

Executive Registry
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8 MAR 1978

MEMORANDUM FOR: Director, National Foreign Assessment Center

FROM: Director of Central Intelligence

SUBJECT: Conversation with Senator Percy,
3 March 1978

1. On 3 March, I had a discussion with Senator Percy. He would like to bring the Board of Directors of the "Alliance to Save Energy," a non-profit philanthropic organization, to the CIA in April for a briefing on world energy problems. I agreed that we'd be happy to provide this briefing. Some of the members of his Board are Henry Ford, Vernon Jordan, Henry Kissinger, Tom Murphy of General Motors, Dave Packard, Tom Watson, and Bill Seamans.

2. We will host a luncheon for them and then follow with a 45-minute briefing to be followed by 45 minutes of questions. The date is not yet firm.

3. I think this would be a marvelous opportunity to revisit our energy study that was published last March. I think we should emphasize the critiques we have received on it and what we have done to adapt the study, how well it has stood up or not stood up, and what needs to be done in the future to verify the direction the world energy situation is going. I'd appreciate receiving something on this soon after I get back on the 1st of April from my forthcoming trip.

STAT

[Redacted Signature Box]

STANSFIELD TURNER

MORI/CDF Pages 1-2

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MACLEAN'S MAGAZINE
Toronto, Canada
6 March 1978

ARTICLE APPEARED
ON PAGE 46

*File
DCI
Media*

The S.O.B. of the C.I.A.

This is Stansfield Turner. He killed James Bond

By William Lowther

Admiral Stansfield Turner may be the most powerful spy master in all of history. Not only has he been director of the Central Intelligence Agency for the past year, he now has control over the entire seven-billion-dollar budget of the United States' "intelligence" machine. Turner is suave and smug. His commanding manner comes from years of giving orders that were obeyed without question. So for Turner, it's not easy being subjected, as he is these days, to a barrage of criticism, much of it from his own agents.

"If you want happy spies, I'm not here for that," he is explaining to a large group of reporters quizzing him over a hotel breakfast a few blocks from the White House. "But if you want effective spies, I can provide them. I've made a profession of leading men and women. I'm good at it. [By this time he is banging on the big oval table.] And I'll continue to be good at it."

Admiral Stansfield Turner—Amherst College, Annapolis Naval College, Rhodes scholar, U.S. Navy—likes to think of himself as Socrates; a critical, questioning gadfly. He is more of a Captain Bligh; brilliant with a brutal streak. He has a barrel chest and a red, seafaring face. Silver sideburns and a rugged profile. And an abrasive style and a cannonball diplomacy that have made him notorious since President Jimmy Carter brought him into the CIA directorship a year ago this month.

It is a cold winter morning. Breakfast doesn't please the admiral. It's not the food, it's the indignity—the prospect of being quizzed. He has turned out to eat with the press only because it's the best tactic for a bad time. His public image is appalling, but his prospects are enormous. He is out to change the course, the direction, the aims, of U.S. espionage. It's a substantial objective. And he might well achieve it.

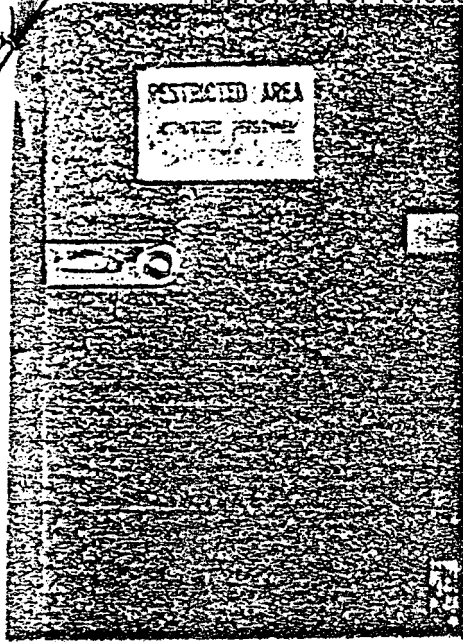
He was Carter's second choice for the CIA job—the first was liberal lawyer and onetime Kennedy aide Theodore Sorensen, but the Senate wouldn't have him. Turner seemed more respectable. Yet despite a distinguished naval career, he was something of an unknown quantity. And that's the way, you might reason, it should have stayed. After all, spies don't normally seek a high profile. But this one is different.

