

SPEECH

by

LT. GENERAL VERNON A. WALTERS

before

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WHY THE UNITED STATES NEEDS EFFECTIVE INTELLIGENCE

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President Beale, Friends...

I am very grateful for the opportunity of talking to a very representative group of Americans and explaining to them why I believe the United States needs good intelligence, more today than at any time in American history.

Throughout our past, we have always been regarded by other nations as unreachable and, therefore, unbeatable. When we were told at the dawn of our history that 'eternal vigilance' was the price of freedom, this was a talk about a country that had two to three months' cushion and thousands of miles on either side. Those cushions, those buffers, are gone. Not since Valley Forge has the United States had arrayed against it the capabilities that are arrayed against it today. I am not talking about the intentions, I am talking simply about the existing capabilities.

Germany at the height of its power was a European power. It could send submarines to sink ships off our coast, but Germany had no real capability against the United States. The Soviet Union today is a global power. Tomorrow China will be a global power. Recent events in

Angola have shown us that the Soviet Union is not only able but willing to project its power 10,000 miles from the Soviet Union. We see today the Soviet Union deploying five new systems of third generation inter-continental ballistic missiles, each one of them more accurate and capable of throwing a larger warhead than any of its predecessors. We see the Soviet Union expanding its fleet from what was essentially a coast-guard-type navy to a blue water navy that is showing its flag all over the world. We see the Soviet air force developing aircraft with a capability against the United States. We see the Soviet conventional forces facing NATO in Europe and China in the Far East, being constantly given new equipment, better equipment, the training and logistics of these units being upgraded.

This is a continuous process. We see the Soviet Union spending more money on defense than the United States. It is a very difficult thing to measure because the ruble exchange is false and in a society where the State controls all the means of production and distribution, it is difficult to establish comparisons, but the general impression we have is that they are spending more money than we are out of a gross national product less than half of ours.

Now why do we need intelligence? The United States has always needed intelligence from the dawn of our history, but we are fond of giving ourselves a phony version of our own past: that intelligence is un-American, the Founding Fathers wouldn't like it, and there is something un-democratic about it.

Well, if we take a look, and in this Bicentennial Year, I have taken a look. And we find some pretty interesting things. George Washington was probably the greatest consumer of intelligence in American history. George Washington fully understood the importance of intelligence. He wrote a letter to his chief of intelligence in New Jersey, Colonel Elias Dayton, and I quote directly what he said: "The need for procuring good intelligence is so obvious that I have nothing further to add on this subject. All that remains for me to tell you is that these matters must be kept as secret as possible. For lack of secrecy, these matters, no matter how well conceived or how promising the outlook, generally fail. I am Sir, your Obedient Servant, George Washington."

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

Then you get 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. You know what he was doing? He was opening that mail like crazy. And the British caught him and they fired him, and they tried him before the British Privy Council. So he went to Paris as a representative of the Revolution-- and he got his office penetrated by British intelligence I might add--and he had the French build him a printing press. You know what he printed on that printing press? --British currency, British passports, and fabricated atrocity stories to be published in the British press. We've always set up a good intelligence service during our wars and we have almost always systematically destroyed it as soon as the war was over.

This time we waited a little longer because we had the Korean War and the Vietnamese War. In 1942 I was sent to the U.S. Army's Military Intelligence Training Center at Camp Ritchie, Maryland. You know who the Commandant was? a British colonel! That was the state of American intelligence at the outbreak of World War II. The first ten training films I saw the Cockney accent was so thick it was difficult for the average GI to understand.

So we've always gone through this business of: Is it really right? Is it not right? Should we do it? Is it compatible with democracy? The fact is that a blind nation, no matter how strong, will not survive.

Now we Americans have brought a whole series of new things to intelligence which have never been found before. I always claim that intelligence is the oldest profession in the world. There are some who claim that another profession is the oldest profession in the world. I claim you had to know where it was first before you could operate, which required intelligence.

