

SPEECH

by

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CIA AND WORLD AFFAIRS

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President Gordon, Ladies and Gentlemen:

When I talk like this, sometimes I wonder if I am really here, because about three years ago this would have been absolutely unthinkable to go out and talk about the secret intelligence agency of the United States. But it is perfectly clear to us that if we are to continue to do our job for the United States we must have the understanding of the American people as to what we do, and as to how we do it. And so, while we have no public relations program, per se, we tend to be responsive to invitations to explain to groups of Americans what we do, why we do it, and how we do it.

George Bush would have very much liked to have been with you today, but, unfortunately, he was not able to come and he asked me to come here and talk in his place. I want you to know he has done Houston proud up there, and to be perfectly honest, I haven't seen him make a mistake yet, in public or internally--which is a pretty good average in a very tough and very ticklish job.

I want to talk to you not just about CIA, but about intelligence and why the United States needs it. When I go to work, on the wall of the building as I go in, there is a quotation from the Bible which says, "Ye

shall know the truth and the truth shall make you free." Sometimes I think that perhaps there ought to be a slight change in it to adapt it to our times, which might read, "You must know the truth for only the truth will keep you free."

So, I go to the question first of all: Why does the United States need intelligence? The United States needs intelligence because we live today in a situation unlike any situation the United States has lived in in the past. When George Washington told us that "eternal vigilance is the price of liberty" he was talking about a country that had thousands of miles of ocean on either side, that had a great cushion in time: two, three, four, five, six months to get ready against any threat. We have lived, in the past, in a world in which there were other great powers interposed between us and any possible aggressors. That is no longer the case.

Throughout history the United States was regarded by most nations as being unreachable and, therefore, unbeatable. In the past, since the Revolution, we have faced countries that were essentially continental powers.

Germany, at the height of her power, was a continental European power. She could send some submarines off here to do some damage, but basically Germany had no capability against the United States...against the homeland of the United States. That situation has changed. The Soviet Union is today a global power. Angola has just shown us that the Russians are quite willing and able to project their power 8,000 miles from the Soviet Union. The Soviet Union we have seen come from a continental status to a global status. We have seen the rise of China; we have seen the possibilities of nuclear proliferation, of international terrorism, and of a whole series of other things that may affect the lives of Americans.

Another unique factor that has not existed before has been the fact that foreign countries today hold huge amounts of U.S. currency that can be used or invested in ways that could affect the lives of an American workman in Portland, Oregon or in Houston, Texas. This is a totally new factor that has not existed before. The whole immense field of economic intelligence opens up. In the past, economic intelligence was always

regarded as being a sort of part of a military capabilities study. Today economic intelligence is a whole science in itself, in finding out how these monies will be used, what other countries will do. The very existence of nuclear weapons may create a situation whereby future wars may be economic in nature rather than military. For instance, during the oil embargo, information concerning the policies of the OPEC countries was more important to us than information concerning their military establishments. We needed to know what their pricing policies would be and what their delivery policies would be. So we have a whole new world opening up.

Now to get back strictly to the more conventional aspects of intelligence, what do we see? We see the Soviet Union today deploying five new types of third generation inter-continental ballistics missiles, each one of them more powerful and more accurate than its predecessors. We see the Soviet Union building large numbers of submarines capable of launching inter-continental missiles, more inter-continental missiles than the previous types of submarines. We see the Soviet Union basically transforming its navy from a coast-guard-type navy to a blue-water navy, able to go anywhere and project Soviet power anywhere in the

world. We see the Soviets vastly upgrading the conventional forces they have facing NATO, and facing China: giving them better equipment, better training, and the logistical and support units that they did not have in the past.

Mr. Brezhnev has told us quite plainly that detente has nothing to do with the Soviet support for wars of liberation in the class struggle. He served notice on us of this fact. So we see these capabilities in the Soviet Union today.

