

26 JANUARY 1983

New NATIONAL Security Group Formed
Washington

STATINTL

Several former national security officials announced the formation Wednesday of another group aimed at developing national strategy.

As ^{the} group held its first meeting, three officials from the Reagan administration attended because "they want to hear from us about our plans," said former Sen. Richard Stone, R-fla.

Besides Stone, leaders of the new group include former CIA deputy directors Adm. Bobby Inman and Ray Cline; Rep. Mickey Edwards, R-Okla.; and Gen. Lyman L. Lemnitzer and Adm. Thomas Moorer, both retired chairmen of the Joint Chiefs of Staff.

At a news conference, both Stone and Cline said they had no specific recommendations for a long-range strategy. Both cited as examples of strategies the former U.S. policies of containment, the 1940s goal of limiting Soviet expansionism, and detente, the decade-old attempt to improve relations with the Soviet Union.

"The problem is that too much of our thinking has been short-range," Stone said. His group's "wealth of experience" could be put to use by policy makers to come up with long-term goals, he said.

"We're trying to grasp what was good about containment and modernize it to the present day," said Cline.

A statement by the group said "few Americans recognize that the United States is the primary target of a hostile Soviet global strategy designed to decrease

U.S. power and influence relative to the power and influence of the Soviet Union."

The goal of the private, non-profit group is to "provide specific details concerning all of the global economic, military, technological and political trends that are running against the United States and concerning which effective national action is urgently needed," the statement said.

WASHINGTON TALK

STATINTL

Briefing

New Post for Inman

Adm. Bobby R. Inman, who resigned as Deputy Director of Central Intelligence last June, has accepted an offer to become president and chief executive officer of a new corporation that will conduct research and development in the electronics field, on a pooled basis, for a dozen major computer producers.

The concern, to be called the Microelectronics and Computer Technology Corporation, represents an effort by industry to combine forces to keep the United States in the forefront of computer and semiconductor technology. Among the sponsoring corporations are the United Technologies Corporation, Sperry Univac, Radio Corporation of America and Control Data Corporation.

Admiral Inman chose the research corporation, in part, because it will do no business with the Federal Government, eliminating any possibility that he could later be seen as profiting from his Government service.

The Department of Justice has reportedly assured the corporations involved that the new venture will not violate antitrust barriers against cooperation by competitors.

Phil Gailey

Warren Weaver Jr.

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FOR PUBLIC AFFAIRS STAFF

STATINTL

PROGRAM The Bob Grant Show

STATION WMCA Radio

DATE January 20, 1983 4:10 P.M.

CITY New York, N.Y.

SUBJECT Interview with Admiral Bobby Inman

BOB GRANT: If I were to tell you the name -- if I were to say the name Bobby Ray Inman, you'd probably think of a quarterback for the Alabama Crimson Tide, maybe, or the Georgia Bulldogs. It sounds like one of those Southeast Conference quarterbacks. They always have those names, you know, two names. Why have one when two will do?'

But actually, Bobby Ray Inman is an admiral. Yeah, that's right. He became an admiral in the United States Navy. But even more incredible, Bobby Ray Inman was a CIA Deputy Director. I say was because he resigned last April. And there were bits and pieces of controversy over why he resigned. But the fact of the matter is, in spite of the Abbie Hoffmans and the Jerry Rubins and the Tom Haydens and the people like that, the Jane Fondas and the people like that, in spite of that, a sovereign nation has not only the right, but the duty to maintain a counterintelligence unit. In short, in order to survive, a nation must have a spy system. Call it espionage, call it counterespionage, call it any name you want, it is an honorable, necessary endeavor.

Had we not had it, we would not have beaten the Japanese and the Germans in World War II almost simultaneously in a relatively few short years. Had we not had it, General MacArthur would not have been able to make that brilliant landing at Inchon, which was never followed up the way it should have been. Had we not had it, the United States of America would not be even the vestigally free country it is today.

So make no mistake. After all, the brainwashing of the '60s and '70s, the lunacy of self-hatred, incredible mass psychosis of beating one's breast and saying, "My country is

terrible. It's awful." It's incredible. That's what it is. It's absolutely.

And anyway, we need a spy system. But is ours really operating the way it should? What commends William Casey to be the head of the CIA, anyway?

We'll talk about that to Admiral Inman.

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GRANT: Admiral Bobby Inman, are you there, sir?

ADMIRAL BOBBY INMAN: I am here.

GRANT: I have so many questions that I would like to ask you. I probably -- I probably don't know where to begin, except I want to know, first of all, why you took the job you quit last April in the first place; if you were going to quit it, why you took it in the first place. That being what amounted to the number two man in the CIA, sir.

ADMIRAL INMAN: I took it only because of the direct personal request from the President and Mr. Casey that I at least take the job to help them get started. I had decided by 1980 I should retire, since I sat on a small pyramid of naval intelligence officers; and as long as I stayed on active duty, I blocked the opportunity for bright youngsters to come along and get their own chance to star.

Notwithstanding my desire to retire, Mr. Casey and the President both asked that if I was not willing to do the whole term, I at least help them get started. That's what I committed to do. But we also understood from the outset that it was going to be for less than two years.

So all of the stories later that made it appear as though I was walking off in anger could not have been further from the truth.

In my confirmation hearings, there was a little salting away that it was going to be a short tour. Only one journalist ever followed that up.

GRANT: Well, of course, journalists, being journalists, they like to make the most out of everything that happens. And indeed, there were all kinds of rumors. One that surfaced in the New York area a great deal was that you felt you were a professional and your boss was an amateur, and you found it difficult to take orders from an amateur.

ADMIRAL INMAN: [Unintelligible] not accurate. I had not illusions several years earlier about the prospect of a professional moving to head the intelligence services. We had a chance to get a charter in the late '70s. For a variety of reasons, it was not enacted. In the absence of that, now and for the foreseeable future, Presidents are going to choose as their Director of Central Intelligence someone they're personally knowledgeable of and comfortable with.

I think all the professionals understand that and are prepared to work with them and support them as long as they consider them competent.

In Bill Casey's own direct instance, we would never have gotten this Administration to sign up for a long-range rebuilding had he not been able to go directly to the President to get past all the blocking bureaucracy and get his approval. So if the professionals needed any demonstration of why it's advantageous to have someone as the DCI who has the President's direct ear, that specific approval for the rebuilding program brought it home.

GRANT: Admiral Inman, you say, then, that Bill Casey's doing a good job?

ADMIRAL INMAN: Anybody can be criticized for various areas of their job. Bill has -- does not have a long patience for dealing with the press, for dealing with any of the areas of the office that would probably give him a better image. But for the crux of the matter, where it really matters about how he's doing his job, I believe he will get very good marks from history, in looking back. I think he'll get those good marks from the job he did for rebuilding, but probably more importantly for revitalizing the way the country goes about developing its national estimates of events abroad. They drifted over a period of years into being encyclopedic historical kinds of studies, in large measure. Bill had no patience with that. He brought up a whole new approach, a fast-track approach to dealing with problems that are going to be relevant in the near term for policy decisions. And I think that will, on the long term, end up getting him strong plus marks for his tour as DCI.

GRANT: Admiral Inman, would you say that the CIA is in now, after a period in the '70s of almost being loathed by some Americans, being distrusted by some Americans, being feared by some Americans -- as a matter of fact, there are some Americans, to this day, that equate it -- at best, equate it with the KGB. I just don't understand it, but I'm sure you know what I'm talking about.

ADMIRAL INMAN: I do indeed.

