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7 April 1988

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MEMORANDUM FOR: Director of Central Intelligence

FROM: William M. Baker
Director of Public Affairs Office

SUBJECT: Arrangements for your Address of the
Evans-Novak Political Forum

1. This is background information for your remarks to the Evans-Novak Political Forum on Wednesday, 13 April, 9:30 - 10:30 a.m., at the Madison Hotel, 15 & M Streets NW. Phone: 862-1600. I will remain with you throughout the program.

2. Arrangements: You are asked to be at the main entrance of the Madison Hotel on 15th Street where you will be met by the Administrator of the Forum, Carolyn Donnelly. You will be escorted upstairs to Executive Chamber I, II, and III to meet with Rowland Evans and Robert Novak who will remain with you on the dais. (See biographies opposite.) Your remarks are scheduled to begin at 9:30 a.m. and Mr. Evans will introduce you. The suggested format is 15 minutes of remarks followed by 45 minutes of questions and answers. Either Mr. Evans or Mr. Novak will monitor the questions. A podium and microphone will be available. DCI Security will tape your remarks for the Agency's historical files. The meeting is off-the-record.

An audience of approximately 114 CEOs, business, financial and political leaders from all parts of the US who subscribe to the EVANS-NOVAK POLITICAL REPORT will attend. Several Japanese subscribers will be in the audience. (See opposite for tentative list of attendees.)

3. Background: The EVANS-NOVAK POLITICAL REPORT now in its 21st year provides its subscribers with inside political reporting and analysis. The biweekly publication has a circulation of 2,000 and costs \$125 a year. (See copy of publication opposite.) Semiannually, a day-long seminar called the Political Forum is held for the subscribers.

A member of the Board of Governors of the Federal Reserve System, Governor Robert Heller, is scheduled to speak prior to your appearance and Evans and Novak will speak following your address. (See program opposite.) Speakers at the fall forum were Howard Baker, Jack Kemp, Max Kampelman, and Tom Foley.

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[redacted]
WMB William M. Baker

~~CONFIDENTIAL~~

INSIDE REPORT

Chicago Sun-Times
1750 Pennsylvania Avenue, N. W.
Washington, D. C. 20006

ROWLAND EVANS JR.

ROBERT D. NOVAK

March 1, 1988

Mr. William Baker
Director of Public Affairs
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Baker:

We are delighted at your decision on the appearance of Director Webster for the Evans-Novak Political Forum on April 13 at the Madison Hotel.

We have tentatively scheduled him to speak at 9:30 a.m. but of course, given his unusual responsibilities, we will do anything we can to move the schedule around to suit his convenience if another time seems better.

Please tell the Director that the others appearing at the 33rd annual Forum will be Federal Reserve Vice Chairman Manuel Johnson, Senator Robert Dole, Rep. Richard Gephardt and White House Deputy Chief of Staff Ken Duberstein.

On the day of the Forum I will meet Director Webster in the lobby of the hotel just prior to the time of his speech to escort him to Executive Chamber I, II and III.

The Forum is a day-long seminar attended by 120 subscribers of the Evans-Novak Political Report, comprised largely of representatives of the business, financial and political communities.

We would like him to deliver a brief talk, to be followed by questions from the audience. The proceedings are totally off the record.

We are delighted that Director Webster will be speaking at the Forum. Please let me know if there are any special arrangements I can help you with.

Sincerely,

Carolyn Donnelly
Carolyn Donnelly
Administrative Assistant

EVANS, Rowland, Jr. 1921-

PERSONAL: Born April 28, 1921, in White Marsh, Pa.; son of Rowland and Elizabeth Wharton (Downs) Evans; married Katherine Winton, June 18, 1949; children: Rowland Winton,

Sarah Warren. **Education:** Attended Yale University, 1940-41, and George Washington University, 1950. **Religion:** Episcopalian.

ADDRESSES: *Home*—3125 O St. N.W., Washington, D.C. 20007. *Office*—1750 Pennsylvania Ave. N.W., Washington, D.C. 20006.

CAREER: Associated Press, reporter, 1945-55; *New York Herald Tribune*, New York, N.Y., editorial staff, 1955-63; syndicated columnist, "Inside Report," Washington, D.C., 1963—. News commentator and television panelist. **Military service:** U.S. Marine Corps Reserve, active duty, 1942-44.

WRITINGS—All with Robert D. Novak: *Lyndon B. Johnson: The Exercise of Power*, New American Library, 1966; *Nixon in the White House: The Frustration of Power*, Random House, 1971, revised edition, Vintage Books, 1972; *The Reagan Revolution*, Dutton, 1981. Articles on the political scene and other topics have been published in *Reporter*, *Harper's*, *Saturday Evening Post*, *New Republic*, *Esquire*, *Atlantic Monthly*, and other national magazines.

SIDELIGHTS: In a *New York Times Book Review* article, James Fallows wrote of Rowland Evans's and Robert Novak's *The Reagan Revolution*: "What is best about Mr. Evans and Mr. Novak, in contrast to many other newspaper columnists, is that they still believe in legwork. Their column attempts to be reportorial rather than oracular, even though its editorial outlook is never difficult to discern. . . . When they stick to reporting in this new book, they produce a competent . . . summary of how the Administration developed and sold its policies."

BIOGRAPHICAL/CRITICAL SOURCES: *Time*, December 2, 1966; *Washington Post Book World*, August 30, 1981; *New York Times Book Review*, October 4, 1981.

* * *

✓ **NOVAK, Robert D(avid) 1931-**

PERSONAL: Born February 26, 1931, in Joliet, Ill.; son of Maurice Pall (a chemical engineer) and Jane Anne (Sanders) Novak; married Geraldine Williams, November 10, 1962; children: Zelda, Alexander Augustus Williams. **Education:** Attended University of Illinois, 1948-52. **Home:** 6417 Tilden Lane, Rockville, Md. 20852. **Office:** Room 1312, 1750 Pennsylvania Ave. N.W., Washington, D.C. 20006.

CAREER: Reporter for *Joliet Herald-News*, Joliet, Ill., 1948-50, and *Champaign-Urbana Courier*, Urbana, Ill., 1950-51; correspondent in Lincoln and Omaha, Neb., Indianapolis, Ind., and Washington, D.C., for Associated Press, 1954-58; *Wall Street Journal*, New York City, Washington correspondent, 1958-63; New York Herald Tribune Syndicate, New York City, author of column "Inside Report," 1963-66; author of column, Publisher's Hall Syndicate, 1966—. **Member:** National Press Club, Sigma Delta Chi.

WRITINGS: *The Agony of the GOP*, 1964, Macmillan, 1965; (with Rowland Evans, Jr.) *Lyndon B. Johnson: The Exercise of Power*, New American Library, 1966; (with Evans) *Nixon in the White House: The Frustration of Power*, Random House, 1971; (with others) *The Mass Media and Modern Democracy*, edited by Harry M. Clor, Rand McNally, 1974; (with Evans) *The Reagan Revolution: An Inside Look at the Transformation of the U.S. Government*, Dutton, 1981.