We face, as I say, this situation with the Soviet Union today. We face a rising China that is constantly

improving its military capability in all sorts of areas, which lives in a state of extreme tension with the Soviet Union. As a matter of fact, there is an amusing story about that: Mr. Nixon went to Moscow to see Mr. Brezhnev when he was President and Brezhnev, in the chit-chat said, "You know, I had a strange dream the other day." And Mr. Nixon said, "What was that?" and he said, "Well, I dreamt I was in Washington and I looked down Pennsylvania Avenue and there was a funny flag flying over the Capitol." Mr. Nixon said, "That wasn't a funny flag; it was the American flag and it flies whenever Congress is in session." And Mr. Brezhnev said, "No, it wasn't the American flag. It had something written on it." Mr. Nixon said, "What did it have written on it?" He said, "It had written on it, 'Capitalism is doomed.'" Mr. Nixon said, "That's funny. I had almost the same dream." Mr. Brezhnev said, "You, too?" He said, "Not quite; I dreamt I was in Red Square and I was looking at the highest tower in the Kremlin and there was a great flag flying." And Brezhnev said, "Yes, that's the Soviet flag; it flies day and night." Mr. Nixon said, "No, it wasn't the Soviet flag; it had something written on it." And Brezhnev said, "Written?"

What did it have written on it?" Mr. Nixon said, "I wish I could tell you; but I can't read Chinese."

So, we have a rather strange situation, historically speaking, in the world. In the past there have been a large number of very great powers and then some medium powers and then some smaller powers. Today we have a very tough, tri-polar world, in which we have three great super-powers and then you drop a long way till you get to anyone else--although I would not be one to put down any of the nuclear powers. People often talk as if there were such a thing as a 'small nuclear power' but there are no small nuclear powers. Nevertheless, we have this largely tri-polar situation in the world: the United States and its allies, China, and the Soviet Union.

This is an uneasy situation. The Chinese, for instance, are very worried about the Soviet Union; but I do not think we should be deluded into believing that they have become our bosom ally. The Chinese have an old saying, "That against the near barbarians, you must use the far barbarians." Well, I think that in their view the Russians are the near barbarians and we are the farther barbarians.



Obviously, the Soviet Union is trying and will try in my view when Mao goes to restore the unity of the world Communist movement. This will be very difficult to do. There are deep differences between the two.

In addition to this, other new factors have appeared on the world scene. We have international terrorism which has become sort of an empire on a vast international scale. We have all of these movements that are aimed at disturbing the peace of the world in one way or another. We have in the twentieth century, in the middle of the twentieth century, probably more terrorism and more lawlessness on an international scale than we have had since the Middle Ages. We have the possibility, or the danger I should say, of nuclear proliferation. A lot of nations doubting other nations' guarantees, and so forth, are likely to view their salvation as being the form of developing some nuclear weapons of their own to make themselves unbearable to anybody who might have plans against them.

Now, in the midst of this, vital intelligence permits our country to establish a sound foreign policy. It enables our leaders to talk from a position of strength since knowledge is power and intelligence is knowledge.

We have another completely new factor in the world. And that is the factor of economic intelligence. In the old days, economic intelligence was regarded as some sort of by-product of a military capability study. Today, the world is so interconnected in trade and commerce that we have a totally new factor of foreign countries holding enormous quantities of American dollars, whether you call it Euro+dollars or petrodollars, which can be invested or applied in ways which will affect the livelihood of an American worker in Miami or Omaha, or elsewhere. And in this enormous area of economic intelligence, it is vital for our leaders to have some sort of warning of the economic and monetary and financial policies of other countries.

The one great mission which we in the Central Intelligence Agency, and our colleagues in Defense Intelligence, and in the other intelligence elements of the United States Government feel we have is the overwhelming charge from the American people that we not let them be surprised. We were surprised once at Pearl Harbor. We recovered from that naval Pearl Harbor. I just wonder whether we could recover from a nuclear Pearl Harbor.

The fundamental thing is: if we know what is going on, the very existence of an effective and credible U. S. intelligence community will inhibit foreign nations from being tempted to attempt to surprise us.

Now, people always tend to think of intelligence as some sort of weapon of war. Intelligence is also a weapon of peace. What American President could sign agreements limiting strategic or other armaments if he did not have the means of verifying whether those agreements were being lived up to or not? It is only the fact that our Government is able to tell what are in the Soviet strategic forces, or the Chinese strategic forces, that enables us to consider the possibility of signing agreements with them limiting these weapons which present such a tremendous burden to the American people.

Many times we have seen two friendly nations, each one highly suspicious of the other, afraid that the other one was going to jump him, we have been in the position to go quietly to both of them and say, "Look, this guy is deployed in the defensive stance. He is not deployed in such a way that he is going to attack you." This is how we have avoided a number of quarrels among some of our friends, without receiving credit.

