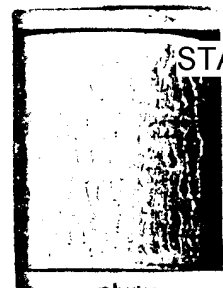


Office of General Counsel
Central Intelligence Agency

5 May 1982

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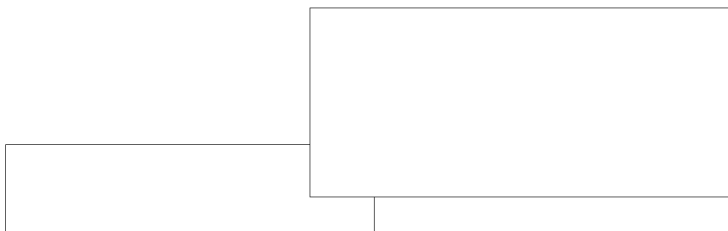
NOTE FOR: Executive Director
FROM :
Chief, Legislation Division
SUBJECT : Confirmation Hearing



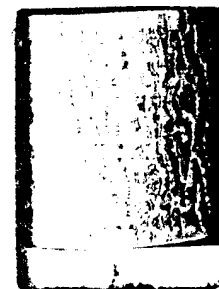
An initial draft of your confirmation statement is attached. Delivery time is approximately ten minutes. Please let me know if we are on the right track.

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cc:



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D R A F T

5 MAY 1982

STATEMENT OF

JOHN N. MCMAHON

DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE-DESIGNATE

BEFORE THE

SELECT COMMITTEE ON INTELLIGENCE

UNITED STATES SENATE

MAY , 1982

MR. CHAIRMAN, MEMBERS OF THE SELECT COMMITTEE ON INTELLIGENCE, IT IS MY PRIVILEGE TO APPEAR BEFORE YOU TODAY TO DISCUSS MY NOMINATION TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE. I AM THANKFUL FOR THE PRESIDENT'S EXPRESSION OF CONFIDENCE IN MY ABILITIES, AND I APPROACH THIS NEW CHALLENGE WITH ENTHUSIASM AND DETERMINATION.

I HAVE, AS YOU KNOW, SERVED OUR NATION AS A PROFESSIONAL INTELLIGENCE OFFICER FOR OVER THIRTY YEARS. I AM PROUD OF THAT SERVICE; IT HAS BEEN VARIED, REWARDING, AND CONSTANTLY INTERESTING. I HAVE DRAWN GREAT SATISFACTION FROM THE OPPORTUNITY TO CONTRIBUTE TO THE SECURITY AND WELL-BEING OF THE AMERICAN PEOPLE.

THE FIRST PART OF MY CAREER WAS FOCUSED OVERSEAS. I SUBSEQUENTLY PARTICIPATED IN THE U-2 PROGRAM, AND I BECAME DEPUTY DIRECTOR OF THE AGENCY'S OFFICE OF SPECIAL PROJECTS IN 1965. I LATER SERVED AS DIRECTOR OF THE OFFICES OF ELECTRONIC INTELLIGENCE AND TECHNICAL SERVICES. IN 1974, I BECAME ASSOCIATE DEPUTY DIRECTOR FOR ADMINISTRATION. I THEN SERVED IN TWO POSITIONS RELATED TO MANAGEMENT OF THE INTELLIGENCE COMMUNITY, UNTIL BEING APPOINTED DEPUTY DIRECTOR FOR OPERATIONS IN JANUARY OF 1978. I BECAME DEPUTY DIRECTOR FOR NATIONAL FOREIGN ASSESSMENT IN APRIL OF 1981, AND I SERVED IN THAT POSITION UNTIL JANUARY OF THIS YEAR, WHEN I WAS APPOINTED AS THE AGENCY'S EXECUTIVE DIRECTOR.

WHEN I JOINED THE AGENCY IN 1951, MR. CHAIRMAN, WE LIVED IN AN ESSENTIALLY BIPOLAR WORLD. IN THOSE DAYS OUR ADVERSARY WAS OBVIOUS, OUR MISSION WAS CLEAR, AND OUR EFFORTS WERE FOCUSED ACCORDINGLY. THE UNITED STATES WORKED TO BUILD THE DEMOCRATIC INSTITUTIONS AND ECONOMIC CAPABILITIES OF ITS FRIENDS, WHILE THE SOVIET UNION STROVE TO

SUBVERT WHAT WE SOUGHT TO STRENGTHEN. THE RISK OF ATOMIC CATASTROPHE WAS JUST THEN BEGINNING TO BECOME A FACTOR IN THE STRUGGLE BETWEEN FREEDOM AND TOTALITARIANISM. WE FOCUSED INTELLIGENCE RESOURCES ON THE SOVIET UNION AND ITS ALLIES, AND WE ANALYZED WORLD EVENTS MAINLY IN TERMS OF THEIR EFFECT ON THE EAST-WEST BALANCE OF POWER.