I think we are on the road back. In retrospect, looking back over the 30 years from in World War II to '75, the overall performance of the CIA has to come down as being very strong, contributing to the country's security. But along the way there were some missteps. There will always be great debate about covert action, changing other governments, reporting guerrilla movements, whether that's in the country's interest or not.

Setting that aside and dealing with its primary mission, the [unintelligible] foreign intelligence, a first-rate job in a great many areas.

But some of the abuses that surfaced in the '70s, and particularly the use of CIA and the other organizations to try to track whether or not there was foreign funds flowing to anti-war elements in the U.S., subjected not only CIA, but the FBI and the Defense organizations to a great deal of discredit.

GRANT: Yes.

ADMIRAL INMAN: As people began to suspect the only thing they did was spy on U.S. citizens. And that's been the hardest thing to shake in getting on with rebuilding the country's intelligence capabilities to be all that we need.

GRANT: Well, the pendulum, thankfully, has seemed to have swung back in a more rational territory, wouldn't you say?

ADMIRAL INMAN: Yes, sir. I believe it has.

GRANT: Let's turn to some more contemporary matters. For example, if I were to ask you, just off hand, who's the world's most dangerous leader, who would you say?

ADMIRAL INMAN: I'd be hard put to give you one. I'd give you two. Qaddafi of Libya and Kim Il Sung of North Korea.

GRANT: All right.

ADMIRAL INMAN: I think they are the two who are the most erratic and where one has to always at the prospect that they would stage an incident that could spread into a substantial conflict.

GRANT: All right. I just asked -- in case you just joined us or the noise on the line interfered with your hearing, Admiral Inman answered Qaddafi of Libya and North Korea's Kim Il Sung, and citing one of the major reasons for saying this the fact that they are both erratic, unpredictable.

And I think a lot of Americans would agree with you.

Although not too many years ago, when I would talk about Qaddafi, people didn't know what I was talking about.

We have the Administration responding to what Gromyko said in West Germany the other day, in which he said that if we did not -- that we had better not deploy any Pershing medium-range missiles in NATO countries, because if we did, they would drop the arms talks in Switzerland. What do you think we ought to do about that?

ADMIRAL INMAN: Well, first, I believe it's a bluff. It's a hard line. They clearly want to do anything to block the deployment of Pershing and the ground-launched cruise missiles to Europe because they see them as very sharply again redressing the balance, which went out of balance with their deploying their SS-20s. And there'll be a major campaign in the months ahead to try to portray the U.S. as the major threat to world peace and to portray themselves in Western Europe as the peaceful [unintelligible], and to really drive a wedge between the U.S. and our European allies.

GRANT: Well, I'm going to interrupt you for just a moment because, parenthetically, with what you have just said, Admiral Inman, I was reading some of the portions of some of the speeches of some putative presidential candidates who were in Sacramento, California -- Alan Cranston, Walter Mondale, to name two; Gary Hart, to name a third. All three would make it sound -- did make it sound, indeed, that Washington was really the cause of the problems on the arms control talks, not Moscow.

As an American, how does this make you feel?

ADMIRAL INMAN: I worry about the signals that are sent to our friends abroad. And there are so many instances over the last decade where we say so many different things publicly, and it's also rapidly picked up and covered in the news media, that I worry that foreign countries are confused about what our will really is, what our policies really are.

GRANT: Ah-ha.

ADMIRAL INMAN: I'm persuaded that, ultimately, you've got to compromise to get agreements, and that we will have to compromise from some of the positions we started. But you don't start caving in to compromise before you've got some counter-offers and you see a prospect of a bargain which will at least be equitable for you.

So, I don't believe we'll ultimately get arms control agreements unless we are prepared to make some compromises. But you've got to have a good hard line going in, or you're not going

to get agreement which reasonably protects your interests.

GRANT: So, then, you see nothing wrong with the President's seeming hard line going in.

ADMIRAL INMAN: I think that's -- I think he's a good negotiator. From time to time, I see the signs long before his entry into politics, back to his Screen Actor Guild days. I remember with great clarity an instance when I was still serving in the Administration and there was an intense debate about what the positions ought to be. And the President sort of stopped the heated debate to say, "Why would I want to send negotiators without something to negotiate?"

So I think, indeed, he's properly taking a hard line. But I also believe, at the right time, he'll make smart compromises to get an agreement that serves this country's long-term security interest.

GRANT: One final question. I appreciate your time, Admiral Inman. One final question.

People have asked me, and I pass it on to you because only individuals such as yourself are in a position to really assess the answer. The question is: Why should we spend the money to deploy these mis -- to build these missiles, to ship them, to deploy them, to maintain them? What difference does it make if we don't have any and the Soviets do? They'll never use them anyway. If they did, the whole world would be destroyed. So what difference does it make if they have the missiles or the missile edge and we don't?

Your answer, sir.

ADMIRAL INMAN: The heart of the matter is the perception of our allies and friends about their own security. Do they believe they will be defended by standing up, by continuing free enterprise systems; or do they believe that we lack the capacity to defend them, lack the [technical difficulties] them, and that they therefore should reach accommodations with the Soviets?

GRANT: Very good.

Thank you very much, Admiral Inman.

ADMIRAL INMAN: A great pleasure to talk to you.

GRANT: That's Admiral Bobby Ray Inman. He was the number two man of the CIA. He's only 51 years of age. You may have thought he was older because of some of the things that he

said.

He feels the CIA is being rebuilt, has been rebuilt a great deal since William Casey took over as head of the organization, and is very approving of the President's posture. He says the President is a good negotiator. He also says that we must be careful that we don't send signals to our allies and to other people in the world, send the wrong signals, make them think that we don't have the will to do what must be done to stand up to the Soviet Union.

STATINTL

By Philip Taubman

William J. Casey, the Director of Central Intelligence, sat at the end of the mahogany conference table in his office. Outside, the late afternoon sun played across the trees that ring the Central Intelligence Agency's headquarters in northern Virginia, filling the windows with a fresco of autumn colors. A short stack of documents, some stamped SECRET, rested at Mr. Casey's left elbow, and a yellow legal pad on which he had penciled several notes was positioned to his right.

"The reason I am here is because I have a lot of relevant experience and a good track record," Mr. Casey said, alluding to comments that he was unqualified for the job and had been appointed only because he was Ronald Reagan's campaign manager. Mr. Casey, an imperious and proud man, had been fuming over the criticism for months, according to his friends, and now, in his first comprehensive interview since taking office, he wanted to set the record straight.

He flipped through the papers and extracted a yellowing clipping from The New York Times that extolled his record as chairman of the Securities and Exchange Commission from 1971 to 1973. Next, he provided several pages copied from a book about Allied intelligence operations during World War II; he had underlined a glowing assessment of his contribution to the Office of Strategic Services. The final clipping was a story that appeared in The Washington Star in the summer of 1980, describing Mr. Casey's role as Reagan campaign director. The headline: "Casey, the Take-Charge Boss."

It was an oddly defensive performance for a man who, according to classified budget figures provided by Government officials, is overseeing the biggest peacetime buildup in the American intelligence community since the early 1950's. Because intelligence expenditures are secret, it is not widely known that at a moment when the Reagan Administration is forcing most Government agencies to retrench, the C.I.A. and its fellow intelligence organizations are enjoying boom times. Even the military services, which have been favored with substantial budget increases, lag well behind in terms of percentage growth, although military-run intelligence agencies are growing almost as quickly as the C.I.A. Spending figures for intelligence agencies, including the C.I.A., are hidden within the Defense Department's budget. With a budget increase for the 1983 fiscal year of 25 percent, not allowing for inflation, compared with 18 percent for the Defense Department, the C.I.A. is the fastest growing major agency in the Federal Government, according to Administration budget officials.

intentions, integrity
and capabilities.

