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Statement of

MR. FRANK C. CARLUCCI

Nominee for Deputy Director of Central Intelligence  
for Senate Select Committee on Intelligence

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NOMINEE FOR DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE  
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Mr. Chairman, members of the Committee, I am pleased to appear before this committee to discuss my qualifications for the position of Deputy Director of Central Intelligence. I also appreciate the opportunity, Mr. Chairman, for this early hearing, as well as the courtesy and professionalism with which this Committee and its staff have conducted the investigation that preceded this hearing.

I would also like to thank Senator Schweiker for appearing today, and both him and Senator Heinz for their kind words about my qualifications.

The Committee has my biography, so I will not review my career except to say that I am fortunate in having had diversified Government experience, including service in domestic as well as foreign affairs agencies. The positions I have held during the last eight years have afforded me the opportunity to work closely with the Congress, including several members of this Committee, on a wide range of issues. I have learned how important a cooperative relationship between the Executive and the Congress is to the effective functioning of our Government. I, therefore, pledge myself -- if confirmed -- to work closely with this Committee, its counterpart in the House, and with the respective Subcommittees of the Appropriations Committees which have budgetary oversight of intelligence agencies.

As I reflect on the responsibilities of the position for which I have been nominated, I am impressed with the importance of the issues the Intelligence Community and this Committee face. Many of them are basic to the survival of our democratic institutions. On the one hand, we must continue to improve our intelligence effectiveness. In part this means protecting information from public disclosure lest such disclosure undermine this effectiveness. On the other hand, we all recognize the need for accountability of our intelligence agencies and for safeguarding the basic freedoms of our citizens. This may mean making more information available about our intelligence organization. The challenges posed by these often conflicting needs are obvious and very familiar to this Committee.

As far as I know, no other modern society has attempted such a fundamental, difficult and complex task. Yet, I am confident that these problems can be resolved. I am confident that we can succeed in striking that balance which will enable a necessarily secret agency to accomplish its mission and still remain true to the principles of an open and free society -- a society in which the rights of the individual are paramount.

On January 24th, President Carter signed a new Executive Order. It strengthens coordination within the Intelligence Community. It establishes procedures within the Executive to enhance cooperation with the Congress. It erects safeguards against abuses such as those that have recently come to light and that have troubled us all. At the invitation of the President, this Committee actively participated in the drafting of

that Executive Order. If confirmed, I will cooperate with this Committee as it exercises its oversight responsibilities to ensure compliance with the Executive Order.

Contrary to allegations in the Lisbon Communist press, I have never been on the CIA payroll; but as a Foreign Service officer I have had a working relationship with the Agency and have been a user of the Intelligence product. I have also been involved in intelligence budgets, and I am familiar with both the problems and the benefits of interagency coordination. Thus, I approach the position for which I have been nominated with a certain set of perceptions, assumptions or perhaps even biases depending on your point of view. I think it appropriate to present them to the Committee.

First, I am absolutely convinced that good decision-making requires good intelligence. I have seen good intelligence reports turn a potentially unsuccessful policy into a successful one. I have also seen the undesirable effects of poor intelligence. We must continue to set high standards for ourselves to ensure the careful collection, precise reporting, critical analysis, and concise and clear presentation that are the ingredients of success of any intelligence organization.

Second, I know from my experience as a reporting officer how painstaking a process it is to develop an overt relationship of confidence with foreigners who are constantly subject to a propaganda barrage which distorts our motives and which questions our strength of purpose.

To develop a relationship which enables our government to obtain information in sensitive areas is an even more painstaking, delicate and sometimes risky process. We need to recognize, more than we do, that human intelligence collection is a slow step-by-step process which often takes years of seed work to develop a fruitful source. It is a highly professional skill.

Third, in my experience with domestic programs, I have seen how the rights of citizens can be ignored or even abused by insensitive Government machinery -- even in so-called open agencies. I was a strong advocate of the controversial OEO legal services program for that reason. I have also seen in foreign governments how excessive secrecy and/or lack of an adequate machinery for accountability can turn a foreign intelligence agency from a national asset into an instrument of oppression. We must constantly strive to avoid this danger in our own country.

Fourth, I have become a strong advocate of interagency coordination. In the domestic area I was keenly interested in the Federal Regional Council system. In the foreign policy area, I have seen the constant temptation to compartmentalize our information-gathering process. Duplication, false confirmation and faulty decision-making are the inevitable results of this tendency. In several of my assignments overseas, I established or implemented procedures for coordination between the collectors of intelligence and Embassy reporting staffs. I believe this enhanced the value of the product to Washington users. The coordinating role given the Director of Central

Intelligence by the new Executive Order is a positive step in resolving this problem.