Now, what does this intelligence cost the American people? Less than one penny out of every dollar spent by the United States Government goes for collecting this intelligence which is vital to the survival of the United States.

Since 1969, despite the growth of Soviet and Chinese power, despite the growth of the requirements levied on the intelligence community, the manpower in the United States Government devoted to the collection of intelligence has gone down forty percent. And the intelligence budget today represents in real terms a smaller proportion of the national expenditures than at any time since World War II.

Now, what has this produced? You've heard a lot about our failures. Most of this information on these so-called failures was derived from post mortems we ourselves did of things we considered we had failed to predict accurately. But I think in the popular mind there is a desire that we predicted that at two o'clock on the afternoon of the 17th of October such and such a thing will happen. Well that's a gold ring, and if you can do it, it's great. I view our mission in intelligence

as being somewhat broader, of widening and deepening the understanding of our leaders of the problems and matters they have to deal with, and if we can get an exact prediction, and I might add without idle boasting that we have very accurately predicted the development of the weapons systems of the Soviet Union and China and a great many other things that simply do not make headlines. President Kennedy once told us that we were doomed to have our failures trumpeted and our successes passed over in silence. We accept that. If we have a success, and the other side knows that we have been successful, if they know we have been looking through the window, all they have to do is pull down the blinds and we'll be cut off from them.

And this is where we get into the question that people ask me: "What has been the effect of all the disclosures of recent time?" Well first, let me say one word about that. I cannot tell you that in the last 27 years since the Central Intelligence Agency was created that we have not had people who have done things they should not have done; we have not had people show bad judgment; we have not had some kooks and zealots who

have done things that have embarrassed us. But in that time, 76,000 people have passed through the Central Intelligence Agency. I would ask you to consider any community of 76,000 people and subject them to the kind of scrutiny that we have been subjected to and tell me how our record would look compared with theirs. I think it would look quite good. To my knowledge as of today, not one of those 76,000 people has ever been convicted of any crime.

Now you've heard a lot about assassination, but the end conclusion was that nobody was assassinated. You've heard a lot about toxins, but the end conclusion was that they were never used. Why did we do these sort of things like the drug experiments? Well, we saw the Soviets kill a number of people in West Germany in the 50's by using these toxins. We were afraid they might be used against us. We had to find out about them and we had to find some means of defending ourselves against them.

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Let's look at the drug experiments. We saw a man like Cardinal Mindszenty, who had resisted every kind of torture and pressure from the Nazis, suddenly appear before the movie cameras to confess every crime his Hungarian Communist captors wanted him to confess. Those of you who are

old enough to remember will remember as I do, we were convinced this was done with mind-bending drugs. We thought they might be used against us. We studied the problem to see what should be done. And I might add, it was not just the CIA and the defense establishment who were making this kind of experiment. Very important universities in the United States were conducting the same kind of experiment. Yes, we have had people do wrong. But if you take any great corporation with 76,000 people, or any great number of people, and subject it to the kind of scrutiny we've been subjected to over the last year and a half, I submit that our record will not look all that bad. Yes, there have been some abuses. They have been few and far between and they have been magnified out of all reality.

For instance, we have been charged with illegal telephone taps. Yes, over 27 years we staged 32 illegal telephone taps, or allegedly illegal telephone taps. That's one and one-third per year. But I would remind you that the Director of Central Intelligence is the only person in the United States Government who is charged by law with protecting his sources and methods.

I think one of the results of all this will be that we will have stricter guidance as to what is

tolerable and what is not tolerable. This changes with the passage of history. The signers of the Declaration of Independence owned slaves. If we judge them by the regulations of today, we would find that offensive. In the early part of our country's history, there was no universal suffrage. We would find that intolerable today. But I think that we have to find in the guidance that is being given to us some mechanism for change as the perception of the American people of what is tolerable and what they want done changes.

We are being pilloried for our alleged sins of commission. I fear that 10 or 15 years from now, our successors will be pilloried for their sins of omission. You mean: "You didn't do this?" "You mean you weren't keeping track of that?" But, nevertheless, we live in the United States. We know that secrecy cannot be used to cover abuses. We know that we cannot run an intelligence service that is not run along lines that are acceptable to the American people. We ourselves in many of the cases of these abuses that you've heard recognized them before these investigations started and put out directives prohibiting them. For nearly every one of these things you've



heard of, we had a directive out as far back as 1971 or 1972 saying that they were not to be done.

