



Notes from the Director

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17 November 1977

During my recent European trip I met with a number of Agency personnel who asked questions which I believe are of concern to all employees. I answered some in the last issue of my "Director's Notes" and will continue to do so in this and future issues.

1. What are the prospects for an official secrets act?

While neither the Congress nor the Executive Branch has been or is considering legislation akin to an "official secrets act" such as that in force in Great Britain, legislation has been introduced this year in the House that would establish criminal penalties for the unauthorized disclosure of intelligence sources and methods information by any person who obtained authorized possession of such information. This legislation would penalize only the person divulging the information, but would not criminalize receipt of the information by, for example, a newspaper, as would be the case under an "official secrets act." A similar bill was introduced during the last session of the 94th Congress, but no action was taken on it. Prospects for enactment of the bill during this Congress (which continues through 1978), however, are slim, although the Senate Select Committee on Intelligence is giving this matter consideration.

2. Will the Agency provide legal assistance to someone indicted for illegal actions carried out under orders?

The Agency has no authority to represent CIA employees in their individual capacities. This representation function belongs to the Department of Justice (DOJ) by statute.

On 31 January 1977, the Attorney General issued a statement of policy as to limits within which the DOJ will provide legal counsel for federal employees or former employees who are involved as individuals in employment-related judicial or Congressional proceedings. In general, the DOJ will undertake to represent a current or former employee who is sued or subpoenaed as an individual in a state criminal proceeding, or in a civil or Congressional proceeding, in connection with actions

which reasonably appear to have been performed within the scope of employment, providing the employee is not the target of a federal criminal investigation or an indictment with respect to the same actions. The Office of General Counsel has been designated as the recipient of requests for such representation.

The policy and procedures are explained more fully [] dated 28 September 1977. The information was made available to the field several months ago in a cable.

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3. Do the new rules on annuitants mean that retired military on contract will be let go?

The regulations that we have published on hiring of annuitants, military or civilian, are intended to protect the interests of our full-time career employees in advancing within the Agency. The regulations simply state that we will not hire an annuitant if the position can equally well be filled by someone inside the Agency. The extension of current contracts with annuitants will be looked at in exactly this same light. In short, if some Agency employee could move into the annuitant's position satisfactorily, we will give preference to the regular employee. On the other hand, if the particular skill necessary is not available and we would have to go outside to recruit it, there is no bar whatsoever to hiring or renewing a contract with any type of annuitant.

4. What is the status of our current relationship with Congress and our oversight committees?

Our relationship with the Congress on the wide variety of legislative and liaison matters of mutual interest is excellent. We have been following closely, and analyzing the impact on the Agency and the Intelligence Community of, a large number of bills now active in the Congress ranging from changes in mandatory retirement to use of polygraphs by Government agencies. We have been working with the Senate Select Committee on Intelligence for well over a year now, and our relationship is extremely good on both oversight matters and on issues relating to legislation (including the matter of drafting a new intelligence charter). We are also providing current intelligence briefings to our oversight Committees and substantive intelligence product to these Committees and to other members and committees. The new House Permanent Select Committee on Intelligence is off to a fine start, and from my dealings thus far with the Committee I fully anticipate we will have the same beneficial relationship with that Committee just as we do with the Senate Committee.

5. How has our intelligence product been received at the White House?

I have had considerable give and take with the White House since my appointment. This has resulted in new emphasis on the President's Daily Brief, and we have attempted to focus our coverage on those intelligence questions of top concern to the President. He tells me he is well satisfied with what we are providing to him. On occasion he has requested coverage of specific items of particular concern to him, or made marginal comments on what we have sent him; and this aids us tremendously in our efforts to hit the mark.

In my one-on-one briefing sessions, I like to offer the President a few short information items and/or an in-depth presentation on a major policy issue. The President has indicated that he finds this placing of his problems in perspective extremely useful.