Contributor to *Saturday Evening Post*, *Reporter*, *New Republic*, *Esquire*, *National Observer*, *Economist*, and other publications.

SIDELIGHTS: *The Reagan Revolution: An Inside Look at the Transformation of the U.S. Government*, written by newspaper columnists Robert D. Novak and Rowland Evans, Jr., is a study of the administration of President Ronald Reagan. It argues that Reagan's economic policies will change the United States as dramatically as did the policies of President Franklin D. Roosevelt.

In flattering terms, Novak and Evans outline Reagan's career and discuss the development of his conservative economic and political ideas. Charles Kaiser of *New Republic* takes exception to the authors' assertion that Reagan's "string of roles in B-movies is actually the best possible preparation for the most dangerous job in the world." Because of such assertions throughout the book, Kaiser believes that *The Reagan Revolution* "provides powerful evidence of the authors' determination to transform themselves from journalists into official publicists for their newest hero."

James Fallows of the *New York Times Book Review* agrees. The authors "suggest in every possible way that the changes instituted by the new administration were long overdue," he writes. "What is best about Mr. Evans and Mr. Novak, in contrast to many other newspaper columnists," he continues, "is that they still believe in legwork. Their column attempts to be reportorial rather than oracular. . . . When they stick to reporting in this new book, they produce a competent if unexciting summary of how the administration developed and sold its policies."

BIOGRAPHICAL/CRITICAL SOURCES: *Time*, December 2, 1966; *Christian Science Monitor*, September 14, 1981; *New Republic*, September 30, 1981; *New York Times Book Review*, October 4, 1981; *National Review*, November 13, 1981.

EVANS-NOVAK POLITICAL REPORT

WHAT'S HAPPENING . . . WHO'S AHEAD . . . IN POLITICS TODAY

1750 Pennsylvania Ave., N.W. • Room 1312 • Washington, D.C. 20006 • 202-393-4340

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March 1, 1988 - No. 632

To: Our Subscribers
From: Evans-Novak

09 MAR 1988

"Staying alive" is Senate Minority Leader Bob Dole's (R-Kan.) theme for the 1988 Republican Presidential primaries on Super Tuesday, March 8. His New Hampshire primary debacle eliminated any chance of stopping Vice President George Bush in the Southern-accented 20 primaries next week. Now he hopes to hold Bush to around 500 delegates out of 840 elected that day, then try to stop the V.P. in Illinois and, particularly, Wisconsin.

The Democratic Presidential primary race threatens to turn into a two-man marathon between Massachusetts Gov. Michael Dukakis (D) and Rep. Richard Gephardt (D-Mo.), with Sen. Albert Gore (D-Tenn.) in danger of falling by the wayside on Super Tuesday. If Dukakis beats Gephardt in both Texas and Florida, he could become the clear front-runner.

Federal Reserve Board Governors breath a sigh of relief over the condition of the economy and markets. There is now no prospect for an immediate cut in the discount rate.

The Reagan Administration's Panamanian strategy against Gen. Manuel Noriega, long overdue, counts on turning top National Guard officers against him and forcing him out. But that may take a month or more, and has elements of high risk for the U.S. Ex-C.I.A. Director William Casey is again seen as the villain in previous policy-making.

Sec. of State George Shultz surprises in the Mideast, playing some real hardball with Israeli Prime Minister Itzhak Shamir, using the American Jewish lobby as his shield, and making genuine efforts with the Palestinians. Politicians here remain amazed that anti-Israel American public opinion bars the usual election-year anti-Arab noise from Presidential candidates.

Ayatollah Ruhollah Khomeini's Iranian army has run out of recruits to the point that once-crack army units are mere shells, weapons are harder and harder to procure, and the U.S.S.R. is giving nothing but sweet talk.

The Nicaraguan Contra aid vote in Congress this week may restore House Speaker Jim Wright's (D-Tex.) plan for aid, but in a way that all but assures steady Contra attrition, and the end of the Reagan Doctrine in Central America.

PRESIDENTIAL, '88

GOP Super Tuesday: There is no doubt that Bush will do well Super Tuesday; the only question is how well. These points about what to watch for on the biggest Primary Day:

1) Bush now figures to finish first in every Southern state. In the March 5 South Carolina preview, he has a clear lead. Florida was thought to be a battleground, but polls now show Dole at least 20 points behind. North Carolina is the last Southern state where Dole has some faint hope of making it close. Pat Robertson trails badly throughout the South.

2) Dole must concentrate on trying to win some of the non-Southern Super Tuesday states: Missouri, Oklahoma and Washington. He must also hope to make it surprisingly close for Bush in Rhode Island and Maryland.

3) That George Bush will get a huge boost out of Super Tuesday is beyond doubt. His aides will try to spin it out as the clincher, but it probably won't be. The point is the number of delegates. The Dole people hope they hold it to around 500, certainly under 600.

4) That will set the scene for a series of Midwestern and Eastern primaries where Bush has the clear lead in the polls, but not by his Southern margins, and where Dole will concentrate to change the momentum. His most important test will be Illinois on March 15, the week after Super Tuesday, where Dole must make a showing. His hope is to keep it going right into California June 7, while Bush will try to avoid risking the winner-take-all showdown.

Dole: How bad the disarray? Not quite as bad as it looks, but much worse than it ought to be. The blame has to be put not on the candidate for his old sin of interfering with his campaign managers, but on Campaign Manager ex-Sen. William Brock (R- Tenn.) for not managing well enough.

A greatly abbreviated version of what went wrong: Dole understandably was brooding over his New Hampshire defeat, caused in no small part by the campaign's failure to get late TV spots on the air rebutting Bush's anti-tax barrage. Yet, no senior adviser was aboard the plane to talk to and reassure the candidate.

It was in that mood that Dole summoned his two conservative advisers aboard the plane — David Keene and Donald Devine. The candidate's spirits soared, but the wheels came off the cart when they started to make airborne scheduling decisions without consulting Washington H.Q. Word circulated in D.C. that Brock might quit; instead he fired Keene and Devine.

By taking that course instead of achieving a more reasonable settlement, Brock created more publicity and deprived his candidate of two innovative politicians and two links to the conservative movement.

At this writing, Brock is aboard the campaign plane, along with other aides. Ex-New Hampshire Attorney General Tom Rath has taken over media strategy, and negative anti-Bush spots finally started appearing on Miami television Sunday night.

On the Atlanta debate Sunday that may have been the last GOP Encounter for the foreseeable future, Dole intended to come out strong against Bush, but didn't quite make it. Throughout the long Debate season, he has fallen between the two stools of trying to damage the frontrunner without embellishing his own hatchetman's image.

The one new arrow in Dole's quiver at Atlanta was his sudden move to protectionist rhetoric, repeated the next day in addressing the Georgia legislature. It is an unexpected move that may help a little in the South Tuesday, but may burden him in the weeks to come.

