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1 July 1980

MANAGEMENT ISSUE

DIRECTORATE: NFAC

ISSUE STATEMENT:

The Agency has inadequate space in the headquarters building to satisfy the minimum requirements for most analysts to conduct thoughtful research.

TIME FRAME:

The foreseeable future.

EXPLANATION:

25X1 The shortage will not be significantly eased by the construction of the [ ] given the space demands for the SAFE system, projected growth over the next five years, the need to bring the Office of Geographic and Cartographic Research into the headquarters building, and the proliferation of sophisticated equipment (ADP, television, cartographic plotters, etc.)

MANAGEMENT IMPLICATIONS:

Space constraints have become severe enough to impact on the quality and efficiency of our work. We are losing good analysts who refuse to work in crowded or noisy conditions. The ability to experiment with innovative ADP applications will be forestalled by lack of space to put the equipment. Productive organizational alignments cannot take place because of space restrictions. Finally, NFAC may have to curtail its plans to expand the number of analysts with new skills because of lack of space to accommodate them.

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MANAGEMENT ISSUE

DIRECTORATE: NEAC

ISSUE STATEMENT

Possible impact on NEAC of the requirement for increased intelligence support to tactical field commanders.

TIME FRAME:

5-10 Years.

EXPLANATION

Providing increased intelligence support for tactical commanders and continuing current national level efforts will tax to the maximum the capabilities of current collection, processing and analytical resources.

MANAGEMENT IMPLICATIONS:

More resources will be needed if increased support is to be provided for tactical commanders, and we are expected to continue our current national level intelligence support activities.

If more resources are not available, then management will have to decide how current or available resources will be apportioned in order to meet the requirements of policymakers and field commanders.

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Conversely, increased tasking of the technical collection systems with tactical requirements of the field commanders may lead to shortfalls in collection against "national" requirements, thus diminishing the information available to the producers of national intelligence.

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1. Soviet Strategic Capabilities:

a. The Soviet strategic posture will undoubtedly remain the area of greatest overall attention within the Center for the foreseeable future. The challenge of analyzing existing weapons systems and the strategy and policies of the Soviet leadership relative to their deployment and use must also be augmented by a constant effort to anticipate and examine new developments.

b.

Because of the long lead time required to develop such systems, our present and continuing efforts are likely to serve us well into the 1980s. What we must concentrate on is the development of the next generation of weapons systems and possible technical innovations that could significantly alter and enhance the capabilities of present and projected systems. In the former case, we are talking about concentrated efforts that will intensify as the decade passes its midpoint. With regard to the latter, we need more searching and imaginative and supportive intelligence collection now. Specifically we want to focus on:

- i. The systems that are now on the drawing boards or will be there in the next few years. What are the areas of concentration? On what political basis have the judgments to develop such programs been made--i.e. the context of SALT, MBFR, TNF? The role of directed energy weapons; concentration on CW/BW. Use of satellite platforms and outer space generally.
  - ii. Significant scientific breakthrough that will alter and enhance the capability of some system or alter the relative balance of forces in some area with that of the US.
  - iii. Enhanced Soviet capabilities to conceal and protect the development of new weapons systems through technical means.
- c. The importance of this effort to US security is self evident.
- d. Clearer concentration of selected analytic and collection efforts will be required to meet the more sophisticated demands in this area.

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2. Soviet Conventional Weapons development and use as an instrument of foreign policy.

a. While NFAC has concentrated heavily on Soviet strategic weaponry, we have allocated few resources to the growth and development of Soviet and surrogate conventional forces. Moscow has demonstrated the ability to project force abroad through conventional means, and to develop weapons systems of considerable durability and sophistication. This change in posture requires a greater concentration of effort by NFAC on conventional weapons development, as well as on the political aspects of their transfer and use as a means of expanding Soviet influence or that of surrogates in key third world states.

b. We must begin now-- to develop a sophisticated data base on Soviet production capabilities and technical applications in all forms devoted to conventional weapons. This effort must be augmented over the next decade in keeping with the likely growth of Moscow's role both as an arms merchant and also because of its ability to use military weapons sales to buttress its foreign policy objectives.