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WASHINGTON POST

5 January 1983

Arms Talks Chief Assails GOP Critics

By Patrick E. Tyler
Washington Post Staff Writer

U.S. arms control director Eugene V. Rostow yesterday accused some Republican conservatives in the Senate of attempting to take over nuclear arms control policy by challenging key presidential appointments and endangering the Reagan administration's credibility in negotiations with the Soviet Union.

Following a White House decision Monday against re-nominating Robert T. Grey Jr. as deputy director of the Arms Control and Disarmament Agency (ACDA), Rostow said "the next few appointments" in the vacancy-riddled agency will demonstrate whether "we retain control in the agency and have personnel in the agency representing a continuing point of view."

In coming weeks, as the administration prepares for the resumption of nuclear arms reduction talks in Geneva, Rostow said, the agency will not be hampered by unfilled positions. For now, he said, he is optimistic that the Senate conservatives who have blocked Rostow's choices to ACDA positions "are not having any effect on the formation of policy" and that "policy is being made in accordance with the president's ideas."

Rostow said that he did not wish to state his accusation toward the Senate con-

servatives in "naked" terms, but added that a minority of Senate Republicans led by Sen. Jesse Helms (R-N.C.), who successfully scuttled the Grey appointment and one other major appointment last year, are seeking a level of influence in arms control policy not warranted by their numbers.

He said the threat of such disproportionate influence could promote a "fear response" from the Soviet Union "over the credibility of American guarantees or lead to extreme nationalism" to counter a greater perceived threat from the United States.

"The Soviets can try to exploit the doubts, and they get very anxious at the thought that any extremist American group might take charge of American nuclear policy," Rostow said.

He said that the difficulty of his job has been to chart a course between "people who want an agreement with the Russians at any price . . . and people opposed to having any agreement at all."

Rostow called the loss of Grey "a sad comment on the political process," but sources on Capitol Hill and in the administration said yesterday that the battle over Reagan administration foreign policy appointments is likely to continue.

While some sources had suggested that abandonment of the Grey nomination in the face of strong opposition from Helms would ease opposition to other key appointments held hostage during much of 1982, aides to several conservative senators involved in the fight indicated otherwise.

They and administration officials said it now appears certain there will be a major confrontation in the Senate later this month over the expect-

ed renomination of Richard Burt as assistant secretary of state for European affairs.

Burt is seen by several conservatives as a potential moderating influence on a hard line toward the Soviet Union in arms negotiations.

Yesterday, an aide to Helms said he wasn't aware of any deals relating to the White House's decision to abandon Grey.

"There have been any number of so-called deals announced unilaterally . . .," he said. "But there never were any such deals, they just said, 'Here's the deal.'"

"I doubt very seriously whether Grey bought them much," said an aide to Senate Majority Leader Howard H. Baker Jr. (R-Tenn.). "The community opposing Grey and the community opposing Burt are not entirely the same."

Saying the current intention is to force the fight over the Burt nomination as soon as the Senate reconvenes, the aide added:

"At some point we've got to move on. The president and the secretary of state seem committed to the nomination, and we're going to do our best to get him through."

An aide to Sen. Malcolm Wallop (R-Wyo.) said yesterday that administration officials are "whistling in the dark" if they think opposition to Burt has abated. They have broadened the challenge to Burt to include "security" grounds stemming from an article he wrote in 1979 as a reporter for The New York Times.

That article revealed the existence of a U.S. spy satellite code-named Chalet that could be reprogrammed to monitor communications signals emanating from Soviet missile tests.

As a follow-up to a classified letter protesting the Burt appointment sent to Secretary of State George P. Shultz last summer by Sen. Barry Goldwater (R-Ariz.), Republicans on

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LOS ANGELES TIMES
3 JANUARY 1983

Rebuilding U.S. Intelligence

Casey Shapes Up CIA, Survives as Top Spy

By ROBERT C. TOTH, *Times Staff Writer*

WASHINGTON—Last summer, several months before Leonid I. Brezhnev died, the Central Intelligence Agency produced a study of Kremlin leadership politics almost 40 pages long. It predicted that a cluster of Soviet officials would succeed Brezhnev, not a strong individual leader.

After reviewing the top-secret report before it was forwarded to the White House, Central Intelligence Director William J. Casey concluded that President Reagan would never wade through it all. So, in a brief covering letter couched in race-track parlance, he boldly predicted which Kremlin contenders would win, place and show.

Kirilenko peaked too soon, Casey told Reagan, and Chernenko faded in the stretch. Andropov is in the lead, perhaps challenged by Ustinov, with Gorbachev the dark horse and a future comer.

On the Money

As it turned out, Casey was right on the money: it was Yuri V. Andropov, not a committee, that succeeded Brezhnev as general secretary of the Soviet Communist Party. But the episode is less important as a measure of Casey the Kremlinologist than as a measure of Casey the CIA director and of the methods Casey has developed to run the multibillion-dollar-a-year U.S. intelligence community.

Casey—a scrappy, sometimes arrogant, bulky 69-year-old who retains a trace of his native New York accent—has surprised admirers and critics alike by surviving as the nation's top spy through the first two years of Reagan's tenure. Even more, he has managed to set and maintain a careful but significant pace for rebuilding the nation's intelligence capabilities.

Casey's midterm report card shows that:

—The country has experienced no known "intelligence failures" or "intelligence abuses" during his two years.

—Intelligence budgets, up 20%, have grown even faster than the Pentagon budget.

—Output of analytic studies has jumped a remarkable fivefold over the last years of the Jimmy Carter Administration.

—Covert activities have dropped somewhat in number, but individual operations have grown in size.

—And "intelligence guidelines," which are the do's and don'ts of the community, have been shortened drastically.

Casey's former deputy, retired Adm. Bobby R. Inman, believes Casey will be rated "very high" as a director of intelligence for "totally overhauling the process of making national intelligence estimates—sharply increasing their number, making them shorter and more focused on problems that policy-makers grapple with—plus winning the President's support for rebuilding the intelligence community."

"Substantially Better"

"Under Bill, things are substantially better than the public image suggests," Inman said in an interview.

Ray S. Cline, a former senior CIA official, has praised Casey for seeking to balance, with equally high priority, the need to provide accurate, in-depth analysis with the need to make it timely and useful in helping to answer the hard policy questions of government.

On the other hand, liberal critics such as Morton Halperin, director of the Center for National Security

Studies, believe Casey has "moved the CIA backward" in restricting the release of information and in resurrecting its covert action capabilities. And some conservatives, who asked not to be identified, complain that Casey has not shaken up the intelligence community as the Republican Party platform of 1980 promised a Reagan Administration would do.

Be that as it may, Casey—a veteran of American intelligence operations during World War II, a multimillionaire with an entrepreneurial bent and a former senior federal official in financial and economic areas—has no intention of leaving the job.

"I'm enjoying it," he said in an interview, "and we're making progress. I intend to stick with it."

Twelve months ago, it was far from obvious that Casey was either enjoying the job or was going to keep it long.

At that point, he was reeling from his early and almost disastrous decision to hire a fellow Reagan campaign worker, Max Hugel, as chief of the CIA's clandestine operations—a "very conspicuous mistake on my part," Casey later called it. Hugel quit after private financial irregularities were alleged in the press, but three senior Republican senators called for Casey's resignation.