Bush: Back to the bunker: In contrast with his studied feistiness against Dan Rather, James Gannon, and in recent debates, he was laid back in Atlanta. Also he has returned to the Vice Presidential bubble after his excursion to save himself in New Hampshire.

Whether this is a risk or not depends upon: 1) Whether Dole survives Super Tuesday, and 2) Much more importantly, how he fares in the post-Super Tuesday primaries in Illinois, Wisconsin, Pennsylvania, Ohio and New York.

Robertson: He has clearly declined as a candidate in the last month -- coming out with a succession of wild swings. As we have been reporting for weeks, he still has not broken out of his evangelical base -- as shown by opinion polls as well as primary results.

He has brought his circumscription on himself. At Atlanta, he tried his hardest to avoid any more goofs, but came off distant and disconnected.

Kemp: By any measurement, Rep. Jack Kemp (R-N.Y.) was the clear "winner" of the Atlanta debate. Perhaps it wasn't "too little," but it surely is "too late." He is running a poor fourth in South Carolina, where he has invested all his remaining marbles. How Kemp could, with increasing brilliance, take the Reaganite position and not score with it is something that will take lots of analysis. The simplest, perhaps best guess is that he never could block out the better-known Bush and Dole.

Democratic Super Tuesday: What can be said without fear of contradiction is that the nomination will not be decided this day. These points:

1) Dukakis and Gephardt clearly will survive Super Tuesday. But will Gore? He seems to be in a three-way tie for first place in the South, but that does not take into consideration his massive lead in his home state of Tennessee. Having finessed Iowa and New Hampshire, Gore must actually win somewhere, and that may not be easy. He has concentrated on signing up Establishment Democrats -- legislators and Party leaders -- and they may not be of much use for Super Tuesday.

2) Dukakis could score a real triumph, if he finishes first in Texas to add to probable wins in Florida, Rhode Island and Massachusetts. The Texas-Florida combination would display his strength out of the Northeast, and give him a substantial edge going into the Midwestern and Eastern industrial states.

3) Thus, it is incumbent on Gephardt to slow down Dukakis, not because he is nearing the magic number of delegates but because of momentum for post-Super Tuesday states. Gephardt's principal goal: Beat the Duke in Texas while scoring wins, in addition to Missouri, in Oklahoma and perhaps a stray Southern state or two.

Dukakis: Like Bush's, his campaign's major problem is the candidate. He has money and excellent organization. But he still has trouble sounding an effective message, other than

bragging about his Massachusetts Miracle. His attack in the Atlanta debate on Gephardt and Gore was out of frustration. But he has yet to sound a consistent message.

Gephardt: In contrast, he has refined his populist message, adding an anti-tax component to it. His problem for now is lack of funds to get his message before the public. That shortage is an impediment to his breaking past Dukakis.

Gore: His campaign may be in deeper trouble than is generally realized. Like Dukakis, he has had trouble sounding a focused message and his posture as a Born-Again (Sen.) Sam Nunn (D-Ga.) just is not working.

Jackson: Jesse Jackson has done better than expected, running a surprising second in Minnesota and Maine. Unlike '84, he is picking up white liberals who always support the candidate farthest to the Left. The importance is that it is building up a modest but growing collection of delegates for him over and above those he will collect on a bloc basis from Southern delegates. Even so, it is considerable less than an even chance that Jackson will exercise a blocking vote at the Convention.

THE REAGAN ADMINISTRATION

FRB: There may be disagreements on details, but compared to the recent past, the Federal Reserve Board of Governors is in relative agreement on this score: No policy is needed to avert a downturn in the economy or in markets. These details:

1) Not many weeks ago, several Governors privately were concerned about the possibility of another market free fall. No longer. Furthermore, there is widespread optimism about the unlikelihood of a severe economic downturn. Bear in mind that Fed Governors certainly have been wrong before, but that's what they think now.

2) As Chairman Alan Greenspan indicated in his Congressional testimony last week, the Fed did ease -- a little bit -- in the last FOMC meeting. Governor Wayne Angell was not all that happy about it, but did not dissent. There were no official dissents.

3) There seems no immediate prospect for a discount rate cut. The Fed funds rate would have to come down a lot more before that happened.

4) The spanking Greenspan gave Treasury Asst. Sec. Michael R. Darby in his testimony for prodding the Fed to ease should not be taken too seriously. Greenspan was trying to preempt Democratic Congressional criticism of Fed susceptibility to Election Year pressure from the Administration, and he succeeded admirably. On the next day in a speech to the Cato Institute by Vice Chairman Manuel Johnson, he welcomed suggestions from all sources -- including the Treasury -- but not on the eve of the FOMC meeting, as Darby did.

5) In the Cato speech, Johnson said for the umpteenth time that the Fed is no longer tracking the money supply, but a variety of economic indicators. It was still news to a lot of people, and probably not believed or understood by others.

U.S.-Panama: One of the most gripping pieces of Latin theatre since ex-President Lyndon Baines Johnson sent the Marines into the Dominican Republic is built upon a careful strategy that eschews any and all force -- and perhaps wrongfully -- as follows:

1) The underlying theme, with Defense and State in full accord: do nothing that would offend any of the Latin states. True, they are now wholeheartedly behind President Ronald Reagan's policy of victory through economic strangulation -- but what if it doesn't work?

2) The key is secret U.S. polls showing that every single segment of Panamanian society is against Noriega. But are they reliable? And if the U.S. boycotts Panamanian exports and squeezes off credit -- from any international and most commercial lenders -- can Noriega get access to other funds -- drug money, for example, to meet his payrolls?

3) Another admittedly remote threat: Soviet machinations. These have already started, in a small way, with the first Panamanian accord ever to permit Aeroflot to bring in fresh crews for Soviet fishing fleets, land them in Panama, and return with the old crews. Is it a foot-in-the-door? Probably not, given Soviet leader Mikhail Gorbachev's multitudinous problems, but who knows for sure?

4) The please-the-Latins course is a worthy goal, but it could cost a lot. The U.S. could have deposed Noriega quickly, although at the risk of some lives, had the Administration decided to move swiftly with overpowering force. Dragging out week after week to the hopeful end of a policy that a Super Power could have imposed at once always entails risk: Consider the difference between Grenada and Panama. That shows the decline of quick, decisive action by an Administration running out of steam.

5) Nevertheless, our bottom line: Noriega will be gone within a month, possibly a lot

6) That leaves open the truly dangerous situation the U.S. now faces, from Columbia and other Latin state, through Panama and into Florida — a burgeoning drug trade reputed to be worth many billions of dollars that is gradually transforming the face of America.