Just to give you an idea of the type of thing that is happening: in the old days the Soviet submarines had to come out relatively close to the United States in order to fire missiles against the United States. Now they have longer range missiles and they can do this from the coastal waters of the Soviet Union.

Why do we have intelligence in the form that we do? Well, if you look at American history you will see that we have always had good intelligence during our wars and have always promptly attempted to dismantle it as soon as the wars were over. This is largely because many of the people who settled the United States came here from England at the time of the Civil War when there was the tradition against the standing army. So in the past

we built up this capability during the war itself, because through geography and friends, we had time to do this. Now Pearl Harbor created a profound impact in the memory, the ethnic memory of our people, of being surprised, and created a commitment that we would not be surprised again.

I was sent to the U.S. Army's Military Intelligence Training Center in Camp Ritchie in August 1942; the Commandant of the school was a British colonel. That was the state of American intelligence in August 1942.

This is something we have repeated throughout our history.

Mr. Stimson, who was our Secretary of State in 1932, on being handed a decoded telegram of a foreign country, pushed it away saying, "Gentlemen don't read other gentlemen's mail." Ten years later, as Secretary of War, he was knee-deep in other gentlemen's mail. Now I don't blame Mr. Stimson individually, but that kind of mentality led us to Pearl Harbor. At Pearl Harbor we were lucky. We had the wide oceans, we had Allies who were fighting, and we had time. And the carriers were out at sea when the Japanese struck, fortunately.

We recovered from the naval Pearl Harbor. Could a nation recover from a nuclear Pearl Harbor? We have the obligation to have as good intelligence as we can to make sure that this does not happen to us again.

Now people always think of intelligence as some sort of means of waging a war, of doing something bad to your opponent. There are very positive sides to intelligence. Let me just cite one of them.

We have reached certain agreements with the Soviet Union on the limitations of strategic arms and thereby easing some of the burdens on our people. No American President could sign any such agreement if he did not have the means of verifying whether that agreement was being lived up to or not.

In 1960 we had a great debate in this country about a missile gap. Was there or was there not a missile gap? That debate is impossible today: we know how many missiles they have and, more importantly, they know that we know. The very existence of an effective, efficient intelligence capability on the part of the United States is a deterrent to any nation that might be tempted to move and try a surprise against us.



Now how do we collect this intelligence? We collect this intelligence basically in three ways, but before I go into that let me just tell you why the CIA came into being, per se. In 1946 we had a great Congressional investigation of Pearl Harbor and how it happened. The general conclusion of that investigation was that in various parts of the U.S. Government, squirreled away were pieces of information, which, had they been brought together in any central point maybe couldn't have stopped Pearl Harbor, but could have enabled us to lessen the damage and the effects of Pearl Harbor. So it was decided in 1947, by the Congress, to create, under the National Security Act, the Defense Department on the one hand and the Central Intelligence Agency on the other. And that word "central" refers to what they intended it to be--the central place for the receipt of information.

Now there is in our American past, or in our American puritan ethic--and sometimes I've had foreigners tell me, "You have a little bit of a pharisaical streak in you"--that intelligence is really dirty business and we find, pure, noble Americans don't do it. Let those dirty old British, French, Russians and Germans do it; but we don't do that sort of thing.

So what did the Congress say? They created us to carry out what is basically espionage. But that isn't what they said in the text of the Act. They instructed us to do "such other things as the National Security Council may direct."

You know, we have a great deal of this in us, this feeling that, no, intelligence isn't real good and upright and fine. Let me just give you an early example: Out at CIA we have a statue of Nathan Hale, which was put there over my protest. I protested, not because he was not a very brave young man who did not serve his country loyally, and did not offer an immortal line just before they hanged him. But I looked at it from the other side: this was an intelligence agent who was caught on his first mission and he had all the evidence on him. Now I am not sure this is what we should be holding up to our young trainees as an example.