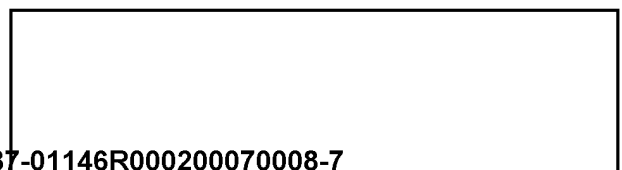
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c. Our ability to provide solid analysis on the scope, dimension, direction and technical sophistication of Soviet conventional forces development will have a significant influence on the direction of US and allied efforts in the same area and on our ability to affect behavior of states threatened either directly or indirectly by Soviet politico-military aggression.

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3. East-West Tension: Expansion of Soviet goals.

a. NFAC's coverage of the scope and dimension of the more aggressive manifestations of Soviet foreign policy has not been conducted systematically nor, in general, has that of the Community. Now, in view of the likely continued tension in the East-West relationship, greater concentration in this area will be necessary.

b. The effort in this direction has already begun, and will have to grow in scope and sophistication so long as we can anticipate enhanced Soviet pressures and competition--i.e. in South Asia, the Middle East, Latin America, and Indochina, and so long as stresses continue to develop in the Western Alliance.

c. Our ability to warn of the capabilities and intentions of the Soviets to intervene in key areas around the world must be strengthened to support US policy objectives and those of the allies, and to counter Soviet efforts.

d. This is largely a requirement for much more integrated and sophisticated analysis within NFAC. We will also need to define collection targets that will shed light on specific Soviet foreign policy objectives.

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4. The Soviet Internal Situation--the economy and the implicit political and security implications.

a. NFAC devotes a considerable effort to studying all aspects of the Soviet economy and the development of economic policy with particular emphasis on energy development and constraints. We will continue to conduct specific studies on important aspects of the economic situation. It will be increasingly important, however, to develop the capability to discuss in greater depth the political and security implications of anticipated economic constraints on overall Soviet policy, on relations with Eastern Europe, Cuba, and Vietnam, and on the sorting out of Soviet internal leadership over the next five years or so.

b. We see mid-1985 as a watershed in Soviet energy availability. Soviet policies and adjustments up to that point and their efforts to adapt once a true economic crunch has been experienced will be factors for analysis throughout this decade.

c. The impact of the Soviet leadership transition and of Soviet economic constraints have important implications for US national and strategic interests.

d. Our ability to undertake more long-term sophisticated analysis of the Soviet economy rests in part on the availability of more and different information, both human and technical, and an increasing ability to perform multidisciplinary analysis integrating a variety of intelligence sources. Considerable progress has been made in this regard in analyzing Soviet grain and oil developments, but more will be necessary, particularly as in any attempt to understand the policy aspects of economic constraints. Collection impact will center on how Soviet decisions are made, and on who are the key technical and policy officials.

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5. Changed Intelligence Requirements on China

a. China is likely to remain the second area of concentration within NFAC, given the role the Chinese play in Asia, their adversary relationship with the USSR, their economic potential--including oil development--and their interest in the Third World. Our data problems have changed. Because of the rapid opening of China to the West, increasing demands have fallen on NFAC to digest a great amount of new data which was heretofore simply unavailable. Much of this information is now freely given, lowering the dependence on intelligence materials in some areas and therefore requiring a sharp tailoring of the overall intelligence collection effort--particularly in the economic and scientific and technical fields. Insofar as China's growing importance to the US enhances its importance as an intelligence target, we must begin to sort out what is important to analyze and to collect.

b. China is certain to grow in importance in the coming decade--in its own right and in terms of its relationship with the major powers, particularly the US.

c. There will be great US interest in the implications of all areas of Chinese development, but our efforts will have to consider first the elements that will have direct impact on US national security interests. Chinese military developments--particularly the policy aspects--will have considerable importance.

d. We have the resources to analyze developments in China, but they must be restructured and the collection effort streamlined to provide a more tailored and more sophisticated flow of information.

