARTED. THE INTELLIGENCE COMMUNITY -- IN ADDITIONAL TO ESTABLISHING ITS OWN PROCEDURES AND COMMUNICATIONS NETS FOR THE COLLECTION, PRODUCTION AND PRESENTATION OF CRISIS INTELLIGENCE -- IS PARTICIPATING IN A JOINT STUDY (UNDER NSC AUSPICES) OF THE MOST EFFECTIVE WAYS TO HANDLE CRISES, UP TO AND INCLUDING CRISES WHICH THREATEN TO BECOME NUCLEAR CRISES. MAJOR CHANGES ARE OCCURRING IN THIS AREA, BASED ON LESSONS WE HAVE LEARNED RECENTLY. WE HOPE TO DEAL MORE EFFECTIVELY WITH FUTURE CRISIS SITUATIONS.

TRENDS

1. TECHNICAL CAPABILITIES -- THE MOST DRAMATIC CHANGE IN TODAY'S MEANING OF THE WORD "INTELLIGENCE" STEMS FROM THE TECHNOLOGICAL GENIUS OF AMERICANS. WE HAVE APPLIED TO INTELLIGENCE THE TALENTS OF OUR INVENTORS, OF OUR ENGINEERS, AND OF OUR SCIENTISTS. IN THE SHORT SPACE OF EIGHTEEN YEARS SINCE THE U-2 BEGAN ITS MISSIONS, WE HAVE REVOLUTIONIZED INTELLIGENCE. IN 1960 THIS COUNTRY ENGAGED IN A GREAT DEBATE AS TO WHETHER THERE WAS A MISSILE GAP BETWEEN THE SOVIET UNION AND OURSELVES. TODAY THE FACTS ARE SO WELL ESTABLISHED THAT SUCH A DEBATE IS IMPOSSIBLE. THEN WE HAD TO TRY TO DEDUCE FROM BITS OF CIRCUMSTANTIAL EVIDENCE HOW MANY

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MISSILES THE SOVIETS HAD: TODAY WE SEE AND COUNT THEM. WE WONDERED THEN WHAT NEW MISSILES THE SOVIETS MIGHT BE DEVELOPING: TODAY WE FOLLOW THEIR TESTS [redacted] 25X1

25X1 [redacted]

THIS TECHNICAL CONTRIBUTION TO INTELLIGENCE NOT ONLY PROVIDES A BETTER BASIS FOR DECISIONS ABOUT THE NATIONAL SECURITY OF THE UNITED STATES, IT ALSO ENABLES US TO NEGOTIATE AGREEMENTS SUCH AS THE NUCLEAR TEST BAN TREATY AND THE STRATEGIC ARMS LIMITATION TREATY. OVER THE YEARS SUCH LIMITATION TREATIES WERE ALWAYS STOPPED BY ONE ESSENTIAL FEATURE: THE UNITED STATES NEEDED SOME ASSURANCE THAT THE OTHER PARTY WOULD ABIDE BY A TREATY'S RESTRAINTS. THUS WE CAME UP WITH THE "OPEN SKIES" PROPOSAL AND TRIED TO NEGOTIATE ON-SITE INSPECTION PROCEDURES. THE SOVIET LEADERS REJECTED THESE BECAUSE THEY BELIEVED SUCH MEASURES WOULD PERMIT FOREIGNERS AN UNDUE DEGREE OF ACCESS TO THEIR SOVEREIGN TERRITORY.

IT WAS ONLY AFTER AMERICAN INTELLIGENCE DEVELOPED THE ABILITY TO MONITOR SUCH AGREEMENTS FROM AFAR, THROUGH TECHNICAL MEANS, THAT WE ON OUR SIDE BECAME SUFFICIENTLY CONFIDENT TO BEGIN THE PROCESS OF MUTUAL ARMS LIMITATION. IN THE TEXT OF THE FIRST SALT AGREEMENT, INTELLIGENCE

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WAS EVEN ADMITTED TO POLITE DIPLOMATIC SOCIETY UNDER THE NAME OF "NATIONAL TECHNICAL MEANS OF VERIFICATION."

TECHNOLOGY HAS REVOLUTIONIZED THE INTELLIGENCE BUSINESS IN MANY OTHER WAYS BEYOND THOSE I JUST DESCRIBED. THEY PROVIDE A PRECISION TO OUR KNOWLEDGE OF THE WORLD AROUND US, WHICH WAS INCONCEIVABLE ONLY A FEW YEARS AGO.

2. ECONOMIC INTELLIGENCE EMPHASIS -- ANOTHER DEVELOPMENT IN RECENT YEARS HAVING AN IMPACT ON INTELLIGENCE REPORTING IS THE NEW EMPHASIS ON FOREIGN ECONOMIC DEVELOPMENTS. THIS TREND CONTINUES TO INCREASE AS THE U.S. IS EVER MORE DEPENDENT ON FOREIGN SOURCES FOR ENERGY AND OTHER RAW MATERIALS, AS MULTI-NATIONAL CORPORATIONS INCREASE THEIR OPERATIONS, AND AS THE U.S. CONTINUES ATTEMPTS TO MAINTAIN A COMPETITIVE POSITION IN THE WORLD MARKETPLACE. INDEED, OUR PREVIOUS INTELLIGENCE POSTURE TO CONTEND WITH MILITARY CONFLICT AND THE SO-CALLED "COLD WAR" HAS GIVEN WAY TO A LARGE EXTENT TO CONTEND WITH WORLD-WIDE ECONOMIC COMPETITION. THE ADDITION OF THE TREASURY DEPARTMENT AS A FULL PARTICIPANT IN THE INTELLIGENCE COMMUNITY AND THE INCREASING VOLUME OF ECONOMIC INTELLIGENCE REQUIREMENTS BEING ADDRESSED IN THE COMMUNITY PARTICULARLY BY CIA, ARE MANIFESTATIONS OF THIS NEW EMPHASIS. IT IS CERTAIN TO GROW IN IMPORTANCE AND VOLUME OF EFFORT.

