

REMARKS OF WILLIAM J. CASEY
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P. 306

Fellow veterans gathered for this 64th annual national convention of the American Legion, it is a privilege for me this morning to share the platform with Governor Thompson, Mayor Byrne, your great National Commander Jack Flynt, and later, I understand, with the great Chairman of the Senate Armed Services Committee, John Tower.

I particularly appreciate at this time the chance to talk to you about our national security posture and the many ways our interests, our friends, our safety and our leadership are threatened around the world.

Today, it has become widely recognized that we have in the Soviet Union a powerful and determined adversary which is carrying on a huge military buildup to which it devotes over twice as much of its national effort as we and our allies are able to devote to our own defense.

But what is not so widely recognized is the ability and the will that the Soviets have demonstrated in recent years to project their power over great distances. We have seen them bring planes and sophisticated weapons as far as Angola or Ethiopia to meet troops brought in from Cuba. We see Soviet chemical warfare weapons employed on the Arabian Peninsula and in Indochina. We've seen Soviet planes and troops come across the mountains into Afghanistan.

Still less widely recognized is the Soviet ability and will to project its power worldwide through subversion and insurgency and the adept use of proxy forces, arms sales, and thousands of military advisers scattered around the world.

Recently I had our cartographers prepare a map to show the Soviet presence in its various degrees of influence. They colored in red on a map of the world the nations under a significant degree of Soviet influence. When this map was finished, 50 nations were in red. Ten years ago, in a similar map I had prepared, only half as many of the nations of the world were colored in red. In those ten years, between 1972 and 1982, four nations have extricated themselves from Soviet grasp, and 25 nations either fell under an increased degree of Soviet influence or faced an insurgency backed by the Soviets or their proxies. Each of the eleven nations now faced with insurgencies throughout the world today, supported by Cuba, Libya, the Soviet Union or South Yemen, happens to be close to the natural resources or to the sea lanes on which the United States and its allies must depend to fuel and supply their economic life.

It's not hard to understand how all this has come about. Time and again, we've watched agents of the Soviet Union, the Communist apparatus, move in to exploit underlying social and economic discontents, which are plentiful around the world. This became the basis for their expansion with training and massive weapons. With this help, local insurgents attack economic targets and drive out investment. This further heightens the political and economic discontent on which this kind of thing feeds. As this discontent grows, more people go over to the insurgents, which makes them bolder, stronger and more difficult to deal with.

Now there are still more subtle and less widely understood threats. One is the monster known as international terrorism. The Soviet Union has provided funding and support for terrorist operations via Eastern Europe and its client

nations like Libya and Cuba. With at least tacit Soviet approval, many terrorist groups have trained together in Cuba, Libya, Iraq, South Yemen, Lebanon and the countries of Eastern Europe.

Now even if the Soviet Union withdrew its patronage of terrorism, this activity would certainly continue, perhaps unabated. The fact is that terror has many patrons. Terrorist training camps, for example, are the largest industry in Libya, next to oil. This international terrorism has taken on a life of its own. When enough terrorists are armed and trained, they have to kidnap and rob to get the money to carry on what has become a big business. And they need to assassinate and plant bombs to keep up the morale of their followers and to make propaganda for their causes.

Another threat is the ability of the Soviet Union, largely through its intelligence arm, the KGB, to insidiously insert its policy views into the political dialogue in the United States and other foreign countries. The KGB is adept at doing this in a way that hides the Soviet hand as the instigator.

We see Soviet authored or inspired articles surreptitiously placed in the press around the world, forged documents distributed, manipulation of indigenous foreign Communist parties, international and local Communist-front organizations, and clandestine radio operations, all employed aggressively to erode trust in the United States as the leader of the free world.

Late last year, for example, delegations attending an important security conference in Madrid received copies of a forged letter allegedly sent by President Reagan to King Juan Carlos of Spain. This letter cited "Highly Secret

Information" advising the King that several of his staff were opposed to Spain's joining NATO and urging that the King move against them. Obviously, this forgery was intended to disrupt Spanish-US relations and to provoke internal opposition to Spain's joining NATO.

This type of thing has been repeated again and again in examples that cannot be discussed in an open forum, but which have been laid out in closed sessions of Congressional committees.

Still another low-key but highly damaging threat can only be called a hemorrhage. Only recently have we established the degree to which accuracy, the precision and the power of Soviet weapons, which we are required now to counter with budget-busting appropriations, are based on Western technology to a far greater extent than we ever dreamed. The Soviet political and military intelligence organizations, the KGB and the GRU, have for years been training young scientists to target and roam the world to acquire technology for their military arsenal from the United States, Western Europe, Japan, anywhere they can get it. They have acquired in this way technology worth many billions, some of it by purchase, legal or illegal, or by theft, by espionage, by bribery, by scientific exchanges and by exploiting our open literature and our Freedom of Information Act. The damage to our national security becomes all too obvious as we face the need to spend billions of dollars to defend ourselves against new Soviet weapons, in which a great deal of time and effort has been saved by leap-frogging development stages and in which new power and accuracy has been achieved through use of our guidance and radar systems, our bomb and weapon designs and our production methods.

Now I've outlined for you a horrifying and really alarming range of challenges. How do we deal with this far-flung and aggressively pursued range of threats? We have lost a lot of time. Fortunately, if we understand and speak clearly to our own purposes and the nature of the threat I have outlined, we can enlist the help of friends and sympathizers across the world, as well as the support of the American people which is critical.