The CIA was in a mess when he arrived. Three years of congressional probes and



Turner in portrait (left) and, with his aide, Commander Bernard McMahon, briefing Carter (below): there'll be some changes





Parts of the office life at Langley: one of the more secret secret places (above), a standard clipboard, and a burn basket

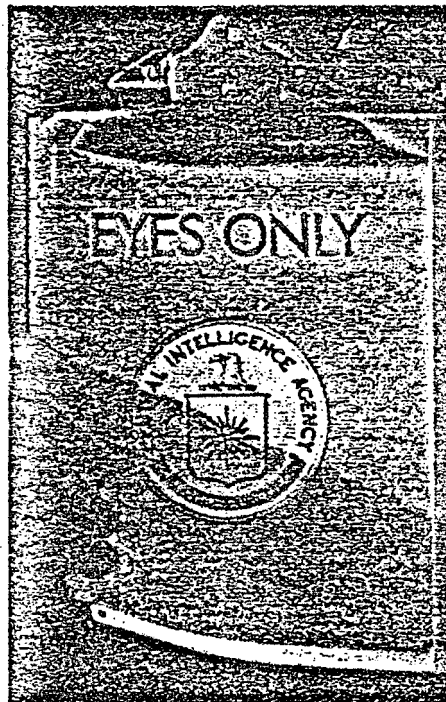
Prime Minister what the President thinks the Prime Minister ought to know. What emerges from Langley in the form of analytical reports is known in espionage jargon as the CIA's "product." Behind almost every sentence lies extensive backup from deep-cover agents, spy-in-the-sky satellites and economic, political and social "observers." And the admiral's new course, insofar as he is allowed to take it, will naturally be reflected in the flow of information from Washington. And that, as can be demonstrated, may not be for the best.

Normally, the "product" is kept top secret. But now, so much do so many disapprove of Turner that his blunders have been leaked in the hope they will do him political harm.

Item: Back last summer, Soviet Ambassador Anatoly Dobrynin told Carter that Moscow had evidence the South African government was building an atomic test site in the Kalahari Desert. This probably meant that Pretoria had The Bomb and was ready to surprise the world with a demonstration. Carter called Turner. In line with his policy of de-emphasizing day-to-day world watching, the agency had not been giving top priority to searching the details of satellite photographs. But the Kalahari Desert was rechecked on that week's pictures and there it was—evidence that a nuclear site was under construction. The United States was embarrassed at being beaten by its rival and Pretoria was subjected to such a barrage of diplomatic pressure that it dropped (so to speak) its bomb arrangements.

Item: Last summer the admiral reported publicly what he had been telling the President privately for weeks, that Soviet grain production for 1977 would exceed its

lions. The United States has a five-year contract to sell Russia eight million tons of grain each year at a fixed price. Any additional purchases are supposed to be at a higher cost per ton. Then suddenly Soviet leader Leonid Brezhnev announced that grain production would in fact be miserably low—just 194 million tons. At the same time it emerged that Moscow had already bought an extra 15 million tons of U.S. grain through European agents. And they had done it at the usual low price, thus saving themselves a fortune. If Turner had been able to report the real state of affairs, that the Soviet crop was poor, extra grain sales would have been more closely watched and the Kremlin would have been forced to pay perhaps another \$100 million. But, just as important, the President could have used the need for grain as a chip in the ongoing SALT negotiations. It was a bad boob. One former White House aide commented: "We can tolerate a certain



margin of error. But if all Admiral Turner's satellites, meteorologists, debriefers and spies can be so wrong about the way the grain is growing or rotting in open fields in the Ukraine, can we be confident of his recent intelligence estimates in more sensitive and more closely guarded areas like the production and development of intercontinental missiles?"

It is nearly impossible to make a valued comparison between Turner and former CIA directors—except that he may be the first with a deep sense of public morality. There is no way that he would condone or allow clandestine operations abroad that were not approved directly by the President. There will be no more assassination attempts. No more domestic spying.

And this is at least one of the reasons why he continues to enjoy Carter's confidence. The admiral ends a statement of the

morning and spends half an hour alone with Carter on Tuesdays and Fridays. He often sits in on Monday morning cabinet meetings. That schedule of Oval Office access—equalled only (outside of personal staff) by Vice-President Walter Mondale and national security affairs adviser Zbigniew Brzezinski—is graphic indication of the admiral's influence.

Despite his continued faith, however, the President is worried about the CIA's personnel problems. And for this reason he has upset the admiral by appointing Frank Carlucci, 47, to a powerful "deputy director" post. In an effort to reestablish the long-lost agency morale, Carlucci will take over "day-to-day operating responsibilities." Carlucci is something of a mysterious figure himself. Before his latest job he was ambassador to Portugal and had previously worked as a domestic policy maker in the Nixon administration. He was assigned to the U.S. embassy in the Congo at a time when the CIA was planning assassinations there. "I was not aware and nobody talked to me about the plot to kill Congolese premier Patrice Lumumba," Carlucci said recently. However, the welcome he is getting from old CIA hands has given rise to some suspicion that this is not Carlucci's first connection with the agency.

With an effective deputy in place the admiral is expected to spend more time now working on budget and major policy proposals, keeping as much away from direct contact with the spies as possible. There seems little doubt that his ambition is still to become navy secretary or chairman of the joint chiefs of staff. Both these jobs come vacant this summer.

Back at the reporters' breakfast, Turner is cooling down. "Look," he says, "the CIA has been run like a family business for 30 years. We need a personnel management system that is run on a non-familiar basis. I am very excited about the future of U.S. intelligence. A strong momentum is gathering behind me now. There's nothing wrong with agency morale." The admiral's last sentence is uttered more as an order than as a statement of fact.