He was sent to Manhattan to ~~find~~ find out where and when the British were going to land. Unfortunately, they were already there. So I wonder about this. But even he, before he went off on this mission, also committed a breach of security. He told a friend of his,

"I am going to Manhattan to spy behind the British lines." And his friend looked at him and he said, "Nathan, how could you stoop so low?" So we had this type of business even then, that this was something dirty. And you know what he replied? "The need of the nation makes it necessary."

We've had this in our national background that we don't do this sort of business. Well this isn't exactly true. In this Bicentennial Year I have looked into this a little bit and you would be surprised at some of the things I've discovered. I discovered, for instance, that George Washington staged three separate kidnapping attempts on Benedict Arnold. You know what he was going to do with him if he got him. The plans didn't work out. He also attempted to kidnap King George III's young fourth son, Prince William, who was a midshipman in the Royal Navy in New York City. There was a shoot-out outside the Prince's house. Somebody got killed, but they didn't get the Prince. Fifty years later the American Minister to Great Britain was talking to King William IV, who was the midshipman, and told him the story. And he said, But, unlike Benedict Arnold, General Washington had instructed that you be treated with great kindness."

And the King said, "Well, I am damned glad that he didn't get a chance to prove it to me."

Then you get this other thing: that you've got to tell everybody everything--that that's the American way, that the Founding Fathers wanted everything to be let out. Well, that is not exactly the case. George Washington wrote a letter in 1779 to his chief of intelligence in New Jersey. This is what he said and I quote: "The need for procuring good intelligence is so obvious that I have nothing further to add on this subject. All that remains is for me to tell you that these matters must be kept completely secret. For lack of secrecy, these operations, no matter how well planned or promising the outlook, generally fail. I am, Sir, your obedient Servant. G. Washington."

On another occasion he spent the night in Connecticut at the home of a sympathizer, Mr. Holcomb. In the morning he got up, climbed up on his horse and as he was about to ride away, Mrs. Holcomb came out and said, "And pray, General, where do you ride tonight?" General Washington leaned down in the saddle and he said, "Madame, can you keep a secret?" She said, "Of course." He said, "So can I," and tipped his hat and rode on.

Then we come to Benjamin Franklin. Now Benjamin Franklin, for three years before the Revolution, when we were all loyal subjects of George III, was the Assistant Postmaster of British North America. Do you know what he was doing? He was opening that mail like crazy. The British caught him and they tried him before the Privy Council and they fired him. So he went off and joined the Revolution and went to Paris where he became the chief American Commissioner of the three Commissioners who represented the American revolutionaries in Paris. Promptly, British intelligence totally penetrated his office --so much so that when the French told Franklin that they were coming into the war on the side of the Revolution, that information was in the hands of the British government 42 hours later. If you figure out: riding a horse from Paris to the Channel, crossing the Channel, riding a horse from Dover to London--that's about 42 hours.

As a matter of fact, not long ago I had lunch in Florida with Anthony Eden, who was, as you know, British Prime Minister and Foreign Secretary. He is now Lord Avon. He was telling me about an ancestor of his, Robert Eden, who had a very hard time during the Revolution.

He lived in Maryland. The Americans seemed to think he was a British sympathizer and the British seemed to think he was an American sympathizer. He had problems. So I said to Anthony Eden, "Yes, but in the meantime his brother, William Eden, was successfully subverting Benjamin Franklin's secretary. And he said, "Oh, you know about that, do you?"

Benjamin Franklin asked the French to build him a printing press which he had designed. You know what he printed on the printing press? British currency, British passports, and fabricated atrocity stories for insertion in the British press to weaken the British will to conduct the war.

We go right along. We come down to Mr. Truman in 1946, who made this statement: "It matters not to the United States whether its secrets become known through the actions of spies or through publication. The damage to the United States is exactly the same in both cases. And I, for one," said Mr. Truman, "do not believe that our country's interests are served by going on the basis that everyone has the right to know all of our secrets."