AS WE MOVE INTO THE 1980s AND BEYOND IT IS CLEAR THAT THE INTELLIGENCE MISSION MUST BE GEARED TO THREATS WHICH ARE INCREASINGLY VARIED, SUBTLE, AND COMPLEX. WE MUST NEVER TAKE FOR GRANTED OUR ABILITY TO ACCURATELY ASSESS THE MILITARY CAPABILITIES AND INTENTIONS OF OUR KEY ADVERSARIES, AND THE SOVIET UNION MUST REMAIN OUR FIRST INTELLIGENCE PRIORITY. AT THE SAME TIME, WE MUST ALSO ENSURE THAT WE APPRECIATE AND UNDERSTAND THE BROAD POLITICAL, ECONOMIC, SOCIAL, AND RELIGIOUS FORCES WHOSE INTERACTION WILL SHAPE WORLD EVENTS AND INFLUENCE THE DESTINY OF OUR OWN COUNTRY. WE MUST NOT, MOREOVER, UNDERESTIMATE THE IMPORTANCE OF MORE TRADITIONAL CAUSES OF INTERNATIONAL CONFLICT, SUCH AS IRREDENTISM AND NATIONAL PRIDE.

THE ABILITY OF THE INTELLIGENCE COMMUNITY TO PROVIDE NATIONAL POLICYMAKERS WITH THE TIMELY, ACCURATE, AND INSIGHTFUL INFORMATION THEY NEED TO ADVANCE AMERICAN INTERESTS IN THE WORLD SUCCESSFULLY REQUIRES THAT WE HAVE THE CAPABILITY TO COLLECT THE RIGHT KIND OF INFORMATION, TO ANALYZE IT EFFECTIVELY, AND TO PRESENT IT IN A RELEVANT AND USEFUL MANNER. MR. CHAIRMAN, I HAVE BEEN FORTUNATE TO HAVE HAD AN OPPORTUNITY TO BECOME INTIMATELY INVOLVED IN ALL FACETS OF INTELLIGENCE WORK. MY EXPERIENCES IN TECHNICAL AND HUMAN SOURCE COLLECTION, IN ANALYSIS, IN ADMINISTRATION, AND IN SENIOR MANAGEMENT

HAVE CONVINCED ME THAT WE CAN BEST ENSURE THE EFFECTIVENESS OF OUR INTELLIGENCE EFFORTS BY APPROPRIATELY EMPLOYING THE FULL RANGE OF OUR CAPABILITIES. THUS, WHILE WE MUST CONTINUE TO STAY ON THE LEADING EDGE OF TECHNOLOGY INsofar AS OUR INTELLIGENCE COLLECTION SYSTEMS ARE CONCERNED, WE MUST ALSO TAKE CARE TO ENSURE THAT WE NEVER BECOME SO ENAMORED OF GADGETRY THAT WE FORGET FOR A MOMENT THE CRUCIAL ROLE OF HUMAN SOURCES AND THE CASE OFFICER IN THE FIELD. IN A CRISIS, MR. CHAIRMAN, ONE WORD FROM A STRATEGICALLY SITUATED HUMAN SOURCE COULD BE WORTH A THOUSAND PICTURES.

MR. CHAIRMAN, IN DISCUSSING MATTERS INVOLVING INTELLIGENCE RESOURCES I AM CONSTANTLY AWARE OF THE DEBT OF GRATITUDE WHICH WE ALL OWE TO THE CURRENT DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, ADMIRAL BOBBY RAY INMAN. ADMIRAL INMAN'S BREADTH OF VISION WITH RESPECT TO THE ELEMENTS OF NATIONAL SECURITY, HIS DEPTH OF COMMITMENT TO THE INTELLIGENCE MISSION, AND HIS DEVOTION TO THE FUNDAMENTAL VALUES OF OUR FREE SOCIETY HAVE HAD AN IMPORTANT POSITIVE IMPACT ON THE INTELLIGENCE COMMUNITY. IN THE YEARS AHEAD WE WILL REAP THE BENEFITS OF HIS FARSIGHTED EFFORTS TO ESTABLISH LONG RANGE PLANS AND PROGRAMS TO REBUILD AND REVITALIZE KEY CAPABILITIES.

IT IS, OF COURSE, CLEAR THAT IN ORDER TO BE EFFECTIVE THE INTELLIGENCE PRODUCT MUST BE RELEVANT AND USEFUL TO THOSE INVOLVED IN THE FORMULATION OF OUR FOREIGN AND DEFENSE POLICIES. MR. CHAIRMAN, I BELIEVE THAT THE RECEPTIVITY OF POLICYMAKERS TO INTELLIGENCE, AND THEIR APPRECIATION OF WHAT INTELLIGENCE CAN DO FOR THEM, IS HIGHER TODAY THAN AT ANY OTHER PERIOD DURING MY CAREER. THIS IS INDEED ENCOURAGING, AND THE SITUATION IS DUE IN LARGE PART TO

THE UNTIRING EFFORTS OF BILL CASEY, WHOSE DIRECT ACCESS TO THE PRESIDENT HAS BEEN OF INESTIMABLE VALUE, PROVIDING A BRIDGE BETWEEN POLICYMAKERS AND THE INTELLIGENCE COMMUNITY. THE CHALLENGE WE NOW FACE IS TO DEMONSTRATE CONSISTENT EXCELLENCE IN INTELLIGENCE ANALYSIS.