The Mideast: George Shultz appears to be bent on a very serious mission. Although no one here gives it a chance much higher than 2 on a scale of 1-to-10, the fact that he is clearly trying to do more than simply defuse the anti-Israeli rioting and stop the killing of Palestinian children seems beyond debate at this point. That is a Big Plus, throwing new light on these major factors:

1) Contrary to published reports in the West, Syria's leader, Hafez Assad may not be all that unsympathetic to Shultz's grand design. The truth of that will emerge more clearly after Shultz sends his top aide, Asst. Sec. Richard Murphy, back to Damascus to decide whether Shultz himself should return there.

2) Pressure on Prime Minister Shamir is high and rising, but Shultz still has precious little leverage. Shamir secretly warns Shultz that if he calls elections today, the U.S. plan would be killed off.

3) The best of what pressure Shultz does have is the American Jewish community, which is showing its smarts by warning Shamir that Israel cannot have it both ways any longer. Likud Rightwingers figure that if the Palestinians kill a few Israelis, the Laborites of Foreign Minister Shimon Peres would be devastated in any election that turned on the territory-for-peace formula of Shultz -- and U.N. Resolution 242. But that is the last thing American Jewish leaders want because it would polarize Israeli politics on a fault line exactly opposed to their own -- and the U.S.'s.

4) What Shultz virtually begs for: A switch in PLO doctrine flatly accepting Israel's existence. That would clear away the no-talk, no-see, no-hear U.S. policy toward the PLO -- without which no serious negotiations can possibly succeed.

5) And another end-of-the-Reagan-era note: The President's press conference blame on outside agitators as a major factor in the riots showed the towering Oval Office disinterest in almost everything these days -- save arms reductions and the glittering Moscow Summit.

6) Finally: not one Presidential candidate has dared support Israel's bone-breaking policy in their campaigns. No criticism, either, but the lack of support for embattled Israel show how deeply politicians fear the reactions of Americans, both Jewish and non-Jewish. They won't touch this one, if they can avoid it.

Iran-Iraq: New reports that Khomeini's army is truly in desperate shape, unable to mount another offensive, look persuasive to U.S. intelligence agencies, leading to the following analysis:

1) Khomeini is being forced to take much closer personal direction of all political and government events in Iran.

2) Running out of cannon fodder, not fear of the U.S.A. or the U.N., explains the failure of the offensive that his officials have been protesting since last Fall.

3) His crack Guards battallions have lost much of their leadership, with no replacements. The former guarantee of easy diplomas and degrees to Iranian youth who joined up no longer does the trick. And weapons are becoming scarcer, partly because even Israel and China are loathe to run guns into the strong opposition of the U.S. and most of the rest of the world.

4) What this argues for: A possible winding down of the war, or at least a failure for it to heat up. Soviet policy may be moving toward going along with the U.N. victory to pair with the withdrawal of Soviet forces from Afghanistan.

U.S.-Contras: Speaker Jim Wright has recovered from his bout of nerves over his Contra aid package, with a vote now expected later this week, but many uncertainties remain, to wit:

1. Wright's minor concession to reality -- having the non-lethal aid distributed by the Pentagon instead of, under his original plan, by international agencies -- will not deliver the aid. It must be done by the CIA, as Republicans insist.

2. Even if the CIA's infrastructure is allowed to continue, attrition of the Contras seems absolutely predictable. Since mid-January, the Contras have diminished from 15,000 to 10,000, signalling the end of an effective Reagan Doctrine.

3. The assumption by Wright's forces that ending arms aid would stimulate the Sandinistas on the negotiating front has proved false. To the contrary, that regime has become much harder to deal with.

Robert E. Rosen
Robert D. Novak

LEVEL 1 - 1 OF 1 STORY

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April 18, 1987, Saturday, Final Edition

SECTION: FIRST SECTION; PAGE A1

LENGTH: 2766 words

HEADLINE: News Media's 'Buckraking';
Moonlighting Proves Lucrative, Controversial

BYLINE: Eleanor Randolph, Washington Post Staff Writer

BODY:

... Fridays and Mondays. Novak is a regular on "The McLaughlin Group" and appears frequently on CNN's "Crossfire."

They put out two newsletters -- the Evans-Novak Political Report with 1,500 subscribers (\$ 125 each for one year or \$ 200 for two years) and the Evans-Novak Tax Report, with about 375 subscribers (\$ 200 or one year or \$ 350 for two years).

And twice a year they stage the Evans-Novak Political Forum for 75 to 125 subscribers to the political report newsletter. Past forums have drawn speakers from Vice President Bush to Sen Edward M. Kennedy (D-Mass.).

This time the forum participants were Baker, presidential hopefuls Rep. Richard A. Gephardt (D-Mo.) and Senate Minority Leader Robert J. Dole (R-Kan.), Federal Reserve Vice Chairman Manuel H. Johnson, Defense Secretary Caspar ...

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6 April 1988

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You will be addressing THE EVANS-NOVAK Political Forum at 9:30 a.m. on 13 April in Washington, D.C. The audience will consist of 120 business, financial, and political representatives who subscribe to the Evans-Novak Political Report.

This group may be interested in remarks similar to those that were so well received by the American Business Conference. Those remarks, delivered 23 March, were titled, "CIA, Congress, and Foreign Policy."

I have included a quotation by General Vernon Walters -- which you have used in several previous speeches -- as part of your introduction. It reads: "Americans have always had an ambivalent attitude toward intelligence. When they feel threatened, they want a lot of it, and when they don't, they tend to regard the whole thing as somewhat immoral." I think this comment represents a general view of intelligence that is likely to be shared by this audience.

The thesis for your remarks is similar to the American Business Conference speech and is on page 2: "I want to talk to you this afternoon about the role the CIA plays in supporting and implementing foreign policy -- which is not the same as making policy -- and I want to discuss how the CIA's relationship with Congress has changed since the days before legislated congressional oversight. I also want to discuss some of the changes that are occurring in intelligence and the challenges we will be facing as we provide intelligence to the policy community in the future."

The speech incorporates some of the extemporaneous additions you made to the American Business Conference speech. One addition is on pages 7 and 8, when you discuss national intelligence estimates: "They are carefully assembled in an objective way. Dissenting opinions are not cast to the back of the report in small-print footnotes, but are carefully reflected in the text or in clear footnotes below the text so that those reading the estimates -- particularly the President -- will know the differences of opinion wherever they may exist. We do not seek the lowest common denominator of opinion, but try to reflect the best judgment of the Community as a whole."

Another addition is at the bottom of page 8, when you discuss the Agency's dealings with Congress: "My top executives tell me they spend about 25 percent of their time dealing with Congress, while I estimate about 15 percent of my time is spent testifying on the Hill and meeting with members of Congress."

Your proposed remarks are attached.

STAT

Attachments:
As Stated

[redacted signature box]

Bill Baker



P-309-IR

PROPOSED REMARKS
BY
WILLIAM H. WEBSTER
DIRECTOR OF CENTRAL INTELLIGENCE
BEFORE THE
EVANS-NOVAK POLITICAL FORUM
WASHINGTON, D.C.
APRIL 13, 1988

GOOD MORNING.