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AS OUR INTELLIGENCE CAPABILITIES HOLD LEVEL OR DECLINE, THIS EMPHASIS ON ECONOMICS MUST BE AT THE EXPENSE OF OTHER INTELLIGENCE ENDEAVORS, MORE LIKELY THAN NOT IN THE MILITARY INTELLIGENCE EFFORT.

3. CLOSER COMMUNITY -- ALL THE PROBLEMS I HAVE JUST TOUCHED ON -- PRESS AND CONGRESSIONAL UNFRIENDLINESS, THE NEED TO PROTECT OUR SENSITIVE SECRETS, AND THE EVER TIGHTENING BUDGETS -- DICTATE THAT WE DRAW OUR INTELLIGENCE COMMUNITY WAGONS INTO A CIRCLE. TO REMAIN EFFECTIVE, WE NEED TO ELIMINATE DUPLICATION, ACHIEVE GREATER CENTRALIZATION OF COMMON SERVICES, AND SEEK MAXIMUM ECONOMY OF OPERATIONS. THIS IS THE MANAGEMENT CHALLENGE THAT OCCUPIES AN INCREASING AMOUNT OF TIME FOR THE DCI AND MANY OTHERS IN THE INTELLIGENCE COMMUNITY.

4. CUSTOMER CONFIDENCE -- PROBABLY THE MOST SIGNIFICANT RESULT WE ARE ACHIEVING IS THE INCREASED SATISFICATION BEING PROVIDED TO OUR KEY CUSTOMERS -- THE PRESIDENT, THE NATIONAL SECURITY COUNCIL, THE SECRETARIES OF STATE, DEFENSE, AND TREASURY, AND THE DCI'S INTELLIGENCE SUPPORT TO KEY COMMITTEES OF THE CONGRESS. AS THE PRODUCTS OF THE INTELLIGENCE COMMUNITY HAVE IMPROVED, AND THE PRESENTATIONS BECOME MORE EFFECTIVE, KEY OFFICIALS HAVE BECOME MORE

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APPRECIATIVE. THEY RELY ON US FOR TIMELY AND DEPENDABLE INTELLIGENCE, AND THEIR CONFIDENCE IN US IS OBVIOUSLY GROWING. I AM COMPLETELY SATISFIED THAT OUR SUBSTANTIVE PERFORMANCE HAS A VERY HIGH DEGREE OF ACCEPTANCE AMONG THE IMPORTANT CUSTOMERS WE SERVE.

5. COLBY LEADERSHIP -- THE KEY TO CLOSER COMMUNITY TIES AND THE INCREASING CONFIDENCE OF OUR CUSTOMERS IS THE LEADERSHIP OF THE DCI -- NOT IN HIS ROLE AS CHIEF THE THE CIA, BUT IN HIS STATUTORY ROLE AS COORDINATOR OF THE TOTAL FOREIGN INTELLIGENCE EFFORT OF THE U.S. GOVERNMENT. THE PRESIDENT HAS EMPHASIZED THIS LEADERSHIP CHARGE TO THE DCI AS THE MOST IMPORTANT OF ALL HIS FUNCTIONS. MR. COLBY GIVES THE GREATEST PART OF HIS TIME TO DOING JUST THAT, AND HIS EFFORTS ARE SHOWING INCREASING SUCCESS.

THE FUTURE

WE SEE SEVERAL MAJOR ACTION AREAS THAT WILL OCCUPY OUR TIME AND ATTENTION DURING THE MONTHS (AND YEARS) AHEAD.

WE MUST COMPLETE AND IMPROVE OUR COMMUNITY FAMILY OF INTELLIGENCE PLANS, LEADING TO DEVELOPMENT OF A NATIONAL INTELLIGENCE STRATEGY.

WE MUST CONTINUE TO IMPROVE MANPOWER UTILIZATION BY PROVIDING MODERN TECHNIQUES AND METHODOLOGIES.

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THE DAY IS NOT FAR OFF WHEN THE INTELLIGENCE ANALYST WILL WORK AT A CRT TIED TO AUTOMATED DATA BASES RATHER THAN RELYING ON SAFES FULL OF PAPER FILES.

WE NEED BETTER MUTUAL SUPPORT BETWEEN NATIONAL INTELLIGENCE AND MILITARY COMMAND INTELLIGENCE ACTIVITIES -- THE NATIONAL/TACTICAL INTERFACE.

WE NEED GREATER FLEXIBILITY IN THE INTELLIGENCE COMMUNITY TO MEET CRISIS SITUATIONS AND ADJUST RAPIDLY TO CHANGING REQUIREMENTS.

CONCLUSION

I HAVE LAID OUT FOR YOU A BRIEF PICTURE OF OUR INTELLIGENCE COMMUNITY AND THE POLICY STRUCTURE WHICH IT SUPPORTS IN WASHINGTON. I'VE ALSO COVERED A NUMBER OF THE PROBLEMS AND ISSUES CONFRONTING US, AND SOME OF THE TRENDS AND FUTURE ACTIONS WE SEE.

QUESTIONS YOU MAY HAVE WILL BE ADDRESSED AFTER THE BREAK.

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