President Reagan has taken four critical first steps. He has made an unambiguous commitment to strengthening our overall military strength, to working for mutual reductions in nuclear arms and weapons of mass destruction, to enhancing our ability and activity in speaking openly to the world and the people of the world, and to rebuilding our intelligence capabilities.

Let me give you a brief report on the health of the American intelligence community and its role in meeting this range of threats I have outlined for you.

Over the years, my predecessors as Director of Central Intelligence have created a great apparatus of scholarship and technology to collect and analyze a vast flow of information gathered from all over the world. Marvels of electronics, cartography, acoustics and other techniques permit us to share with the American public, as we saw during the SALT debate of a couple of years back, detailed information about weapons on the other side of the world which the Soviets hold secret. We continue to press the frontiers of science to improve our ability to monitor both the potentially hostile deployment of these weapons and the mutual reduction of nuclear weapons which we hope to negotiate.

My highest responsibility as Director of Central Intelligence is to produce sound national intelligence estimates on issues relevant to our national security.

We've taken steps to assure standards of integrity and objectivity, relevance and timeliness, accuracy and independence in these intelligence assessments.

The chiefs of all our intelligence components (the National Security Agency, the Defense Intelligence Agency, the State Department's Intelligence and Research component, the intelligence services of the armed forces--Army, Navy, Air Force, Marines--Treasury, FBI, and Energy) now meet as a board of estimates to assure that all available information and all the different, substantiated views are fully reflected to provide our decisionmakers with a range of real and specific expectations as to what may be ahead.

We've established a Center for the Study of Insurgency and Instability to provide advance warning of potentials for destabilization around the world, this to protect against the kind of surprise we experienced with the fall of the Shah in Iran. The small and weak countries in which an insurgency could be developed to overthrow governments do not need and cannot handle expensive and sophisticated weapons which they all seek. What they need is light arms to defend themselves against externally trained and supported guerrillas, good intelligence, good police methods, good communications, training in small arms and their use in small unit actions, and the mobility to keep up with the hit-and-run tactics used by insurgents and guerrillas around the world. We can introduce an element of stability into the Third World by helping small countries develop those skills and capabilities, and we can do this for a fraction of our foreign aid budget. After all, governments facing civil war cannot achieve the economic and social objectives of our foreign aid until they're able to control and combat internal disruption. Social progress does not come in the middle of civil war.

El Salvador just a few months ago provided an example of how we can help these beleaguered nations defend themselves. The success of the recent elections in that beleaguered country came only with US aid to El Salvadoran troops and officers, and from providing intelligence which helped the El Salvadoran Army break up guerrilla formations before they could carry out the brutal attacks they planned in order to keep the people from voting. On the evening of the election there, you will recall the American public saw on their television screens what the guerrillas planned for the whole country. In Usulután, the provincial capital nearest Nicaragua, we saw on those television screens the streets empty, the people huddled behind closed doors as guerrillas fired their rifles at those doors. No one voted in that little town. Happily, on the television screens we saw in the rest of the country long lines of people patiently waiting in the hot sun to cast their vote. This contrast in two minutes wiped out at least the disinformation about what has been happening in Central America.

To counter the terrorists, with operational headquarters in Beirut, Tripoli in Libya, Aden in South Yemen, and other centers across international borders and into five continents, we work with the intelligence services of friendly nations. Together we are developing a network to track terrorist organizations and activities and train local quick reaction forces to carry the fight against terrorism around the world.

To combat the loss of critical technology to our adversaries, we've established a Technology Transfer Center to provide ammunition to other government agencies plus ways to sensitize our scientists, our engineers and sales forces in the case of technology pickpockets, the dummy customers

and the forged papers used to funnel sensitive technology and equipment behind the Iron Curtain. We helped develop and enforce restrictions limiting the flow of sensitive technology in trade and other normal business transactions.

To combat false propaganda, our intelligence can identify the forgeries and distortions. But to expose and rebut them, the private sector of the free world will have to tackle much of the load. This is a challenge for everyone who believes in the value of a free, open society. And nobody meets this challenge more effectively and more vigorously than the American Legion in its publications and its organized activity around this country. So I urge upon you and other organizations, we need a great deal more of this activity.

In the final analysis, all these threats boil down to a struggle for the hearts and minds of men. The courage of the Afghan freedom fighters, supported by arms and training provided by many other nations, escalates the price and deters armed aggression and insurrection everywhere. The world has seen the Communist system fail in Poland. There the once-proud call of Lenin, "Workers of the world unite," makes those in Warsaw and the Kremlin tremble.

One concluding thought. As a nation, we have a propensity for shooting ourselves in the foot. One of these self-inflicted wounds close to my heart leaves the United States the only country in the world which gives foreign intelligence agencies, and anyone else, a legal license to poke into our files. I question very seriously whether a secret intelligence agency and a Freedom of Information Act can co-exist for very long. The willingness of foreign intelligence agencies and their services to share their information and to rely on us fully, and of individuals to risk their lives and reputations to help us, will continue to dwindle unless we get rid of the Freedom of Information Act.

[Applause.]

Secrecy is essential to any intelligence organization. Ironically, secrecy is accepted without protest in many areas of our society. Physicians, lawyers, clergymen, grand juries, journalists, income tax returns, crop futures-- all have confidential aspects protected by law. Why should national security information be entitled to any less protection?

[Applause.]

I'm not asking for any retreat from our commitment to protect essential liberties, but only to bear in mind, as Justice Goldberg once said, that "while the Constitution protects against invasions of individual rights, it is not a suicide pact."

In conclusion, I would only echo the sentiments so eloquently expressed by your National Commander that we have nothing to fear in any of these challenges if we deal with them directly, with calm and with faith.

Thank you.