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7. Intelligence on Eastern Europe.

a. NFAC has tended to view and analyze Eastern Europe as an extension of the policies of the USSR and, as a consequence, analysis has been to a considerable extent limited by the heavy concentration on all aspects of Soviet development and policy. In the coming decade, economic and energy constraints in the USSR will have a significant impact on the economic well being of the East European States. Transitions of leadership in both the East European states and in Moscow will add a new element of pressure and uncertainty and the attraction of the West as the source of economic assistance will have increasing political overtones. In an overall European context it will become increasingly important to understand policy developments, directions and pressures within the East European States--their relationship with Moscow, with each other and with the West. Not enough quality collection and analytic resources are devoted to this area now. Much more will be required in the 80s.

b. The mid-80s are likely to see substantial strains growing in Moscow's relations with its Eastern European allies. We must be in a position to anticipate the problems as they grow and to provide guidance to the policy maker on where the strains are likely to lead.

c. Understanding and dealing effectively with Eastern Europe in a bilateral context, or working through our European allies will be an ever increasing aspect of our overall relationship with Moscow in a period of heightened competition and continued East-West tension. Policy initiatives and plans will require very sophisticated analysis of nature of the European situation.

d. More integrated analysis of the political/economic and social elements within Eastern European society will be a necessity if proper policy support is to be provided.

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8. Third World.

a. The crisis in energy has dramatically demonstrated how inter-dependent the world has become and how vulnerable the United States and its allies are to instability or unrest in states which are either important sources of valuable resources or have considerable strategic significance. The expanding and more aggressive Soviet role in Southwest and Southeast Asia and other regions either directly or through surrogates underscores those vulnerabilities. Our capacity to understand the forces for change within societies that are of importance to the US and the West is now apparent but our ability to perform the detailed type of analysis to give us that understanding or to collect the information that will support such analysis is not well developed. Crises in Saudi Arabia, Nigeria or Indonesia--key oil producers for the West are certainly possible within the next decade and could easily have a dramatic and devastating impact on the economies of the West. The viability of other resource rich African states, the ability of the small Middle East oil producing states to maintain traditional political systems in the midst of external pressures for change, the capacity of strategically important states in Southeast Asia and Central America to move toward a more democratic policy in the face of blandishments of the USSR or its surrogates all need indepth study in the coming years. This will require a more integrated approach involving intelligence collection, utilization of available academic or traditional research materials and sophisticated multidisciplinary analysis.

b. The next decade will see an increasing demand from policy makers for analysis concerning emerging forces that may undermine the stability of key states and eventually adversely impact on US policy interests.

c. Limited the expansion of Soviet power or that of Moscow's surrogates into areas of strategic importance to the US will be a major foreign policy concern.

d. We will need a substantial enhancement of new skills and techniques both in analysis and collection as well as extensive cooperation between the two areas to meet this new challenge.

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9. Technology Transfer, Nuclear Proliferation

a. In the 80s we will need to know about and monitor advanced communications as they impact on patterns of international trade, the flow of information, the transfer of sensitive commercial and military technology. We will need to study civil technologies that have significant economic and military applications. This will be particularly true in the developed West, but also in the more advanced Communist states and increasingly in the more sophisticated upper tier LDCs. These have been areas where a relatively low level of attention has been given, and the data base for analysis has either been highly technical or sharply limited. More and better analysis will be required, and the demand for better raw information will grow.