IT'S A PLEASURE TO BE HERE. I WILL SOON COMPLETE MY FIRST YEAR AS THE DIRECTOR OF CENTRAL INTELLIGENCE, AND IT IS A VERY INTERESTING JOB. I THINK VERY FEW PEOPLE HAVE A JOB WHERE THEY COULD WEAR A BUTTON THAT SAYS: "MY JOB IS SO SECRET THAT EVEN I DON'T KNOW WHAT I'M DOING."

SECRECY IS A NECESSARY PART OF EFFECTIVE INTELLIGENCE COLLECTION. BUT IT IS, HISTORICALLY, THAT PART OF INTELLIGENCE THAT HAS GENERATED THE MOST SUSPICION AND DISTRUST. MY GOOD FRIEND, GENERAL VERNON WALTERS, FORMER DEPUTY DIRECTOR OF THE CIA AND NOW AMBASSADOR TO THE UNITED NATIONS, DESCRIBED THE VIEW MANY HAVE NOT ONLY OF SECRECY, BUT OF INTELLIGENCE IN GENERAL. "AMERICANS," HE OBSERVED, "HAVE ALWAYS HAD AN AMBIVALENT ATTITUDE TOWARD INTELLIGENCE. WHEN THEY FEEL THREATENED, THEY WANT A LOT OF IT, AND

WHEN THEY DON'T, THEY TEND TO REGARD THE WHOLE THING AS SOMEWHAT IMMORAL."

I WANT TO TALK TO YOU THIS AFTERNOON ABOUT THE ROLE THE CIA PLAYS IN SUPPORTING AND IMPLEMENTING FOREIGN POLICY -- WHICH IS NOT THE SAME AS MAKING POLICY -- AND I WANT TO DISCUSS HOW THE CIA'S RELATIONSHIP WITH CONGRESS HAS CHANGED SINCE THE DAYS BEFORE LEGISLATED CONGRESSIONAL OVERSIGHT. I ALSO WANT TO DISCUSS SOME OF THE CHANGES THAT ARE OCCURRING IN INTELLIGENCE AND THE CHALLENGES WE WILL BE FACING AS WE PROVIDE INTELLIGENCE TO THE POLICY COMMUNITY IN THE FUTURE.

THE CIA'S PRIMARY ROLE IS TO PROVIDE SUPPORT TO OUR NATION'S POLICYMAKERS. WE DO THAT BY PROVIDING INTELLIGENCE THAT IS USEFUL, TIMELY, AND OBJECTIVE.

TODAY OUR GOVERNMENT DEPENDS HEAVILY ON USEFUL, ACCURATE INTELLIGENCE. INTELLIGENCE TO FORMULATE AND IMPLEMENT OUR FOREIGN

POLICY, INTELLIGENCE TO VERIFY THE ARMS AGREEMENTS THAT WE HAVE SIGNED, AND INTELLIGENCE TO UNDERSTAND BOTH THE MILITARY CAPABILITIES AND THE INTENTIONS OF OUR ADVERSARIES. INTELLIGENCE IS VERY IMPORTANT TODAY AS WE APPROACH AN INF AGREEMENT, AND WILL PERHAPS BE EVEN MORE IMPORTANT IN VERIFYING A START AGREEMENT. NOT TOO LONG AGO I TESTIFIED BEFORE CONGRESS ON THE INTELLIGENCE COMMUNITY'S ABILITY TO MONITOR THE SOVIET UNION'S COMPLIANCE WITH THE PROVISIONS OF THE INF TREATY. WHILE I CANNOT DISCUSS DETAILS HERE, I CAN ASSURE YOU THAT INTELLIGENCE IS VITAL IN THIS AREA.

INTELLIGENCE MUST ALSO BE TIMELY. LAST SUMMER I VISITED NORAD IN COLORADO SPRINGS, WHICH IS ONE OF THE PRINCIPAL EARLY WARNING SYSTEMS FOR OUR COUNTRY'S NATIONAL DEFENSE. A DAY THERE CAN'T HELP BUT MAKE ONE AWARE OF THE CRITICAL IMPORTANCE OF EARLY AND ACCURATE INTELLIGENCE FOR OUR NATIONAL DEFENSE. GIVEN THE SPEED AT WHICH NUCLEAR MISSILES ARE ABLE TO TRAVEL, WHEN WE THINK IN TERMS OF SURVIVAL WARNINGS, WE THINK NOT IN TERMS OF DAYS OR WEEKS, BUT MINUTES.

NOT ONLY MUST INTELLIGENCE BE USEFUL AND TIMELY, IT IS IMPORTANT THAT THE INFORMATION THAT IS COLLECTED BE DEVELOPED IN AN OBJECTIVE WAY. THE DIRECTOR OF CENTRAL INTELLIGENCE AND THE PEOPLE WHO ANALYZE INFORMATION MUST BE SEEN AS GIVING THE BEST ESTIMATES, NOT TO "COOK THE BOOKS" OR TO SHAPE OR INFLUENCE POLICY, BUT TO PROVIDE POLICYMAKERS WITH THE KIND OF INFORMATION UPON WHICH THEY CAN MAKE WISE DECISIONS IN THE INTERESTS OF OUR NATIONAL SECURITY.

BECAUSE THE QUALITY AND OBJECTIVITY OF THE INTELLIGENCE WE PROVIDE IS SO IMPORTANT, I HAVE TAKEN A NUMBER OF STEPS TO ENSURE THAT THE INTELLIGENCE COMMUNITY PRESERVES ITS OBJECTIVITY AND PROTECTS ITS INTEGRITY. WE HAVE AND WILL CONTINUE TO "TELL IT LIKE IT IS," AVOIDING BIAS AS MUCH AS WE CAN. ON THE OTHER SIDE OF THE COIN, POLICYMAKERS MAY NOT LIKE THE MESSAGE THEY HEAR FROM US, ESPECIALLY IF THEY HAVE A DIFFERENT POINT OF VIEW OR HAVE ALREADY ACTED BEFORE RECEIVING OUR INFORMATION. MY POSITION IS THAT IN THE PREPARATION OF INTELLIGENCE JUDGMENTS, PARTICULARLY IN NATIONAL

INTELLIGENCE ESTIMATES, WE WILL PROVIDE THEM FOR THE USE OF POLICYMAKERS. THEY CAN BE USED IN WHOLE OR IN PART. THEY CAN BE IGNORED, TORN UP, OR THROWN AWAY, BUT THEY MAY NOT BE CHANGED.

I THINK THIS KIND OF INSISTENCE ON OBJECTIVITY MAY BE ONE OF THE MOST SIGNIFICANT CONTRIBUTIONS THAT I COULD MAKE IN GALVANIZING A COHESIVE INTELLIGENCE COMMUNITY WITHOUT COMPROMISING THE INTEGRITY OF THE INDIVIDUAL ANALYSTS OR PROGRAM MANAGERS.