Dr. Brzezinski has suggested he would like to see improvements in our collection and reporting of "political" situations worldwide. This is not an easy task with our access limited in some critical areas. We nonetheless are striving to fill this need, and I believe the setting of new priorities by the PRC under the reorganization plan will aid us in this effort.

6. What is the National Intelligence Tasking Center, and how is it going to task operations in the field?

On 4 August 1977, after completing his review of the NSC studies on the organization and functions of the Intelligence Community, the President issued his decisions which effect certain changes in the Intelligence Community. One purpose of these changes is to centralize one of the most critical national intelligence management functions—tasking of our collection assets. The President's decisions give the DCI full control of a new mechanism for coordinating and tasking all national foreign intelligence collection activities. This new mechanism is the National Intelligence Tasking Center (NITC). The NITC will be the central mechanism by which the DCI:

- Translates national foreign intelligence requirements and priorities into specific collection objectives and targets for the Intelligence Community;

- Assigns targets and objectives to national foreign intelligence collection organizations and systems;

- Establishes standards for the timely dissemination and processing exploitation of data for national foreign intelligence purposes gathered by national foreign intelligence collection means, and ensures the resulting intelligence flow is routed immediately to relevant components and commands;

- Integrates Intelligence Community collection efforts in support of the National Security Council and Special Coordination Committee in crisis management activities; and

- Provides advisory tasking with respect to collection of national foreign intelligence information to departments and agencies that have information collection capabilities or intelligence assets that are not a part of the National Foreign Intelligence Program. In this regard, particular emphasis will be placed on increasing the contribution of departments or agencies to the collection of information through overt means.

On 3 October 1977, I appointed [redacted] USA (Retired) Deputy to the Director of Central Intelligence for Collection Tasking. [redacted] will be responsible for directing the NITC. The new organization is still in the formative stages pending the issuance of an Executive Order to implement

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the President's decisions. It is anticipated, however, that the new organization will evolve from and build on the existing collection committees.

7. What is the future of Management by Objectives?

Management by objective (MBO), popularized by management theorist and consultant Peter Drucker, has been employed in both Government and industry for many years. It was introduced within the Government in 1974 as a formal management "system" by the Office of Management and Budget. With the change of Administration, OMB's requirement for a formal MBO system was removed. The future use of the MBO technique in CIA is currently under review.

8. What is our relation with the National Security Council?

As the President's principal intelligence advisor, I continue to attend the NSC meetings. The Policy Review Committee (PRC), which was established to develop Presidential national security policy, is under my chairmanship when it meets on the business of intelligence. When so convened this group has assumed the full functions and responsibilities of the previous Committee on Foreign Intelligence (CFI).

CIA participation in NSC Departmental Groups and Ad Hoc Groups is much the same as it was in similar groups under different names in previous administrations. For instance, our close intelligence role in the critical SALT negotiations continues unabated here in Washington.

CIA daily, ad hoc support of NSC staff is quite extensive; quick response memoranda are frequently solicited and delivered. A significant segment of this work has been in support of US review of critical problems like the Middle East and Africa, including visits to those areas by Secretary Vance and Ambassador Young, as well as papers designed to prepare for additional visits to the USSR and China by the Secretary.

9. Are you as Director satisfied with the Inspector General's handling of complaints?

There are few processes that cannot be improved upon and I believe that the grievance and complaint handling process, which is vital to the well-being of the Agency, should be improved in whatever way possible. I have already authorized an increase in the size of the Inspector's General Staff, in part so that grievances and complaints may be investigated more expeditiously. The Inspector General, for his part, has established a new group within his office which will specialize in such matters and is personally available for consultation if any person is dissatisfied with the handling of a grievance or complaint.