To give you an idea: the head of a friendly European service said to me the other day, "You know, I don't understand why all you Americans aren't Catholics." I said, "Why? What does that have to do with it?" "Well," he said, "it is the only religion that affords confession for everybody," and then he paused and he said, "but I suppose the fact that it is private is the real drawback." We have this compulsion to tell everybody everything. I have had foreigners come into my office and say, "I can't believe it! Down the road there's a roadsign with an arrow which points and says, 'CIA.'" He said, "It reminds me of the story of an Italian who was a Neapolitan, who was recruited by the Soviets. He was trained in Moscow in shortwave radio, in secret writing with invisible inks, and everything else. Then they said, 'Now you go back to Naples and stay there and when we are ready, we'll be in touch with you.' So three years passed and one day this Soviet agent came to Naples and he looked at the door and he saw 'Agnello' which was the guy's name, 'Right ground floor.' So he pushed the button and a guy came to the door and he said, 'Mr. Agnello?' He said, 'Yes.' He said, 'I am

from Moscow.' And the man looked at him and he said, 'Oh, I am Agnello, the tailor; you're looking for Agnello, the spy. He's on the third floor.'"

I sometimes wonder whether Agnello wasn't an American.

How do we collect this intelligence? Well, we collect it in three basic ways. We collect most of it overtly; that is, from reading the newspapers; and from listening to radio broadcasts, both external and internal--that is, what some of these governments are telling their own people and sometimes what they are telling other people in other languages which is not always the same. And I would say this provides about 50 percent of all the intelligence we get, but it is clearly the easiest 50 percent. Then we have technology: the vast technical systems of overhead photography, of electronics of all sorts. This is one of the areas, I think, where the United States has made a great contribution to the art, if you will, of intelligence.

I am fond of say that intelligence is the really the oldest profession even though other people think that another profession is the oldest one. And my explanation to that is that before the other profession could operate, someone had to know where it was and that is intelligence.



We have the second type of collection which is the technical collection. The technology which took us to the moon, which took us far out into the system, has been adapted to make sure that the United States is not taken by surprise.

And then you get to the final item, which is human intelligence. Most of the intelligence failures which you've heard publicized recently in the investigations and so forth, actually were drawn to the attention of the Congress by ourselves. In the various cases where we thought we had failed, in some measure, we did what we call a post-mortem. And we submitted those to the Congress. You get the impression sometimes that these were plucked out of our hidden bosom. We submitted them freely to the Congress. The only trouble is we didn't do any post-mortems on successes. Now that's a very difficult thing to make public because if you're finding out something about somebody and you tell him, he's going to pull down the blinds or turn out the lights. You're not going to continue to find out.

President Kennedy once told us, "You are condemned to be pilloried for your failures and to have your successes passed over in silence." We accept that.

The technology and the newspapers will not get you into a man's head, into what he is thinking, into his decisions. We can tell a great deal about the capabilities, but telling about decisions, only people can tell you.

For instance, the last Yom Kippur war: we knew exactly what forces were present on both sides of that canal. They had been for months, ready to go. But we were not into the decision which was held to a very small number of people, of the Egyptians and the Syrians, to go at two o'clock in the afternoon of the sixth of October. We had had a report earlier that it was going to happen on this day, but my experience has been that analysts sometimes shrink from predicting the worst. There is a fear of crying "wolf" and being accused of it, and there is a belief that a rational man won't start a war knowing he's going to lose it. But, of course, there are new things now: you start a war knowing you're going to lose it in order to provoke international intervention which will get you something that you couldn't have won through the force of arms. In the old days it was perfectly rational to presume that nobody would start a war he

expected to lose. So you've got the element of irrationality that enters into this. Only people can tell you about people.

So we have, what I call, this clandestine intelligence or espionage, if you will. This is not an unique American discovery, this has been going on since Moses sent twelve spies into the land of Canaan. In my belief, it is the oldest profession of all.