IN ADDITION TO PROVIDING INTELLIGENCE THAT IS USEFUL, TIMELY, AND OBJECTIVE, THE CIA PLAYS A ROLE IN IMPLEMENTING FOREIGN POLICY. THIS IS DONE THROUGH ITS COVERT ACTION PROGRAMS. THESE MAY INCLUDE POLITICAL WORK THROUGH COMMUNICATIONS -- GETTING THE MESSAGE OUT -- TRAINING, SUPPLYING IMPORTANT MATERIALS FOR THOSE WHO NEED SUPPORT, AND GIVING ADVICE. ALTHOUGH COVERT ACTION IS NOT DEFINED BY LAW, THE TERM HAS COME TO BE UNDERSTOOD TO REFER TO ACTIVITIES CONDUCTED IN SUPPORT OF NATIONAL POLICY IN SUCH A WAY THAT THE ROLE OF THE UNITED STATES GOVERNMENT IS NOT APPARENT.

COVERT CAPABILITY, ESSENTIAL IN OUR FOREIGN POLICY, PROVIDES NEEDED SUPPORT FOR LIBERATION MOVEMENTS, OFTEN PROVIDES SUPPORT TO GOVERNMENTS, AND ALLOWS US TO WORK IN COLLABORATION WITH THOSE GOVERNMENTS WHO DO NOT WISH, FOR LEGITIMATE POLITICAL REASONS OF THEIR OWN, TO HAVE THE U.S. ROLE AND INVOLVEMENT PUBLICLY KNOWN.

FROM PRESIDENT FRANKLIN ROOSEVELT FORWARD, EVERY PRESIDENT IN MY LIFETIME HAS ENDORSED AND USED COVERT ACTION TO SUPPORT THE FOREIGN POLICY OF THIS COUNTRY. ALTHOUGH COVERT ACTIONS TRADITIONALLY CLAIM ONLY A VERY SMALL PORTION OF THE CIA'S RESOURCES (LESS THAN 3%) THEY ARE THE FOCUS OF THE GREATEST CONGRESSIONAL AND PUBLIC ATTENTION.

AND CONGRESS IS VERY INTERESTED IN WHAT THE CIA DOES. I RECENTLY ADDRESSED A GROUP OF RETIRED INTELLIGENCE OFFICERS, AND THEY RECALLED THE DAYS WHEN NO CLASSIFIED PAPERS WENT FROM THE CIA TO EITHER BRANCH OF CONGRESS AND THE ONLY CLASSIFIED BRIEFINGS TO CONGRESSIONAL COMMITTEES WERE GIVEN BY THE DIRECTOR HIMSELF, OR WITH THE DIRECTOR PRESENT. AT ONE TIME, THE SENATE APPROPRIATIONS

COMMITTEE HAD ONE CLEARED STAFFER, THE HOUSE APPROPRIATIONS SUBCOMMITTEE ONE OR TWO. ¹ TODAY, FOUR CONGRESSIONAL COMMITTEES CLOSELY EXAMINE THE AGENCY'S ACTIVITIES, AND THE NUMBER OF INDIVIDUALS WHO SEE CLASSIFIED MATERIAL FAR EXCEEDS THE ONE OR TWO OF THE PAST.

FIFTEEN YEARS AGO THE CIA GAVE 175 BRIEFINGS TO CONGRESS: LAST YEAR WE GAVE OVER 1,000 BRIEFINGS ON A VARIETY OF TOPICS. THESE TOPICS INCLUDED ARMS CONTROL, SOVIET WEAPONS, THE PERSIAN GULF SITUATION, THE CONFLICT IN CENTRAL AMERICA, AND EVEN THE SPREAD OF AIDS IN AFRICA. WE PROVIDE INFORMATION ON TOPICS OF CURRENT INTEREST TO CONGRESS, BUT WE ALSO LIKE TO ANTICIPATE THE INFORMATION CONGRESS AND THE POLICY COMMUNITY WILL NEED IN THE FUTURE. WE PROVIDE SUCH INFORMATION IN THE FORM OF NATIONAL INTELLIGENCE ESTIMATES. THEY ARE CAREFULLY ASSEMBLED IN AN OBJECTIVE WAY. DISSENTING OPINIONS ARE NOT CAST TO THE BACK OF THE REPORT IN SMALL-PRINT FOOTNOTES, BUT ARE CAREFULLY REFLECTED IN THE TEXT OR IN

CLEAR FOOTNOTES BELOW THE TEXT SO THAT THOSE READING THE ESTIMATES -- PARTICULARLY THE PRESIDENT -- WILL KNOW THE DIFFERENCES OF OPINION WHEREVER THEY MAY EXIST. WE DO NOT SEEK THE LOWEST COMMON DENOMINATOR OF OPINION, BUT TRY TO REFLECT THE BEST JUDGMENT OF THE COMMUNITY AS A WHOLE.

VIRTUALLY ALL CIA ASSESSMENTS GO TO THE TWO CONGRESSIONAL INTELLIGENCE COMMITTEES. MOST ALSO GO TO THE APPROPRIATIONS, FOREIGN RELATIONS, AND ARMED SERVICES COMMITTEES. EIGHT CONGRESSIONAL COMMITTEES GET THE CIA'S DAILY NATIONAL INTELLIGENCE REPORT. IN THE LAST YEAR THE CIA SENT MORE THAN 5,000 INTELLIGENCE REPORTS TO CONGRESS.

IN ADDITION TO BRIEFINGS AND PAPERS, WE ALSO TESTIFY BEFORE CONGRESS. I HAVE SPENT A FAIR AMOUNT OF TIME ON THE HILL, LATELY, MYSELF. MY TOP EXECUTIVES TELL ME THEY SPEND ABOUT 25 PERCENT OF THEIR TIME DEALING WITH CONGRESS, WHILE I ESTIMATE 15 PERCENT OF MY TIME IS SPENT TESTIFYING ON THE HILL AND MEETING WITH MEMBERS OF

CONGRESS.² BECAUSE I KNOW OF THE NEED TO BE ABSOLUTELY CANDID WITH CONGRESS, AND THE RESPONSIBILITY INTELLIGENCE PROFESSIONALS HAVE TO PROTECT SOURCES AND METHODS, I HAVE ESTABLISHED GUIDELINES GOVERNING OUR DEALINGS WITH CONGRESS. AND I HAVE MADE IT ABSOLUTELY CLEAR THAT IN DEALING WITH CONGRESS THERE IS NO EXCUSE FOR DECEPTION.