The Senate Intelligence Committee re-examined Casey's financial background, too. It grudgingly con-

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BEHIND THE HONDURAN BUILDUP

Reagan's 'Secret' War on Nicaragua

STEPHEN SCHLESINGER

Despite the President's denials—and despite even the new Congressional order against just such an effort—the Reagan Administration is launched on a course to undermine and ultimately overthrow the Sandinist regime in Nicaragua. This “worst-kept secret war,” as *The New York Times* calls it, has been front-page news for months, and it is now well established that the Central Intelligence Agency is using former Somoza National Guardsmen to initiate a covert war against Nicaragua from neighboring Honduras, a longtime and pliable ally of the United States. But no press accounts have fully gauged the breadth of the American conspiracy against Nicaragua.

Since Reagan took office, the United States has relied on intimidation and destabilization to disrupt, isolate and replace the Sandinist regime. The Administration has presumed that in dealing with Nicaragua, intimidation and destabilization are as legitimate as diplomacy, though such tactics are forbidden by the Inter-American Treaty of Reciprocal Assistance and by the charters of the Organization of American States and the United Nations. So far, however, to the chagrin of Reagan strategists, the two methods have not worked, and that increases the chances of an outright war between Nicaragua and the United States.

The American tactics of intimidation started after the Administration realized it could not coerce the Sandinists by diplomacy to reduce their troop strength, refrain from buying MIGs from the Soviet Union, end arms deliveries to Salvadoran guerrillas and dissolve their governing directorate. On April 1, 1981, the United States cut off all economic aid to Nicaragua and then increased its pressure on international lending institutions to deny the Sandinists loans and advised American companies to get out of Nicaragua. Periodically thereafter, Secretary of State Haig, in Congressional testimony and political speeches, emphasized the dangers posed by the Nicaraguan revolution and hinted at countermeasures Washington might take.

At a November 1981 House hearing, for example, Haig assailed the “totalitarian character of the Sandinista regime” and said he would not rule out any options, including a military blockade, to end Nicaragua’s “subversion” of El Salvador. Haig’s remarks took on an even more ominous coloration with the revelations in *The Washington*

Post and *The New York Times* in February and March 1982 that the White House had approved a ten-point C.I.A. covert operation against Nicaragua.

Then on March 9, 1982, Deputy Director of Central Intelligence Adm. Bobby Inman released thirty-six aerial photographs of Nicaraguan military bases taken by U.S. spy planes. The pictures, Inman claimed, documented a large-scale military buildup in Nicaragua, including the construction of thirty-six new installations, the presence of Russian helicopters and tanks and the lengthening of landing strips at three airports to accommodate jets. (Incidentally, the Nicaraguan “air force” consists of three propeller-driven Cessna 180s, two T-33s and three T-28s. The country has no navy. Its only protection is its army, consisting of 25,000 poorly trained soldiers, 25,000 reservists, 70,000 militia volunteers, twenty-five Soviet tanks that don’t operate well in jungles and assorted defensive missiles.)

The White House put steel into its threats with growing military support for Honduras, a public foe of the Sandinist regime. To signal Nicaragua that it possessed the means eventually to make good on them, the Administration has turned Honduras into its most powerful base in Central America outside of its military depot in Panama.

The effort began shortly after Reagan’s inauguration. The United States increased its embassy staff in the capital, Tegucigalpa, to about 115, making it one of the largest in Latin America. Reagan’s new Ambassador, John D. Negroponte, according to *Newsweek* (November 8, 1982), was charged specifically with directing the campaign against Nicaragua. Washington also sent 100 Pentagon “advisers,”



STATINTL

Orlando Was A Great Success!



More than 1,300 TROA members and guests visited TROA's World in Orlando during the Association's 1982 National Convention held at

the Sheraton-Twin Towers, Nov. 18-20.

For the first time, golf and tennis tourneys were conducted on the opening day. More than a hundred officers and their spouses played golf on the beautiful Magnolia course at Disney World. A lesser number of tennis players used courts at the Orlando Naval Training Center.

Those who attended the opening dinner were treated to the mellow music of the Vaughn Monroe Orchestra. Speakers at the various functions were exceptional. Heywood Hale Broun, sports essayist for CBS, was hilarious at the breakfast honoring chapter and council presidents. A consummate actor and storyteller on stage, he had many laughing so hard they cried.

Our "keynote" speaker, Adm Bobby R. Inman, USN-Ret., just retired from his position as Deputy Director, CIA, gave a more somber presentation but one which clearly outlined the nature of the threat our country faces.

Intelligence and National Defense

By Adm Bobby R. Inman, USN-Ret.

It is a great pleasure for me to come today to spend some time with so many people—husbands and wives—who have served their country. It is coming into fashion again, but there has been a long period in between.

You know, we are all shaped by the

people we have been privileged to work with and for along the years. At the risk of embarrassing one of your number, one of my earliest bosses is present. I worked for her in Paris 29 years ago. Would Maj Elizabeth Ryland please stand up?

Unhappily, my speech will be somewhat somber. After talking to people in

all walks of life, I sense that the support which looked promising a couple of years ago for rebuilding our defense capabilities after a very long downslide is beginning to erode. We are in for some very tough times in the months and years ahead in trying to make sure that the rebuilding is sustained.

I have been trying to speak out on the

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topic and trying to articulate the problems that I think this country is going to face in a way that I hope the public can understand and will in turn support. And in saying to those who are so eager to cut the defense budget that indeed economic realities may force us to stretch out the rebuilding but the talking about cutting ought to be taken out of the vocabulary. We spent 14 years cutting and in that process we ignored the kind of challenges that this country may have to deal with in the next 15 to 20 years.

THE SOVIET UNION

I will spend some time with you looking at the Soviets from my long perspective of trying to understand them, understand where they have been and where they may go.

In the 1943 to 1944 time frame, in beginning to plan how they would deal with the immediate post-war years, we are told that Stalin in concert with his closest advisors mapped out a defense strategy of absolute dominion over the bordering countries where they hoped to install ruling communist parties, and a defense force very large in numbers. The urge was to build numbers that would compare with what the UK and the U.S. had. It didn't matter that they might be capable of being used for only a short period of time. It was the intimidation that large-size forces would bring. And, in their own internal thinking, they usually talked in terms of using that force no more than 200 miles away from the dominion they had created.

When Stalin died there were two years of uncertainty and then as Khrushchev gathered the reins, he took them on a nine-year roller coaster that ultimately led to his removal from office. But, in those years, they began to evolve their thinking about the use of military power. They began pretty early on in his time talking about a defensive line 600 miles out instead of 200. They began building strategic forces and their thrust to directly threaten the U.S. that led to the Cuban adventure contributed to Khrushchev's ouster. But by the end of his time, they were talking about a 1,500-mile perimeter and thinking about the need to forward position forces beyond those in Eastern Europe.

When Brezhnev and company took over, it was just at a time frame when the planning was underway for the next five-year plan a healthy additional

stage of investment in the whole defense structure. I am still persuaded that the leadership was primarily driven not by any strategy about how they would use it, but to reward the military for the strong support which enabled them to remove Khrushchev peacefully and without any ripples.

Five years later when they started to put together the next five-year plan they looked at the achievements—not only the enormous investments in building new shipyards, tank factories, aircraft factories, but the beginning of a flow out of new hardware that had multiple shot capability, not single shot, and the ability to deploy for substantially greater distance and stay for much longer periods of time—they made two decisions because they saw for the very first time that they had begun to narrow the gap between the military capabilities of the U.S. and its allies and those of the Soviet Union.



Admiral Inman is a former Deputy Director for the Central Intelligence Agency.

