

subject



DCI/ICS 87-4445/1

3 December 1987

MEMORANDUM FOR: Director of Central Intelligence
VIA: Deputy Director of Central Intelligence
FROM: [Redacted]
Director, Intelligence Community Staff

SUBJECT: The DCI's Annual Report to the Congress--1987 (U)

REFERENCE: Annual Report of the Director of Central Intelligence to the Congress 1986, dtd March 1987 [Redacted]

*Outline both
like a satisfactory
framework to me.
might include a section
on steps taken to ensure
objectivity and improve
oversight. Rg.*

1. Action Requested: That you sign the attached memorandum to selected members of the Intelligence Community providing them with a brief background statement and Terms of Reference for contributions to this year's Annual Report to the Congress. [Redacted]

2. Background: Since the mid-1970s, the DCI has forwarded an Annual Report to the Congress as required by Senate Resolution 400 and House Resolution 658. In the early years the report consisted of individual statements from CIA, NSA, and so forth, with an introduction written by the DCI. For the last several years, however, our approach has been to prepare a single report written from the perspective of the Intelligence Community and based on contributions by individual Community agencies. This has proven to be less cumbersome, has given the report better cohesion, and has advanced the idea that we do indeed function as a Community. [Redacted]

3. For the last two years we have organized the report on a set of themes, objectives, and concerns drawn from the National Foreign Intelligence Strategy published in 1986 and updated in 1987. Our intention has been to reiterate a sense of where the Community is going and the problems it faces as it moves to get there. We have also sought to provide the Congress an implicit understanding of the complexity attached to the intelligence task, as well as an account of the very real contributions that intelligence makes to the nation. To keep the report rooted in concrete issues, we have used a review of significant events as a backdrop for much of the discussion of consumer demands, intelligence accomplishments and shortfalls, and resource implications. The proposed Terms of Reference takes a similar approach again



SUBJECT: The DCI's Annual Report to the Congress--1987

this year. We also intend to emphasize again the need to preserve core capabilities and adapt to a changing intelligence environment. A copy of last year's report is attached for your information. [redacted] 25X1

4. Recommendations: That you note any changes you would like to make in the Terms of Reference, and that you sign the attached memorandum to initiate the Annual Report effort. [redacted] 25X1

[redacted] 25X1

Attachments:

- A. Letter to Distribution (U)
- B. Terms of Reference
- C. Letter to Aldridge [redacted] 25X1

SECRET

SUBJECT: The DCI's Annual Report to the Congress--1987

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25X1

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DCI/ICS/PPU [redacted] 1 December 1987)

25X1

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The Director of Central Intelligence

Washington, D.C. 20505

21 DEC 1987

MEMORANDUM FOR: See Distribution

SUBJECT: The DCI's Annual Report to the Congress--1987 (U)

1. My Annual Report to the Congress for 1987 will be the first I have submitted as Director of Central Intelligence. My goals for this report, however, are similar to those that have guided previous efforts. I want to give the Congress a sense of the problems that confronted us in the past year and the steps that we took to meet consumer demands. Moreover, as this is a formal opportunity for us to speak about our activities on a broad scale, I want to be sure that our accomplishments are presented in a way that highlights the contributions we make to the nation. It is important for the Congress to be aware of the return that is gained on intelligence investments. I also want to be sure that we take the opportunity to discuss shortfalls and problems that lie ahead. For the most part, the Annual Report looks back at the previous year, but the basic problems of the coming years are fairly clear and we should not fail to discuss them as well. [redacted]

25X1

2. The attached Terms of Reference contain an outline for the report. You will note that the format relies on a review of significant events as an organizing principle. When preparing your contributions, you should keep in mind the need to tie the points you wish to make to concrete examples. This will help ensure that we can clearly demonstrate how intelligence has made a difference and where value has been added. [redacted]

25X1

3. The Intelligence Community Staff will again coordinate production of the report. Please provide any comments and the name of your action officer to [redacted], Director of the ICS Planning and Policy Office, by 22 December 1987. He can be reached at [redacted]

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/s/ William H. Webster

William H. Webster

Attachment:
Terms of Reference (S)