THERE MAY BE SOME QUESTIONS ON WHICH AGENCY OFFICIALS WHO BRIEF CONGRESS WILL HAVE TO REFER BACK TO ME. I WILL TAKE THE HEAT OR WORK OUT ARRANGEMENTS WITH CONGRESS. BUT WE WILL NOT GIVE HALF-ANSWERS OR AROUND-THE-CORNER ANSWERS. IF THERE IS A PROBLEM, WE WILL SAY THERE IS A PROBLEM, AND WE CANNOT ANSWER THE QUESTION AT THIS TIME. WE MAY ULTIMATELY HAVE TO PROVIDE AN ANSWER, AND IT MAY MEAN NEGOTIATION. BUT WE WILL NOT LEAVE THE CONGRESS FEELING THAT IN SOME WAY ANYONE IN THE CIA HAS BEEN DISINGENUOUS IN DEALING WITH THEM.

I FIRMLY BELIEVE THAT THE OVERSIGHT RESPONSIBILITIES EXERCISED BY CONGRESS ARE BOTH NECESSARY AND BENEFICIAL. THERE MUST BE A DEPENDABLE SYSTEM OF OVERSIGHT AND ACCOUNTABILITY WHICH BUILDS, RATHER THAN ERODES, TRUST BETWEEN THOSE WHO HAVE THE INTELLIGENCE RESPONSIBILITY AND THOSE WHO ARE THE ELECTED REPRESENTATIVES OF THE AMERICAN PEOPLE.

AS PART OF MY EFFORT TO ESTABLISH AN OPEN RELATIONSHIP WITH THE CONGRESS, I MEET WITH THE LEADERS OF OUR OVERSIGHT COMMITTEES AT LEAST MONTHLY. THE MEMBERS OF CONGRESS SHARE WITH THE INTELLIGENCE COMMUNITY THE RESPONSIBILITY OF PRESERVING THE NATION'S INTELLIGENCE SECRETS.

I'VE BEEN TALKING A GOOD DEAL ABOUT DISCLOSURES IN THE OVERSIGHT PROCESS. NOW I'D LIKE TO SAY A FEW WORDS ABOUT SECRECY.

IT SEEMS QUITE CLEAR TO ME THAT IT WOULD BE IMPOSSIBLE TO CARRY OUT CLANDESTINE ACTIVITIES -- EITHER TO COLLECT INFORMATION OR TO CARRY OUT COVERT ACTION -- WITHOUT SECRECY.

BOTH CONGRESS AND THE JUDICIARY HAVE RECOGNIZED THE NEED FOR
SECREC Y IN MATTERS OF NATIONAL SECURITY. THE MAIN PURPOSE OF
SECREC Y IS TO PRESERVE AND PROTECT SOURCES AND METHODS. IF WE
CANNOT PROTECT OUR SOURCES, WE WILL NOT GET THE INFORMATION THAT WE
NEED. IF WE CANNOT PROTECT THE SENSITIVE METHODS BY WHICH WE
COLLECT THE INFORMATION, BOTH IN TERMS OF INDIVIDUALS ON THE GROUND
AND SATELLITES IN SPACE, WE WILL CEASE TO HAVE THE MEANS OF
COLLECTING INFORMATION.

I MENTIONED EARLIER THE NUMBER OF BRIEFINGS AND DOCUMENTS THAT
WE PROVIDE CONGRESS YEARLY. WHAT I DID NOT DISCUSS WERE THE LAWS
DEFINING THE NATURE OF THE RELATIONSHIP BETWEEN CONGRESS AND
INTELLIGENCE -- THE LAWS THAT TELL US WHAT TO PROVIDE AND WHEN TO
PROVIDE IT. I WILL SUMMARIZE THAT FOR YOU NOW.

IN 1976 AND 1977 BOTH HOUSES OF CONGRESS ESTABLISHED
INTELLIGENCE OVERSIGHT COMMITTEES TO MONITOR ALL SIGNIFICANT
INTELLIGENCE ACTIVITIES AND EXPENDITURES. MANY OF THE RULES WHICH

GOVERN OUR ACTIVITIES ARE FOUND IN THE NATIONAL SECURITY ACT, THE HUGHES-RYAN AMMENDMENT, AND THE INTELLIGENCE OVERSIGHT ACT. THE OVERSIGHT COMMITTEES, OPERATING UNDER THOSE ACTS, HAVE FORMALIZED THE REPORTING OF INTELLIGENCE AND COVERT ACTIONS TO CONGRESS. THE INTELLIGENCE COMMUNITY IS NOW REQUIRED BY LAW TO KEEP THE INTELLIGENCE COMMITTEES FULLY AND CURRENTLY INFORMED OF ALL INTELLIGENCE ACTIVITIES. UNDER THE HUGHES-RYAN AMMENDMENT, THE PRESIDENT MUST FIND THAT EACH COVERT ACTION IS IMPORTANT TO THE NATIONAL SECURITY BEFORE THE OPERATION CAN BE INITIATED.

UNDER LAW IT IS OUR DUTY TO NOTIFY THE COMMITTEES OF ANY SIGNIFICANT INTELLIGENCE ACTIVITIES. THIS INCLUDES ANY ACTIVITIES REQUIRING A PRESIDENTIAL FINDING. WHEN NECESSARY, THE PRESIDENT CAN LIMIT THAT NOTIFICATION TO THE CHAIRMAN AND RANKING MINORITY MEMBER OF THE INTELLIGENCE COMMITTEES, TO THE SPEAKER AND MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES, AND THE MAJORITY AND MINORITY LEADER OF THE SENATE -- REFERRED TO, IN TRADE PARLANCE, AS THE "GANG

OF EIGHT." AND THERE IS ANOTHER STATUTORY REQUIREMENT. THE INTELLIGENCE COMMITTEES MUST BE FULLY INFORMED IN A "TIMELY FASHION" OF INTELLIGENCE OPERATIONS FOR WHICH PRIOR NOTICE WAS NOT GIVEN -- AND THE PRESIDENT MUST STATE THE REASONS FOR NOT GIVING PRIOR NOTICE IN THOSE INSTANCES.

JUST WHAT CONSTITUTES "TIMELY" IS A MATTER OF CONCERN. THE HOUSE IS CONSIDERING AND THE SENATE HAS APPROVED LEGISLATION THAT WOULD REQUIRE NOTIFICATION OF A SPECIAL ACTIVITY TO CONGRESS WITHIN 48 HOURS OF A PRESIDENTIAL FINDING. I OPPOSE THIS, BECAUSE I BELIEVE SOME ALLOWANCE MUST BE MADE FOR THAT RARE CASE WHERE LIMITED DELAY IN CONGRESSIONAL NOTIFICATION IS CRITICAL TO PRESERVE THE ABSOLUTE SECURITY OF AN OPERATION -- WHEN, FOR EXAMPLE, LIVES ARE AT STAKE. IN ADDITION, SUCH LEGISLATION IS UNNECESSARY BECAUSE A NATIONAL SECURITY DIRECTIVE ALREADY REQUIRES THE NATIONAL SECURITY PLANNING GROUP TO REEVALUATE, AT LEAST EVERY TEN DAYS, A DECISION TO DELAY CONGRESSIONAL NOTIFICATION OF A GIVEN FINDING.³ I'M SURE

YOU'VE HAD SIMILAR PROCEDURES IN YOUR OWN BUSINESSES. PERHAPS YOU MAKE A THRESHHOLD DECISION, BUT YOU KNOW THAT IT'S IMPORTANT ENOUGH TO BE RETHOUGHT, AND AT THE EARLIEST OPPORTUNITY, YOU DO SO. AND THAT'S WHAT THE NATIONAL SECURITY DIRECTIVE PROVIDES.