MR. CHAIRMAN, AS THE MUTUAL DETERMINATION OF THE PRESIDENT AND THE CONGRESS TO RESTORE THE VITALITY OF OUR NATION'S INTELLIGENCE COMMUNITY IS INCREASINGLY TRANSLATED INTO REALITY WE SHOULD EMPHASIZE THAT THE FOCUS OF THE CENTRAL INTELLIGENCE AGENCY'S ACTIVITIES IS AND MUST CONTINUE TO BE OVERSEAS. WHILE THE AGENCY CONDUCTS CERTAIN ACTIVITIES WITHIN THE UNITED STATES ANCILLARY TO ITS EFFORTS ABROAD, THESE MUST REMAIN LIMITED, SUBJECT TO STRICT STANDARDS OF ACCOUNTABILITY, AND FAR REMOVED FROM ANY ABRIDGMENT OF THE CHERISHED CONSTITUTIONAL RIGHTS OF AMERICANS.

FINALLY, MR. CHAIRMAN, I WOULD LIKE TO MENTION MY VIEWS ABOUT THE INTELLIGENCE COMMUNITY'S RELATIONSHIP WITH THE CONGRESS. SOME YEARS AGO, UPON BECOMING AWARE OF WHAT WAS THEN A QUITE FRAGMENTED SET OF CONGRESSIONAL OVERSIGHT ARRANGEMENTS, I URGED THE AGENCY TO SEEK THE ESTABLISHMENT OF A JOINT COMMITTEE WITH EXCLUSIVE INTELLIGENCE OVERSIGHT RESPONSIBILITY. WHILE WE HAVE NOT REACHED THAT STREAMLINED A SITUATION AS YET, WE HAVE MADE EXTRAORDINARY PROGRESS IN ASSURING THAT WE HAVE EFFECTIVE, SECURE CONGRESSIONAL OVERSIGHT OF THE INTELLIGENCE COMMUNITY.

I REMAIN FIRMLY CONVINCED THAT CONGRESSIONAL OVERSIGHT IS A POSITIVE BENEFIT TO THE INTELLIGENCE COMMUNITY, RATHER THAN A BURDEN. THE OVERSIGHT SYSTEM SERVES TWO KEY PURPOSES. FIRST, IT ASSURES TO THE AMERICAN PEOPLE THAT ACTIVITIES WHICH ARE OF NECESSITY

UNDERTAKEN IN SECRET ARE BEING MONITORED BY THEIR ELECTED REPRESENTATIVES. SECOND, IT ASSURES THE INTELLIGENCE OFFICERS WHO UNDERTAKE THOSE ACTIVITIES THAT THE CONGRESS AND THE AMERICAN PEOPLE STAND BEHIND AND SUPPORT THEM IN THEIR DIFFICULT AND OFTEN DANGEROUS ASSIGNMENTS.

THE OVERSIGHT ARRANGEMENTS WHICH HAVE DEVELOPED AND MATURED OVER THE PAST SEVERAL YEARS HAVE ALSO SERVED TO ENHANCE CONGRESSIONAL UNDERSTANDING OF THE INTELLIGENCE MISSION AND OF THE NEED FOR THE LONG RANGE COMMITMENT OF RESOURCES TO MEET THE CHALLENGES WHICH LIE AHEAD. THE CUMULATIVE IMPACT OF THE ANNUAL AUTHORIZATION OF APPROPRIATIONS FOR INTELLIGENCE ACTIVITIES BY THIS COMMITTEE AND ITS COUNTERPART IN THE HOUSE OF REPRESENTATIVES, THE SCRUTINY GIVEN TO CERTAIN BUDGET ITEMS BY THE ARMED SERVICES COMMITTEES, THE OVERALL REVIEW CONDUCTED IN GREAT DETAIL BY THE APPROPRIATIONS COMMITTEES, AND, PERHAPS MOST IMPORTANTLY, THE STATUTORY OBLIGATION TO KEEP THE TWO INTELLIGENCE COMMITTEES "FULLY AND CURRENTLY INFORMED" HAS MADE THE CONGRESS AN ACTIVE PARTNER IN OUR NATION'S INTELLIGENCE ACTIVITIES. THIS IS AS IT SHOULD BE, AND I PLEDGE TO YOU THAT I WILL MAKE EVERY EFFORT TO FOSTER AND IMPROVE THIS VITAL RELATIONSHIP.

MR. CHAIRMAN, THAT CONCLUDES MY PREPARED REMARKS—I WOULD BE PLEASED TO ANSWER ANY QUESTIONS WHICH YOU AND THE MEMBERS OF THE COMMITTEE MAY HAVE.