The first decision was to increase that level of investment and they have left it there steadily ever since. The second was to begin further evolution in their thinking about how they might use military force. They spent some time talking about war-winning and strategic war. They ultimately recognized the propaganda disadvantages from that and are rewriting the public record.

For me, 1975 is the watershed year. We had a major debate in the U.S. intelligence community over how the Soviets would react to the collapse of the government in South Vietnam. The majority view was that the Soviets other than that it would have no signifi-

cant impact. There was a minority view that the Soviets would not have failed to observe that at least along the eastern seaboard of the U.S., the principal public debate was not whether you could rescue Saigon, but what would be the impact on detente if you tried. You can't document a decision in that time frame to change their approach for using force, but you can document that beginning that spring and summer they stopped in their own military exercises talking about a 1,500-mile defensive line. They talked about using force in the interest of the state to counter, within the extent of their capabilities, opposing forces.

More importantly, in November 1975, in a two-week time frame, they moved 15,000 Cuban troops and massive quantities of equipment by air and by sea into Angola, something they had to have planned over a number of months. We fumbled around for a response, the public was greatly afraid it was about to be another Vietnam commitment, and we got an overreaction, the Clark Amendment, which forbade the use even of covert action to raise the cost of that adventure in Angola.

Two years later we saw a repetition in Ethiopia. In 1978 it was Aden, the Vietnamese into Cambodia and Laos. Of course in 1979 a different decision to use their own forces in Afghanistan. But the harbinger of that was visible nine months earlier. April of 1979 the Soviets staged the largest movement of forces they had ever accomplished in a short period of time in a major exercise out into Mongolia. It would have been larger still but they had a disaster on the first day, an air drop lost a number of people and therefore it was somewhat curtailed. But, it was in many ways a dress rehearsal for the speed with which they moved force into Afghanistan on Christmas Day of 1979.

MOBILE POWER

As one looks at the years out ahead, one would have to conclude that the Soviets are going to have a mobility or movement of forces that no Russian ruler has ever had available to him in the past. The critical question is going to be what is the attitude about the use of that new mobility of power. I don't think they will lessen their interest in the central front of Europe, and I do not expect them on their own token, without some kind of agreement, to do any significant reduction in their interest in the central front of Europe, but I also think those are the least likely applica-

tions of power that this country may have to deal with.

If one stands back and looks at the use of this burgeoning capability, you have to conclude that the old Bolsheviks, who have been in power, have exercised those growing capabilities with great caution. They have used them only where they had a high degree of confidence that there was not likely to be a direct confrontation with the U.S. We are not into the period of transition. It has gone smoothly to put Mr. Yuri Andropov in the General Secretary position. He is not a healthy man so his period of governing could turn out to be a fairly short one. But, even if his health holds, he is likely to spend much of his time evolving power to the next generation of Soviet leaders. We know far too little about them. They will not, it is certain just by age, have the same searing memories of the

Germans on the banks of the Volga and around Leningrad that has been the governing life experience of those who are now at the top. We may be lucky. Having grown up in that bureaucracy, having so much at stake in sustaining it, they may be cautious about the application of power abroad, but there is at least as much chance that they will be more arrogant, more inclined to use that force where they see opportunities in the interest of the Soviet state.

I believe ultimately they will make their judgments on two primary factors. The first one, hopefully, we can work on in the near term. That is the state of U.S. military capabilities. If we do get caught by economic reality and have to stretch out, there does need to be a debate about priorities. We do need to ensure that we are going to be in a position to deter conventional conflict. But, over the long term, how those

new leaders elect to use their power is probably going to ride more on a judgment of our will than on our military capabilities. And, to deal with that problem, to persuade them that they should pay attention to the leadership, there should be a vocal outpouring of support that they can understand. One has to worry if they draw their impressions only from nightly news coverage focusing on the size of the latest demonstration against building this country the kind of military capabilities that may make the difference in all of our security in the years out ahead.

I wish you great success in the months and years ahead in helping sustain a defense buildup that is both rational and certainly urgently needed. The much harder task for us is to work to ensure that the will is there and visible to the outside, but if we have to, we will in fact protect our vital interests.

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VIEW FROM THE TOP

Adm. Bobby Inman: "Intelligence Should be the Front Line of Defense"



Two intelligence chiefs discuss the state of affairs of U.S. intelligence and its international implications in a rare and candid interview. Adm. Bobby Inman, former deputy director, CIA, and Lt. Gen. Eugene Tighe, former director, DIA, address this nation's intelligence preparedness and the opposition at home and abroad.

by Lt. Gen. Eugene Tighe, USAF (Ret.),
ME/C Military Affairs Editor

ME/C: Your concerns for the flow of high technology from the West to the Soviet Union have been reported widely by the press. You have been criticized for proposing some industrial and academic discipline here in the United States. Would you state your concern and give us some suggestions to halt this hemorrhaging of one of our principal strengths vis-a-vis the U.S.S.R.?

Inman: For a decade we took as a given that trade with the Soviet Union and the East European allies was going to be good — good for us. We hoped that encouraging the East European countries to pull away from the Soviets might make the Soviets easier to deal with on political matters. Ten years later, one has to stop and wonder if that's been fully realized, but that's a totally different topic. In that climate of the emphasis on trade, however, little examination was focused on technological loss — how the Soviets used the open access that was provided by the desire for trade to search for material that would help accelerate their own defense build-up.

A few thoughtful members of Congress began to worry about this problem two years ago. Senator Nunn began structuring hearings before the 1980 election. They did not come off until later; but he asked shortly after the current Congress was formed, that Senator Goldwater formally request intelligence to provide a community-wide assessment of the technology-loss problem to the Soviets. A great deal of effort was dedicated to the problem. The right people from a number of agencies worked hard at it for six months. They scrounged through all the files for any shred of information which might relate, and put it together. The results were startling. The conclusions were highly classified, in the aggregate, but a great many detailed examples documented, to the reasonable satisfaction of anyone examining them, that the Soviets were running a very sophisticated operation, vacuum-cleaning the United States. The Soviets were looking for what was going on in the way of new research, new development, new weapons systems, and even such things as productivity improvements and how to make composite materials. When they found what was going on, the Soviets, using a very careful, well-considered method, went out to acquire that which they wanted. The first approach was to buy legally, and when they couldn't buy it legally, they would try to get a third party to buy it for them. If that failed, they would then try an illegal purchase. And if that failed, they would turn to espionage, directly targeting (because of the openness) the exact people that might give them that which would be of greatest value.

That study was finished at the end of October 1981. During the weeks that followed, I watched officials of the government begin to contemplate the magnitude of the loss and what actions they might take to regulate or legislate the control of loss. Over these many years of government service, I came to view with substantial skepticism those government efforts to regulate without some consultation with those who are to be regulated. So in this instance, I decided to try to stir my colleagues in the outside world into addressing the problem themselves. That moved at a little faster pace than I had planned. I went to a symposium for the American Association for the Advancement of Science, and I listened to some academics from the floor assert that no useful research had ever come from classified research, and that never, under any circumstances, could any kind of restraint on the publication of results from research ever be acceptable. Given my knowledge of the loss and the steps being contemplated, I used some rather colorful language to convey my view that they weren't living in the real world — that if they were to avoid the potential for regulation that was not carefully thought out, the academicians had better give some thought to the problem themselves. It has been my experience, from the parallel of the narrow example in the field of cryptology, that when a broad cross-section of people finally gets involved in addressing the problem and accepts as a given that there is a national security concern, they come up with some very good ideas, such as those which the government is now trying. The plans are not to the total satisfaction of all those in the government, but from my sense, it's a substantial help in dealing with the problem in that area.