FURTHER, THE INTELLIGENCE COMMUNITY BELIEVES THAT IT IS NOT ENOUGH JUST FOR THE PRESIDENT TO MAKE A FINDING AUTHORIZING AND DIRECTING US TO TAKE SOME COVERT ACTION. BEFORE SUBMITTING THE PROPOSAL TO THE PRESIDENT, WE IN INTELLIGENCE HAVE A RESPONSIBILITY TO DETERMINE THAT IT CAN BE DONE. AND DONE IN A LAWFUL WAY. AND WE MUST BE SURE THAT THE INDIVIDUALS WHO ARE OUT ON THE FIRING LINE, OUTSIDE THE PROTECTION OF OUR CONSTITUTION AND OUR LAWS, IN MANY INSTANCES, CAN DO THEIR WORK WITH THE FLEXIBILITY THAT THEY NEED, AND WITH THE CLEAREST UNDERSTANDING OF THEIR RESPONSIBILITIES TO THE CIA AND TO THE COUNTRY.

ALTHOUGH IT IS DANGEROUS TO PREDICT ANYTHING IN AN ELECTION YEAR, I WILL SPEND A MOMENT CONSIDERING THE CHANGES THAT ARE

OCCURRING IN INTELLIGENCE AND THE KIND OF INFORMATION WE WILL BE PROVIDING CONGRESS AND THE POLICY COMMUNITY IN THE NEAR FUTURE.

THERE HAS BEEN A DRAMATIC INCREASE IN THE NUMBER AND DIVERSITY OF SUBJECTS THE INTELLIGENCE COMMUNITY IS REQUIRED TO ADDRESS. WHILE MUCH OF OUR EFFORT IS STILL FOCUSED ON THE SOVIET UNION, WE ARE SPENDING MORE TIME AND RESOURCES COLLECTING INFORMATION ON THIRD WORLD NATIONS. WE ARE INTERESTED IN BOTH THE POLITICAL AND ECONOMIC STABILITY OF COUNTRIES FROM BRAZIL TO BANGLADESH, FROM MEXICO TO MALAYSIA, AND FROM TURKEY TO TANZANIA. WE ARE ALSO CONCENTRATING ON INTERDISCIPLINARY PROBLEMS SUCH AS INTERNATIONAL TERRORISM, NARCOTICS TRAFFICKING, AND TECHNOLOGY TRANSFER.

WE BELIEVE THE SOVIET UNION'S APPETITE FOR AMERICAN TECHNOLOGY IS GROWING, PARTICULARLY IN THE AREA OF INFORMATION TECHNOLOGY. THE SOVIET STRATEGY APPEARS TO BE MODERNIZING THE ELECTRONICS-BASED SECTOR OF THE ECONOMY BEFORE MOVING TO INVEST MORE HEAVILY, IN THE 1990'S, IN MILITARY PRODUCTION FACILITIES. WE HAVE EVERY REASON TO

BELIEVE THAT SOVIET INDUSTRIAL ESPIONAGE WILL INTENSIFY IN THE NEXT DECADE. AND THE SOVIETS WILL CONTINUE TO DEVOTE WHATEVER RESOURCES AND MANPOWER ARE NECESSARY TO FULFILL THEIR MOST CRITICAL MILITARY COLLECTION REQUIREMENTS.

ISSUES LIKE TECHNOLOGY TRANSFER HAVE CHANGED OUR OWN COLLECTION REQUIREMENTS. THAT'S WHY WE MUST CONTINUE TO ATTRACT TOP PEOPLE TO HELP US. WE ARE FORTUNATE IN THAT LAST YEAR, OVER 100,000 MEN AND WOMEN EXPRESSED AN INTEREST IN WORKING FOR THE CENTRAL INTELLIGENCE AGENCY. YOU HAVE NO DOUBT READ ABOUT THE PROTESTS ON SOME COLLEGE CAMPUSES WHEN CIA RECRUITS. INTERESTINGLY ENOUGH, THESE PROTESTS AND THE PUBLICITY THEY GENERATE OFTEN WORK IN OUR FAVOR. OUR RECRUITMENT CENTERS ARE INUNDATED WITH RESUMES AFTER CAMPUS DEMONSTRATIONS. BUT WE'RE NOT RESPONSIBLE FOR THE CAMPUS DEMONSTRATIONS.

I HOPE THAT WE CONTINUE TO ATTRACT THOSE BEST SUITED TO CARRY OUT OUR MISSION--THOSE WHO ARE RISK TAKERS BUT NOT RISK SEEKERS.

PEOPLE WHO ARE DEDICATED AND RESPONSIVE TO OUR LAW AND DISCIPLINE,
PEOPLE WHO UNDERSTAND AND PLAY BY THE RULES. PEOPLE TO WHOM FAME
AND FORTUNE IS NOT PARTICULARLY A NECESSARY PART OF THEIR LIFE, BUT
WHO CAN FIND IN OUR WORK AN AVENUE TO PURSUE THEIR HIGHEST
ASPIRATIONS FOR A SAFER AND BETTER WORLD.

WITH SUCH PEOPLE WE CAN CONTINUE TO PROVIDE THE INTELLIGENCE
THAT POLICYMAKERS NEED, OBSERVING THE RULES OF OVERSIGHT AND
ACCOUNTABILITY THAT BOTH THE CONGRESS AND THE MEMBERS OF THE
INTELLIGENCE COMMUNITY HAVE A RIGHT TO EXPECT. THIS IS WHAT YOU
WOULD WANT OF US, WHAT ALL AMERICAN PEOPLE WOULD WANT OF US, AND WE
ARE DOING OUR VERY BEST TO SUPPLY IT.

THANK YOU.

FOOTNOTES

¹ This information on the very limited access Congress once had to classified information is from a letter Ambassador Richard Helms sent to the Central Intelligence Retirees Association (CIRA) on 22 January 1988. Judge Webster used this information in his remarks to CIRA and, most recently, to the American Business Conference on 23 March 1988.

² The amount of time the DCI and his top executives spend dealing with Congress was first mentioned by Judge Webster during his speech to the American Business Conference.

³ Remarks concerning the House and Senate bills on congressional oversight were drawn from Judge Webster's testimony before the SSCI on 20 November 1987 and the HPSCI on 24 February 1988.

Statistical information on the number of briefings the CIA gives to Congress and the topics covered, and on congressional recipients of CIA assessments and reports, is unchanged. Judge Webster has included this information in three speeches to date: A.B. Laffer, the American Business Conference, and the American Society of Newspaper Editors (11 April).