The proliferation of sophisticated technology, particularly of the type related to nuclear weapons, has been monitored by NFAC as part of its responsibility for nuclear proliferation. But the rapid spread of this and other technology, particularly to the more volatile upper tier LDCs, will require a level of collection and analytical effort that has not been committed to date.

b. The decade of the 80s is likely to be characterized in part for the demands relating to technological analysis in broadest terms--to support US policy interest in an extremely wide range of areas.

c. The US has a wide range of economic, strategic, and international political equities to protect in the highly competitive and increasingly complex and dangerous fields of both civil and military technology.

d. An expansion of both analytical and collection resources of a relatively new order may be required to provide the sort of support US policy makers will need in this area.

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10. Natural Resources--Competition

a. We are entering a period in the 80s in which the competition for other than energy resources will be a major element in the foreign policy of many states. Food, water, forest and ocean products will all come to be regarded as increasingly important, and in some cases scarce resources with significant policy implications for the US. NFAC has begun to study these problems and to integrate the analysis of them with the overarching political and economic issues that have traditionally been the center of our analytical effort. But much more work will be required to keep pace with the anticipated policy requirements.

b. As we get into the 80s these scarcities and their policy implications will mount. We must begin now to anticipate such problems, and to lay the groundwork for having proper advice to provide the policy level.

c. US interest in this area is bound to grow and will take on more complex aspects as the demands for US support and leadership in world resource problems mounts.

d. A new range of disciplines must be added to the NFAC analytic base to augment the efforts already begun in this area.

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1 July 1980

MANAGEMENT ISSUE

DIRECTORATE: NFAC

ISSUE STATEMENT:

Improve the overall quality of intelligence by adhering to the NFAC-derived Five-Year Plan.

TIME FRAME:

1982-87.

EXPLANATION:

NFAC has been charged by OMB and Congress to develop a long-term plan to improve the quality of intelligence.

MANAGEMENT IMPLICATIONS

It is possible that this plan should be broadened to include adjusting human and technical collection capabilities to complement changes in the character of information required by analysts. There are also elements of the plan that involve increased overseas experience for analysts. Cross-directorate planning for this program is necessary.

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1 July 1980

MANAGEMENT ISSUE

DIRECTORATE: NFAC

ISSUE STATEMENT:

There is a need to strengthen the Directorate of Administration's ability to provide general support in the headquarters area.

TIME FRAME:

A plan developed today would begin to show demonstrable improvement in FY 1983 at the earliest.

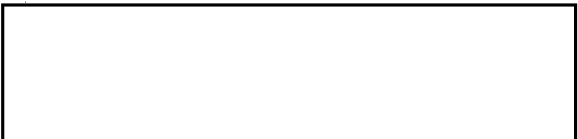
EXPLANATION:

A resource-constrained environment has played havoc with the Directorate of Administration's ability to satisfy critical services of common concern, such as providing an adequate secure voice system within the Intelligence Community, or a timely shuttle service to the State Department. It has been further manifested by shortages of paper in the print shop, a reduction in the guard force and an inadequate number of officers devoted to industrial security investigation. The cable dissemination system is inadequate. It often takes longer to disseminate a cable electrically within the headquarters building than it does to send it from a station to headquarters.

MANAGEMENT IMPLICATIONS:

We must reverse this trend or face the prospect of becoming excessively bureaucratic--too few resources require more justification from those requiring services--and more importantly, cost us the flexibility we have prided ourselves on in meeting the varied requirements placed on this Agency by the policymaker.

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MANAGEMENT ISSUE

DIRECTORATE: NFAC

ISSUE STATEMENT:

The Agency must have a long-range plan to meet the significant growth in ADP requirements.

TIME FRAME:

Next five to ten years.

EXPLANATION:

The types of substantive problems facing the Agency in this decade, to include arms verification, Soviet activities in outer space, measures of force effectiveness, energy demand, shortages of natural resources, and new Soviet and Chinese weapons systems, require extraordinary computer capacity.

MANAGEMENT IMPLICATIONS

Current or new systems, such as SAFE, will meet specific needs but will not satisfy the entire range of required ADP applications, especially in NFAC. ADP has proven to be a highly effective investment in terms of increasing the productivity of analysts.

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