I also gave those views to some senior officials in organizations like the National Academy of Science and the National Academy of Engineering. I was very pleased when they elected to jointly sponsor a study effort by a panel headed by Dr. Dale Carson and funded by the National Science Foundation. They had a narrow charter: to look only at the university-sponsored research. And as I indicated in public testimony a year ago, that's only a small part of the problem. But it is a part, I think, that is going to grow. To successfully cut off the loss across the defense establishment, the focus will increasingly turn to the

universities. In that regard, they will be on to a good start before the problem grows. They've made some interesting recommendations. I think there will be some who object, both from the university side, that it goes too far, and from the government side, that it doesn't go far enough. It's probably a good measure for us that they found a pretty good place to begin. A major snortfall is that some thoughtful effort on the industrial research side is needed. Better guidelines are necessary in that area.

While all this is being highlighted, I'd like to discuss another one of the casualties of the long period of drawing down the national security establishment: When we were looking for things we could do without, when we were looking for ways to cut back expenses, we lost a lot of the good dialogue between the research organizations in defense and the universities, and other organizations. One of the things I found when I first began probing this problem was that there were no areas where dialogue went on regularly. There were no places where scientists could turn for quick advice on whether something might have some military application. I think the degree to which defense is now addressing those problems — which is going on at a pretty good pace — offers some substantial promise in helping deal with the problem.

ME/C: NBC News recently presented some rather startling facts on the ease with which the attempted assassin of the Pope moved through Eastern and Western Europe, with help from a terrorist apparatus which both NBC and others view as nearly impossible without the knowledge and probable support of the Soviet security organs, the KGB and the GRU. Borders in Eastern Europe and even in Western Europe are much more difficult to breach than those of the United States. What should the U.S. reaction be if the rate of externally supported terrorism and urban insurgency increases within the United States?

Inman: We have potentially a very large problem. In some ways, if we are very alert to the problem early, we are perhaps a little better off than some of the Western European countries because so much of the traffic comes by air, rather than simply crossing borders. But as a first-order priority we need to address, with Mexico and with Canada, the kind of working relationships that offer the prospect that those large border areas will not be used for overland transit. The government has to address this as a cooperative measure, pulling together the resources of the companies that fly in, the various routes that are provided, and ties with Customs and Immigration looking for terrorist infrastructures.

Terrorism is a very tough target to penetrate, to follow. Various technical means can be of enormous assistance with many other intelligence problems. But this is one where I think human penetration is probably going to be the key to understanding the various structures that would be set up to support terrorism. The degree to which the FBI, who has prime responsibility in this country, is able to establish a network to watch for any sign of a support structure will be very important. The magnitude of effort that follows is apparent to all of us, from the example of the Weathermen, and by the clear evidence now apparent from the Brink's case in New York, where an infrastructure stayed in place and successfully hid those people for a decade. Americans are already the prime targets for terrorist activity abroad, in numbers of individuals. It's going to require substantial additional resources for the agencies that are responsible for tracking it, if we're going to in fact be alert before we have to deal with terrorism here. But we do have some geographic advantages if we follow it up

ME/C: Despite the world's nearly unanimous cry for the Soviets to pull out of Afghanistan, there is no sign that the U.S.S.R. has any such plans. Their vaunted military establishment has proved very ineffective against the Afghan loyalists. What do you see as the reason for Soviet military failure there?

Inman: Entirely aside from questions of experience, training, and equipment, I would say they have not been able to establish a viable government in Afghanistan that can keep the loyalties of even their own military establishment. The Soviets have not elected to put massive force in the country, to take over the battle totally. They've tried to have it both ways — of keeping the facade of a friendly communist government ruling Afghanistan that they're assisting, and a native army leading the fight. But they're just not competent to do the job.

I had thought at an earlier time, after the '80 Olympics had passed, that the Soviets might make the investment, doubling the troop strength in Afghanistan and trying to completely crush the rebellion with their own forces. They did not do so. Poland may well have been a factor because of its unwillingness to commit the very substantial additional forces while worrying about what its needs might be in Eastern Europe. But as time goes on and the Soviets still haven't addressed the problem, I've come to the conclusion that they've decided they're prepared to accept a level of loss and a level of activity. The current cautious leadership is not willing to make the level of commitment of its own forces that might be successful in totally crushing the rebellion. As you and I think back over the Soviet activities we watched over the years, in Poland and in Czechoslovakia and Hungary, we realize their standard approach has been to move in so massively that they could quickly overwhelm the opposition. In Afghanistan, the Soviets moved in a large force, but not a massive force — the kind that could have sealed off the very long borders — and then moved with complete ruthlessness to destroy the roots of rebellion. I think they're finding that short of that commitment, and in the absence of any kind of a viable government in Afghanistan that they can rely on, this is a war without end.

ME/C: Speaking of Soviet military failure: Israel seems regularly able to defeat surrogate-owned Soviet military equipment in the field. Can NATO expect to do as well against Warsaw Pact forces and their equipment?

Inman: If one could keep the war purely conventional, ultimately the NATO forces would have the prospect of achieving comparable results if they brought comparable dedication. But I believe the real difference is that while there is clearly a margin of superiority in the weapons that the Israelis have, the real difference is the training and the dedication of the Israeli military, and the tactics that they bring to the problem. There are a number of the East European forces, and certainly the Soviets themselves (who would be engaged in any conflict on that front) which are substantially better trained and are going to be better at using the equipment than the surrogates that we've seen elsewhere. Western Europe has not always provided the degree of attention, the motivation of its own forces, and the training and the tactics which would make the difference. There are clearly some lessons to be learned from the Israeli model: that training, tactics, doctrine, discipline, and dedication can indeed make the difference — particularly if you got a little technological edge in the equipment.

ME/C: The United States seems dedicated to a strong defense, especially if we look back at the consistency in

that direction by the last and current Administrations. Has the percentage of the budget for U.S. intelligence been raised as consistently as the Defense Budget during the past six years and at the same rate of increase? Should it be?

Inman: The rise in the intelligence budget was slower in the beginning. The fact that the intelligence budget was classified made it difficult to gain public support for growth. The argument has gone back and forth for years, still coming down that there is potentially greater hazard for help to foreign espionage activities by the disclosures of full detail. But the fact is, the size of manpower in the U.S. intelligence community was first diverted to the Southeast Asian war, and then drawn down, over a period of almost 14 years, to a level some 40 percent below the 1964 total. The spending power was steadily reduced, even as we were making major purchases of technology that absorbed a tremendous amount of money that was available to do things like monitor treaties — expenditures that generally turned out to be for the country's best interest. But there would certainly have been a much greater interest if that had been an added expenditure instead of a reduction in manpower or a focus on many countries of the world where we simply gave up the bulk of our efforts. It really was not until the shock of Iran, Nicaragua, Afghanistan that full attention began to be applied to the rebuilding of the intelligence community.

I came to view with considerable skepticism government attempts to regulate without some consultation with those to be regulated.

We are currently enjoying support for rebuilding at a rate slightly ahead of the defense budget. I believe that is exactly as it should be. Intelligence should certainly be the front line of defense. There should be no apologies for it. I believe that the rate should be determined by the ability to absorb, not by any predetermined percentage of expenditure along the way. The rebuilding is going to be a lot slower than I would like to see it, because of problems of finding quality people with the kind of skills that you can put to work. The impact of years of neglect of language training in the universities and area studies, simply says that when you can find bright people, you still have to invest a couple of years in giving them the skills they ought to have already before they can begin to be productive in helping to solve the problems.