What does this intelligence cost you taxpayers Well, the budget of the CIA and the Intelligence Community is not published. That does not mean that it is not controlled. The budget at the CIA goes through exactly the same process as does the budget of the Department of Agriculture or Health, Education and Welfare. We are given, on the direction of the President, an overall figure from the Office of Management and Budget. We then draw up our program and we take it down to the Appropriations Committee of the House and Senate; we take it to the Armed Service Committee of the House and Senate; we take it to the Government Operations Committee of the House and Senate; and, for some things, we take it to the Foreign Relations Committees. Now all our oversight committees put together add up to half the membership of both houses of Congress.

One of the most prevalent diseases, however, I have found in Washington--it may result from the swampy ground and everything--is selective amnesia. The number of people who do not remember that we've told them certain things is absolutely astounding. It's a very unusual disease and highly prevalent in Washington.

We go through the same process as everybody else. They ask us, "Why are you doing this? What is this program? What is that program? Why isn't this program better than that program?" This is simply not made public. Why? Well, if the budget of the CIA was made public the Capitol dome wouldn't fall down. But if I knew the budget of the KGB year after year, I could follow all major programs.

Let me give you an example: If our budget had been made public, you would have seen the U-2 plane in it, and you would have seen the project that raised the submarine. The minute that bulge in the budget showed, you would begin the unraveling process. Why is that there? What is it for? That is the simple reason why it is not. But a large percentage of the Congress is fully aware of the budget and it is debated, cut, and argued over just the way any other budget is put through Congress.

In light of the panorama of the world I have just described to you, let me just give you a few facts. Less than one penny out of every dollar spent by the United States Government goes for intelligence. Since 1969, in spite of the increasing threats in the world, and the increasing capabilities of other countries of the dangers of nuclear proliferation and terrorism, the manpower devoted to intelligence in the United States Government has gone down 40 percent, which causes us to rely more on friendly foreign services. Some of them are very good and their interests are the same as ours: they want to preserve their freedom just as we want to preserve our freedom.

Now one of the problems we had during all these investigations was: were we going to uncover foreign services? We were able to work out, with Congress, something to the effect that we would not be free to publicize secrets that were not American, that were given to us by the service of another country. This has worked out very satisfactorily and we have not uncovered our relationships with the intelligence services of friendly foreign countries.

Now what about these investigations? Do they have a positive aspect? Yes, they do have some positive aspect. First of all, I can't tell you that there have not been abuses in the Intelligence Community. I am not going to talk about the other agencies, I am just going to talk about CIA. Seventy-six thousand people have passed through the CIA since 1947. Now I cannot tell you that among those 76,000 people we have not had some kooks, some zealots, some people who have shown eminently bad judgment. We have. But I submit that if you took any other group of 76,000 people and submitted them to the kind of scrutiny to which we have been submitted, our record would not look that bad. Because, as of today, in spite of all the innuendo and accusations, not one person in the CIA has been indicted for any crime against the laws of the United States.

You heard about assassinations. What was the end conclusion? ~~That~~ nobody was assassinated. You heard about the toxins: we discovered the toxins stored away and we went to the Congress and told them they were there. Why were they there? Because in the 1950s the Russians killed a number of people in West Germany with toxins. We were afraid it might be used against us and we ought to have the means to retaliate if it were. So a lot of

study was done and this was what the toxins were developed for. Very much the same thing for the drug experiments. Somebody obviously showed incredible stupidity in giving this LSD to this man without his knowledge, the man that subsequently committed suicide. Why did we do this? We saw a man like Cardinal Mindszenty in Hungary who had resisted every torture and pressure from the Nazis and suddenly the Communists bring him forward, hollow-eyed, to confess to every crime in the book. The people who were old enough to remember thought this was done with mind-bending drugs. We all did. We looked into it; not just the CIA, the Armed Services, the National Institutes of Health and a lot of other people who didn't think there was anything particularly immoral about this particular thing.

The United States had renounced the use of poison gas between the two wars, but that didn't prevent the United States from manufacturing nine million poison gas shells to use in World War II, in case it was used against us.