I think we have guidance from the American people, we have guidance from Congress, and we have guidance from the President. We know what is tolerable and we know, in a general way, what is not tolerable. I can't tell you that there will never be an abuse again anymore than you can take any group of 76,000 people and say there there will never be anything. I don't mean there are 76,000 people there now; that is the total number of people who have passed through the Agency.

Has this harmed us? Yes, it has some. Some people have pulled away from us and some friendly services who used to give us reports, now give us summaries; some who used to give us summaries, now say, "Sorry, we can't do anything for you." I think the greatest loss, however, we will never be able to measure. And that is the people who might have volunteered information to us but did not because they feared in some way they would be publicized. We had one man behind the Iron Curtain who asked us, "If I am ever executed, please never reveal my connection with you."

We will go forward. It is not easy. It is difficult to run something like this. As I say, we have this American feeling about intelligence. If I may just tell you one story I think it will illustrate our attitude. On an island in the Pacific, three individuals were captured by the cannibals. One was a Frenchman, one was an Englishman and one was an American. And the chief of the cannibals said to all of them; "I have bad news for you. You are going to be executed and eaten for lunch tomorrow. But I also have good news for you. We'll give you anything you want in the meantime, short of setting you free." And he said to the Frenchman, "What do you want?" The Frenchman said; "If I'm going to be executed in the morning, I would just as soon spend the remaining hours with that beautiful cannibal girl over there." So they said; "Okay." And they untied him and he went off in the woods with the cannibal girl.

Then they said to the Englishman; "What do you want?" The Englishman said; "I want a pen and paper." They said; "What do you want a pen and paper for?" He said, "I want to write a letter to the Secretary General of the United Nations to protest against the unfair, unjust and unsporting

attitude you have adopted towards us." So they untied the Englishman and they gave him a hut, a pen and paper, and he started to write, "Dear Mr. Waldheim."

Then they said to the American, "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 his vice-chief, "It's a weird request, but the Americans are a weird bunch anyway, and since we promised, we'll do it." So they untied the American and they led him into the middle of the village and they made him kneel down. The biggest cannibal took a running leap, kicked the American in his rear end, knocked him 15 feet. As the American sprawled down on the ground, he pulled out from under his shirt a submachine gun he had been hiding and he cut down the nearest cannibals and the rest fled.

The Frenchman hearing the gunfire came out of the woods; the Englishman hearing the gunfire came out of the hut. There stood the American with the smoking machine gun in his hand. They looked at him and said,

"You mean to say that you had that gun the whole time?" And the American said, "Sure." And they said, "Why didn't you use it before now?" This story was told to me by the head of a friendly foreign service. And he said the American looked at them with an expression of hurt sincerity, and he said, "But you don't understand. It wasn't until they kicked me in the rear end that I had any moral justification for such extreme and violent action."

So we have a tough situation but we owe the American people and their leaders the answers to four important overriding questions. You know we carry the millstone of James Bond around our neck. This represents maybe five percent of our activity but it derives ~~99~~ percent of the public attention. But you do need it because you can get some of the intelligence by public means, you can get some of it by technology, which America has developed beyond anybody in the past, but the really hard stuff, about decisions to go or not to go, you have to get from people.

We owe the American people and their leaders continuing answers on, to my mind, the four great questions of our time. Who will be in control of the Soviet Union five years from now? What will their attitude be towards us and our allies? What is there in Soviet research and development today that will impact on our lives five or ten years from now? And the same questions for China.

I am not an old CIA man. I came there four years ago for the first time and I found there exactly the same kind of people I had found in military service intelligence. Americans like others, living by the same standards of right and wrong and highly dedicated to the United States. We know the responsibility we bear. We know now fairly clearly what we think the American people want us to do or not do at this time. We know that if we fail there is no one to pick up the torch. I think the real issue before the American people is not these abuses, most of which are more than twenty years old, but the real issue as we move into the last quarter of this century is: will the United States have eyes to see and ears to hear, or will we stumble into the future like

a blind, helpless giant until the day we have to choose between abject humiliation and nuclear blackmail. I do not think the American people want to accept that kind of an alternative. I think we who work in intelligence understand the responsibility we have to the American people. We will do our best not to let you down.

Thank you very much.