ME/C: Are you satisfied that the U.S. intelligence leaders will be able to construct a sufficiently effective intelligence establishment over the next few years to allow U.S. interests in the turbulent underindustrialized world as well as in Western Europe to be properly supported — given the slowness with which the rebuilding is going to occur?

Inman: In the decade that preceded, where we had the general attitude: "What can you do without?" we essentially gave up any in-depth knowledge of the bulk of the turbulent outside world. Because there was not a communist government in power that posed a threat to our interests, the resources were not provided to follow in any depth. That problem was recognized as early as 1979, and Congress began to add some additional people. There was strong support from the other sectors inside the Executive branch, as well as from the select committees in Congress. The highest priority for investments in the last two years has been to try to build the effort against the Third World area, but that still neglects focus on our allies. We clearly

have to understand better what goes on inside those countries and what motivates them, as we move into a time of intense economic stress and competition, we're going to be able to hold together our political and military alliances. I believe the quality of people that we need is available. While going out on campuses, I find a great deal of enthusiasm from the young generation for some kind of public service. They're not eager to be drafted, but I believe one can make a successful case to appeal to very bright youngsters to commit themselves to a career in the intelligence field, provided the resources are going to be there to support them. It's going to take a long time.

ME/C: Which of the major nations of the world has the largest foreign intelligence apparatus? The best?

Inman: The largest in manpower is very easy to identify — it's the Soviet Union. The People's Republic of China probably isn't far behind in manpower. In total numbers deployed around the world, I would be very comfortable in my judgment that the Soviets, again, have by far the most numbers applied. We equally have a very substantial lead in applied technology such as computers, a whole range of collection systems, technical skills of the people, ability to analyze the material that's available, and thoughtful ways of examining analytical problems. If one were to look purely man for man, I would be inclined to speculate the Israelis may well have the best single knowledge of a specific area, because they believe their survival depends on it. Many of our allies have good services. The British have always had the skill for this business, and they have endeavored to keep a world view and interest even when they have suffered from their substantial draw down in resources. There isn't any doubt in my mind that the United States could easily have, by a substantial margin, the best intelligence service. But we have cut short that opportunity by the sharp reduction in manpower and by the failure to maintain an encyclopedic knowledge of the outside world.

In the period immediately after World War II, those who had to make decisions with little hard knowledge on such adverse topics as economic worries, availability of raw materials, plans for amphibious landings or bombing raids, methods of conducting civilian government, and various areas that had been occupied, came away persuaded that the country must have encyclopedic knowledge of every country in the world. That general attitude was sustained through the '50s but was one of the casualties of the Vietnam period when we diverted people away from keeping an encyclopedic data base to do the detailed work in support of the Vietnam commitment. The sad fact was that, when the war began to draw down, those people were not returned to encyclopedic efforts and the gap which already existed widened. So we now have a long rebuilding period to develop the kind of encyclopedic data base that enables bright people to recognize problems and to quickly advise decision makers of the problems facing us. The decision makers can then come up with options to deal with the problems.

ME/C: What does the United States have to do to assure the best foreign intelligence capability possible and practicable in the way of resources that aren't talked about in the normal sense: that is, resources and investment of the country in the educational processes and so forth?

Inman: We first need a commitment to have an excellent intelligence capability on the entire world. We have to support that by investment both in people and in resources, in human collection, and in various kinds of technical collection. We need analysts who have been given the

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opportunity to understand the countries they are observing, and can understand events they are watching through the eyes and the minds of the country being watched, not of how they might react to problems as U.S. citizens. We in this country need now to increase educational standards and to increase the requirements at the high school level of language training. We need to increase the math and science requirements and the literacy requirements, stressing the ability to write well and in a concise manner. In the universities we have to find the programs that encourage area studies and language studies and encourage people to remain and teach as well as to go off into industry and government. That will be a long-range rebuilding program. We have to come to recognize that as a basic element of national security. Rather than a "federal welfare for education fund," it's recognizing that ultimately the quality of the intelligence and organization rests on its people. If we don't have a strong academic foundation, we are not going to have the quality of intelligence the country must have.

ME/C: *In a more near-term and practical sense, would you advocate the government to remove the center of the intelligence establishment from the very expensive Washington, DC, area or in some other way make it affordable for young, bright, technologically trained individuals to come to work in intelligence for the federal government?*

Inman: As the rebuilding process goes on and additional people are added, the locations should be decentralized. In a great many cases, particularly with modern communications and the ability to take advantage of satellite communications, computer-to-computer communications, close dialogue between users and producers, and collectors and analyzers can be sustained without all of them being physically collocated in the expensive and vulnerable Washington area. Our country's basic security resides to some degree on the fact that any potential enemy recognizes the survivability of its adversary's principal assets, and that certainly includes the eyes and ears of the intelligence community. A good effort has gone into planning and thinking about the kinds of problems the country will have to face in the next decade, and the planning, collection, and analytical resources we need to deal with it. We have not yet done enough in thinking about how we can hold the people that we go out to acquire. So there are still lots of challenges for those who are now managing our intelligence.

ME/C: *The United States seems regularly to get itself involved in areas of the world where it has little, if any, intelligence capability — it has to start from scratch during crises. Quite often it seems U.S. public opinion is then quickly formed through or by an uninformed press, and sways in whatever direction external propagandists with interests inimical to our own want to take it. We in the intelligence community seem regularly to take "hits" for so-called "failures."*

Inman: Yes, I concur that it is a problem. I think that we should not be in the business of writing journalists' stories, and we have to be very careful that the degree of contact between the working analysts and the media doesn't add to this torrent of leaks which already causes us so many problems in protecting our intelligence sources and methods. But there is a useful role that can be played in helping provide encyclopedic background, to put events in context. We need to do that in a more thoughtful manner than we are doing at this time, somewhere between trying too eagerly to get leaders' pictures on magazine covers, on one side, and assuming an ostrich position of having no contact.

ME/C: *Few leaders in the U.S. intelligence community*

have been able to instill confidence in our intelligence establishment among Americans as you have. Why did we have to lose you just as you became such an effective leader? Would you consider coming back to government as the Director of Central Intelligence? Do you plan to eventually return to government in another capacity — say, Senator or Congressman?

Inman: Let me start at the upper side. I have not considered running for public office. I greatly admire one of the young Senators whom I've known for a long time. I remember some early discussions when he was going to run for public office, of his sense that he needed to go back and build an independent economic base first. That probably shaped my attitude toward a political career. I do not plan to come back to the federal government. I enormously enjoyed my 30 years of service but I believe, from both my obligations to my family and to myself and from the need for fresh challenges, that I can deal with a lot of these issues while pursuing another career better than I could by shuttling in and out. The basic factor that many people do not understand about military intelligence specialists is that the field is relatively small and the career opportunities for upwards promotions are very small. If one is fortunate enough to get selected early, as I was, the opportunities are then blocked for a great many other people to be promoted up the line. So my basic decision in 1980 to retire was based on the fact that I had already performed six years of flag rank service at that point, and that my own sense that additional billets were not going to be allocated to the intelligence specialty. The longer I stayed in place, the more I was depriving very bright, able people of their chance to deal with these same challenges. I was persuaded to stay an additional two years, but even a total of eight years of service as a flag officer was three more than has normally been the case for the flag intelligence officers in my service. Over the long term, I believe that we ought to put a high premium on the professionalism of the intelligence services, and that one could make a case for a long-term assignment of a professional as Director of Central Intelligence. That was not something I could campaign for when I was serving, because it would have appeared to be self-serving — something I was seeking for myself.