I am not trying to tell you we haven't had abuses and I am not trying to tell you that we don't understand

that we must run an Agency in conformity with the standards the American people are prepared to accept now. We just hope they find some effective means of telling us when they change they change their opinion about what should be done.

The other day we had a group of Congressmen out at CIA and someone said, "Well, if somebody could have assassinated Hitler in 1944 or 1945, he would undoubtedly have been the first joint recipient of the Congressional Medal of Honor and the Victoria Cross. And one of the young Congressmen said, "Yes, but if you could have got him in '35 or '36, think how many lives you would have saved!" I said, "Congressman, do I understand you are advocating assassination in peacetime?" "Oh," he said, "no, that's different." Well, it was different because we know what happened following that.

But we understand that we must operate within the norms of what the American people want. We think the President's Order on Restrictions, the reorganization making the Director of Central Intelligence the President's principal advisor on intelligence, setting up a strengthened Inspector General in every part of the Intelligence Community. And even above that, setting up an oversight



board composed of three distinguished citizens and everybody in every intelligence organization is told that if he has any doubt about what he is doing to go to that oversight board and tell them that he thinks he is being asked to do something illegal or improper.

We have a Committee on Foreign Intelligence that will give us the order of priorities in which they will want to know things, and tell us in a general way what resources we should expend on the various things they want us to do.

I think we have, for the immediate future, a charter. But, we live with this peculiar puritanical view of intelligence as being something wrong and, on the whole, of the way we look at people.

The head of a friendly foreign service told me this story: On an island in the Pacific three guys were washed ashore after a shipwreck. One was a Frenchman, one was an Englishman, and one was an American. The King of the cannibals who captured them said, "I have bad news and good news. The bad news is that we are going to have you for lunch tomorrow. The good news is that in the meantime I will give you anything you want, short of setting you free." So he turned to the Frenchman and he

said, "What do you want?" The Frenchmen said, "Well, if you're going to have me for lunch tomorrow, I would just as soon spend my remaining hours with that beautiful cannibal girl over there." So they said, "Okay," and they untied the Frenchman and he and the cannibal girl went off into the woods. Then they turned to the Englishman and they said to the Englishman, "What do you want?" The Englishman said, "I want a pen and paper." They said, "Why do you want a pen and paper?" He said, "I want to write a letter to the Secretary General of the United Nations and protest against the unjust, unfair, and unsporting attitude you have demonstrated towards us." So they gave the Englishman a hut and they gave him pen and paper and he started to write. Then they turned to the American and they said, "What do you want?" The American said, "I want to be led into the middle of the village; I want to be made to kneel down, and I want the biggest cannibal here to kick me in the rear end. The chief said to the vice-chief, "That's a weird request, but the Americans are a weird bunch and since we promised, we'll do it." So they untied the American, they led him into the middle of the village, they made him kneel down, and the biggest cannibal took

a running leap and kicked the American in the rear end. As the American sprawled out, he took out a Tommy gun that he had hidden under his clothes. He cut down the nearby cannibals and the rest fled. The Frenchman, hearing the gunfire, came out of the woods; the Englishman, hearing the gunfire, came out of the jut and they looked at the American standing there with the smoking Tommy gun and they said, "You mean to say you had that weapon the whole time?" The American said, "Sure." They said, "Why didn't you use it before now? Then my European friend telling me the story said, "The American looked at them with an expression of hurt sincerity, and he said, 'But you don't understand; it wasn't until he kicked me in the rear end that I had any moral justification for such extreme action.'"

Bearing these things in mind, we go forward. I am sure that American people understand that the real issue facing them is not the occasional and very small number of abuses which have been distorted out of all proportion, most of which occurred 20 or 25 years ago. The real issue before the American people, as we move into the last quarter of this century is: will we have eyes to see and ears to hear or will we stumble forward blindly into the

future until the day we have to choose between abject humiliation and nuclear blackmail? We know the responsibility we owe the American people: to tell them to the best of our ability what lies ahead. We will do our best not to let you down.

Thank you very much.