In its staff capacity to me the Inspector General's Office is the apex of the grievance and complaint system which starts with an employee's immediate supervisor and proceeds through the normal chain of command within an employee's component, including component grievance officers, beyond that to the Director of Personnel, and then to the Inspector General (except in the case of EEO grievances which are processed according to a special system). Grievance and complaint handling is thus the business of all supervisors. While those with complaints may lodge them directly with the Inspector General, or with me personally if they wish, it

Approved For Release 2006/05/24 : CIA-RDP80S01268A000200020007-3
is my hope that day-to-day leadership and management will anticipate problems or resolve them at an early stage so that careers will not be hurt and debilitating situations can be avoided.

All grievances and complaints cannot, of course, be satisfied, sometimes for reasons of law or regulation. However, Agency employees should feel that an objective review has been made and an equitable resolution genuinely sought. This is my goal for the Agency's grievance and complaint handling process. I know the Inspector General shares it.

10. What is the latest status of the proposal to tax overseas allowances?

At this time it appears that the Treasury Department will not propose repeal of section 912 of the Internal Revenue Code (taxation allowances) as part of the Department's tax reform proposal to be submitted to the President. While the House Ways and Means Committee is developing tax legislation and might consider repealing section 912, we still believe such action unlikely at least during this Congress.

11. What is the quality of recruits that we are getting?

The quality of recruits remains at least as high as it has been in the Agency's history. We are able to select from a large number of applicants. In fiscal year 1976, our recruiters conducted almost 14,000 interviews from which only 388 professional and technical applicants were selected to enter on duty. The quality of individuals applying for professional jobs is outstanding: Phi Beta Kappas, Cum Laudes, and Magna Cum Laudes are not uncommon. A goodly number of liberal arts honors graduates are rejected each year. They simply are not competitive with applicants who also have distinguished academic records, plus related work or military experience.

In surveys conducted at three different periods, the most recent survey showed that current applicants rate higher on professional test batteries than their predecessors. Our applicants are bringing ever higher levels of academic attainment. In fiscal year 1976, 56% of our new professional/technical employees had Bachelor Degrees, 25% had Master Degrees, 12% had PhD's, and only 7% had no degree. Twenty years earlier, 45% had Bachelor Degrees, 18% had Master Degrees, 3% had PhD's, and 34% had no degree.

The quality of our clerical employees also continues to improve. Here, too, we vigorously pursue the brightest and best qualified applicants. Although the Civil Service Commission permits a self-certification, the Agency continues to require passing scores on typing and shorthand tests for applicants who use these skills. In order to insure higher quality of clerical employees, we raised the passing score on the clerical aptitude test by ten points in February 1977.

Continuing incentives which will attract into and retain in our Agency topflight people is my foremost goal. Unless we maintain our record here, our Agency and its product are bound to deteriorate.

12. Explain your relationship with the President and the Cabinet.

By Presidential Direction the DCI is the primary advisor to the President on national foreign intelligence. In this position, I am required to keep the President informed on critical foreign issues and on the conclusions of our estimative and analytical work. As coordinator of Intelligence Community affairs, I advise the President on Community intelligence concerns. I also annually submit to the President my proposed budget for the entire National Foreign Intelligence Program.

I meet personally with President Carter weekly to brief him on issues which I believe should be brought directly to his attention and to receive his guidance. In addition, while I am not a member of the Cabinet, I attend the weekly Cabinet meetings by invitation of the President to provide guidance on foreign intelligence matters as they are discussed. I also attend meetings of the National Security Council. These private meetings with the President and my presence at the Cabinet and NSC meetings give me the kind of close association with the President that is so essential to the accomplishment of the intelligence mission.

The President has indicated very explicitly that he personally intends to participate in the process of formulating requirements, setting priorities and evaluating our product. I can assure you that President Carter and Vice President Mondale are personally receiving our product and that we have their interest and support.

13. We continue to get broader requirements levied on us, new areas of reporting, yet we are simultaneously getting cuts in personnel and money. How will we meet these commitments?

The personnel cuts we are taking stem from a conviction that we are overstaffed in Headquarters. Overstaffing does not promote efficiency or effectiveness. I sincerely believe that we will be able to do more with less in this instance.



STANSFIELD TURNER
Director