Having turned the page on that chapter, it is something I will come back to work on in the years ahead. But I'm not going to launch off in the next year or two on a campaign to reorganize the intelligence community, because I'm afraid that that would distract from the first priority, which is rebuilding. Once we have the rebuilding well under way, in perhaps three or four years, we can come back to say, "Is the current structure of the community organized the optimum way? I'm persuaded at this time that it is effectively managed and that it is probably working better right now than it has over any time in the years that I have observed it. So the way it's organized, the way one selects the leaders, is not such a pressing problem that it needs to go to the top of the agenda. Rebuilding is the number one priority.

ME/C: *I believe the Senate and the House Select Committees on Intelligence have been bastions of security the past few years, as I saw them operate from my vantage point at the Defense Intelligence Agency. Do you agree? And do you believe the intelligence community can continue to count on their very strong support, their great display of responsibility, and their ability to guard the nation's most sensitive intelligence secrets?*

Inman: The country owes a great debt of gratitude to Senator David Inouye of Hawaii for his very insightful and thoughtful efforts in setting up the first permanent Select Committee, where he shrewdly recognized that one

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needed both the carrot and the stick for effective oversight. The stick was putting together authorization along with oversight. If you wanted your budgets, you needed to be forthcoming with the committees in order to get their support. And the carrot was establishing security that was above reproach. Therefore, people would be encouraged to come and tell their problems, yet be confident that they would not be leaked, distorted, or used out of context, that might in any way damage sources or methods. He got very strong support in that from his vice chairman Sen. Barry Goldwater over the next several years. And when Congressman Boland came to chair the House Select Committee, he elected to follow essentially the same pattern with an even smaller staff. I would put the security record for the two Select Committees for the first several years of their existence up for comparison against any other part of the government apparatus. They were not flawless, but their record was substantially better than that of the Executive branch.

A concern to me has been some fraying around the edge. In 1980, some of the staff from the Senate Select Committee got very involved in partisan politics and began writing articles and features for the papers. If one believes what one hears from friends in the journalistic services the Senate Select Committee became a frequent source of leaks to news media for stories that would slant occasionally on things they were opposed to. That problem has not been entirely solved. That remains a subject of some worry that the original, absolute dedication and sense of discipline installed by Senator Inouye and Senator Goldwater has not been sustained. This dedication perhaps may not be supported by all the senators who in some cases may shield some of their staff designees who otherwise should have departed on the basis that they were not maintaining the high standards of security previously established. On the House Select Committee side, you know that I have publicly criticized the Committee for releasing reports on oversights along party lines. But generally speaking, I would still say that the Committee has done a very fine job. As I said in my letter to Congressman Boland, I believe the leadership he and Congressman Robinson provided is of a quality that has been rarely matched. The great dedication that they and their colleagues on the Budget Subcommittee have brought to the problem has had a very major impact on improving U.S. intelligence capabilities. All citizens are in debt to them. But I believe it is so critically important to establish the fact of nonpartisan intelligence to make absolutely certain that the intelligence community in all matters must be nonpartisan from the top of its leadership to the lowest collector or analyst. The select committees must lead the way again here. As when they make decisions along party lines, they run a high risk of drawing a partisan reaction from the administration in power, whichever party is there. I don't expect them to always approve of what the intelligence community does. I think criticism can be very healthy; I believe if they really work at it they can find ways to express criticism — perhaps without all the detail they would like to provide, again in a way that makes it very clear they are not engaging in the criticism for partisan policy. I see a little straying away from the sterling record they had the first years, the situation is clearly recoverable.

ME/C: John Barron, with Reader's Digest, has charted a

remarkably strong Soviet organization in support of the current world nuclear freeze movement, both in terms of organization and active KGB involvement. He shows active KGB involvement even here in Washington, DC, before House of Representative hearings and throughout a variety of organizations around the world involving thousands of very well-meaning people. Is enough being done to describe how and why the U.S.S.R. is so active in this area? If not, why not?

Inman: Throughout my long career, I have been involved in both human and technical collection and have served on the analytical side, but I've had almost no experience in the counterintelligence side. I really have almost no first-hand knowledge of the extent of the espionage activity or the covert action that they call "active measures" that the Soviets have undertaken in this country. I have a sense that they have done a lot but I suspect you could find a much better expert to discuss it. I have looked at it overseas and I do have some sense of the increasing sophistication with which they approach the problem, for instance, in Western Europe. In the old days they picked sort of a brute force approach. It was very apparent early that they were driving the action and that thoughtful people would back off. In the nuclear disarmament concerns that popped up in Western Europe, my sense is that the Soviets have been much more skillful this time. They have let the leadership in fact draw from basic pacifist leanings, but they have been very swift and skillful to provide the logistic support to turn what might otherwise be a fairly small group into an enormous media event. That, more than anything else, demonstrates the increasing speed and sophistication of Soviet "active measures" activities.

ME/C

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DATELINE AUSTRALIA: AMERICA'S FOREIGN WATERGATE?

by James A. Nathan

"Who lost Australia?" may soon be a significant debate in American politics. All over the democratic world opposition parties are gaining power. Should this happen in Australia, the alliance with America might be called into question and Washington could lose intelligence facilities indispensable for any future arms control regime.

Today, from press and Parliament, Australia is awash with accusations about illegitimate American intelligence activity. Much attention and anger is focused on the Central Intelligence Agency. There is an almost hysterical set of indictments leveled against U.S. intelligence. The CIA is charged with becoming involved in Australian politics and foreign relations, even manipulating the Australian banking system and, most astonishingly, organizing a narcotics trade from Australian soil.

Intelligent American observers' initial disbelief needs reassessing. For in Australia a plausible case is being developed that CIA officials may have also done in Australia what they managed to achieve in Iran, Guatemala, and Chile: destroy an elected government—in the case of Australia, the Labor party government from 1972 to 1975.

The fall of Prime Minister Gough Whitlam and the appointment of current Prime Minister Malcolm Fraser met with profound relief among U.S. officials. Whitlam, perhaps the best orator in contemporary Australian history, aroused deep hostility within the U.S. intelligence community. It viewed his party and politics as, at best, benighted accomplices to Soviet undertakings. The CIA feared that secrets shared with Australia were being routinely compromised, that CIA activities and agents in Australia would soon be revealed.

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JAMES A. NATHAN is a professor of political science at the University of Delaware. He has recently returned from

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Geography and geology have conspired in directing Australia's destiny. Australia has bountiful mineral endowments and a small population-to-area ratio with a total population of 15 million. It is one of the most strategically valuable pieces of real estate on the planet. Australia sits at the southeast corner of the Indian Ocean about 2,400 miles southeast of Indonesia. Sixty-nine per cent of Japan's oil requirements, 70-80 per cent of Western Europe's, and 15 per cent of America's passes through the area between Australia and southern Africa. U.S. B-52s flying from Guam to Diego Garcia refuel in northern Australia at a base in Darwin. Australia hosts 10 American military installations. Because of their unique location, most cannot be replicated at any cost. The new U.S. Defense Guidance characterizes Australia as a critical area.

Australia has traditionally been friendly toward the United States. Tens of thousands of U.S. sailors each year are delighted to find that the computerized date-a-sailor services offered at every Australian port are overburdened with amicable Australian applicants. But things are changing. No longer do prime ministers claim, as John Gorton did in 1969, "Wherever the United States is resisting aggression . . . we will go a-waltzing Matilda with you." Evidence of a new atmosphere was the roasting Vice

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