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SUBJECT: The DCI's Annual Report to the Congress--1987

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- 4 - OUSU(P) (Mr. Craig Alderman, Jr.)
- 5 - Acting ASU(C³I) (Mr. Thomas Quinn)
- 6 - Asst Dir/Intel Division/FBI (Mr. Oliver B. Revell)
- 7 - Chmn/NIC (Mr. H. F. Hutchinson)
- 8 - Executive Director/CIA (Mr. James H. Taylor)

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SUBJECT: The DCI's Annual Report to the Congress--1987

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- 21 - D/REO
- 21 - C/LLS
- 22 - D/PPO
- 23 - PPO Subject [redacted]
- 24 - PPO Subject (Annual Report)
- 25 - PPO (Chrono)
- 26 - ICS Registry

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DCI/ICS/PPU [redacted] 30 November 1987

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TERMS OF REFERENCE

DCI's ANNUAL REPORT TO THE CONGRESS--1987

1. Background The DCI's Annual Report is an opportunity to inform the Congress of significant intelligence accomplishments and activities of the previous year. It is also a chance to discuss shortfalls and problems that lie ahead as we deal with both continuing and emerging problems and increasing consumer demands. Recent Annual Reports have reflected the concepts and judgments of the National Foreign Intelligence Strategy. This year's effort will continue that approach. [redacted]

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2. Structure The report will be a single narrative based on agency contributions, classified [redacted]. Contributions should be submitted in draft form, focus on key points, and be limited to 20-25 pages or less. Individual paragraphs should be marked with the proper classifications. If possible, the hard copy should be accompanied by a word processing disk compatible with transfer to a WANG Alliance system. In addition to text, agencies may nominate photographs or other graphic material for possible inclusion in the report. The report will be written to the following outline, with contributions to the specific sections requested as indicated. [redacted]

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Introduction (This is to be prepared by the IC Staff)

Events of Significance--1987 This Section will briefly review the significant events of 1987 that had an impact on national foreign intelligence activities or planning (examples include US Persian Gulf operations, the continuing Iran-Iraq war, arms control negotiations, Soviet domestic politics, continuing instability in the Third World, international financial uncertainties, US overseas bases' negotiations, and so forth). The intelligence implications and consequences of these events will be identified. (This is to be prepared by the National Intelligence Council. Other respondents are encouraged to identify events that had a major effect on their activities.)

Consumer Needs and Demands This Section will review major requirements and demands placed on the Community by consumers. Contributions should cite examples of global, regional, operational, or other requirements that significantly affect Community resources. The scope of requirements--from support for national objectives through unique departmental responsibilities--should be noted. (All contributors should respond.)

Providing Intelligence--A Selection Specific examples of significant intelligence activities should be discussed in some detail, citing accomplishments and shortfalls. The following list may be used as a guideline, but should not be considered all-inclusive. (All contributors should respond where appropriate.)

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Operations or Response to Crises

- The Persian Gulf

Arms Control

- Negotiations
- Verification/Monitoring

Trade and Economic Policymaking

- Trade Negotiations
- International Finance
- Energy Policy
- Technology Transfer

Soviet Military and Weapon Systems

- Weapon Capabilities
- Mobile Missiles and Other Strategic Relocatable Targets
- Use of New Technologies
- Support to the SDIO
- Soviet Military Doctrine and Strategy

The Third World

- Political Intelligence
- Building Contingency Capabilities

Counterterrorism

Narcotics

Counterintelligence and Security

Other Areas Deemed Significant by Contributors

Resources and the Years Ahead This Section will discuss the effects of resource issues and identify significant deficiencies and challenges. Discussion should focus on the following areas. Contributions should cite specific examples to buttress assertions and judgments. (All contributors should respond where appropriate or where they have a substantive interest.)

The Intelligence Environment--the Effects of Change

- Technical Challenges
- Denial and Deception
- Broadening Demands

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Supporting Operational Forces

Preserving Core Capabilities--Tradeoffs and Priorities

Major Shortfalls and Deficiencies

Resource Requirements and Constraints

People

3. Schedule Draft contributions should be delivered to the Intelligence Community Staff (Planning and Policy Office) by 22 January 1988. (U)

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