Fifth, and perhaps most important, I have had the privilege of working with intelligence professionals from the lowest to the highest level. While I did not normally know their sources and methods, nor, did I need to, I was able to benefit greatly from their information and to appreciate the motivation, objectivity, self-sacrifice and physical and moral courage with which they approached their sensitive and, at times, dangerous jobs. Human nature being what it is, we all seek recognition. Most of us can receive it openly. Not so the intelligence professional. His or her reward must come from the quality of his product and its value to the user. He or she must draw satisfaction from the fact that they are serving their country in ways that sometimes even their family cannot know. This, I submit, is the essence of patriotism.

I confess to a strong reaction when the Lisbon press produced a so-called 'expose' by a former CIA employee, pinpointing addresses of alleged CIA officers in Lisbon, even to the point of telling people which way to turn to reach a particular apartment when they get off the elevator. I watched understandably worried officers uproot their families and move from house to house, finally leaving the country before the end of their normal tour. If confirmed, I would appreciate an opportunity to have a dialogue with this Committee on ways to deal with this type of cold-blooded irresponsibility while still protecting the basic rights of American citizens.

The role of Deputy Director of Central Intelligence has varied both in scope and authority throughout the history of the CIA. While one can never be precise about one's anticipated responsibilities, I believe it important that I try to describe to the Committee as best I can how Admiral Turner and I intend to operate. I might note that Admiral Turner and I have discussed this subject in-depth, and that I accompanied Admiral Turner when he described my responsibilities to the President.

Simply stated, we intend to adhere closely to the National Security Act of 1947 which established a single Deputy Director of Central Intelligence "who shall act for and exercise the powers of the Director during his absence or disability." Both Admiral Turner and I agree that the single deputy concept is most effective. This means that when Admiral Turner is away, I will assume his Community-wide responsibilities as well as his CIA responsibilities.

As a practical matter, Admiral Turner and I have discussed how we will divide our time. I will assume the day-to-day operating responsibilities of the Agency. I will, of course, discuss all major policy questions with Admiral Turner, but he and I anticipate that I will be able to take much of the Agency decision-making and, to a lesser extent, representational responsibilities off his hands, thereby freeing him to devote more of his attention to his Community-wide responsibilities.

This does not mean that Admiral Turner will not continue to interest and involve himself in CIA. On the contrary, we anticipate that this will enable him to delve more deeply into basic policy questions and to have

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more substantive contact at all levels. For example, we have already discussed a program that will enable Admiral Turner to make regular visits to the Agency's overseas establishments. Nor does it mean that I will not concern myself with Community questions. With the new Executive Order, it is essential that I remain abreast of what is happening to the Community in order to fulfill my responsibilities as the day-to-day manager of the CIA and to substitute for the Director of Central Intelligence in his Community responsibilities in his absence. But it does mean that we will have different areas of emphasis, at least initially. I believe that this arrangement should present no problems to the NSC, the Community, the CIA or the Congress. On the contrary, it should enable us to be more responsive to all four.

During my visits with several members of the Committee, questions have been raised about the personnel reductions that have been directed by Admiral Turner. I am sure the Committee will understand that I cannot make a judgment on such a difficult and sensitive issue until I am actually on the job. When I do, I will present my views to Admiral Turner. I can, however, make a generalization or two.

My past experience indicates that all agencies tend to continue with staff long after program requirements have altered, and that constant pressure from the top is necessary to make sure that all employees are being suitably challenged. Top level attention is also needed to ensure that each employee has a career development program and that suitable opportunities are available for him when he reaches the most productive years of his career. I recall the so-called "grade creep" exercise of several years ago which documented conclusively that all Departments



and Agencies have a tendency to bunch up at the top and to take the shape of a pear rather than a pyramid. In the foreign affairs area, this phenomenon tends to be more prevalent in headquarters than in the field offices.

At the same time, I have learned the importance of communicating fully and personally to employees the reasons for managerial, organizational or personnel alterations. They must understand how the changes will enable them better to perform their mission. Admiral Turner fully shares this view and has devoted a substantial amount of time to doing this. Should this Committee confirm me, both of us intend to devote even more of our time to this effort.

Let me close, Mr. Chairman, by underscoring that I feel a keen sense of mission in approaching the responsibilities I will assume should the Senate confirm me. I am pleased at the prospect of working with Admiral Turner, whom I respect and admire. I am also pleased at the prospect of working with this Committee. I am confident we can meet the challenges as we move ahead together to strengthen our nation's intelligence capacity.

Thank you, Mr. Chairman and members of the Committee for your attention. I am now ready to respond to your questions.