

To the point where your interests and acoustics permit, I would be delighted to take some questions. We've tried this over the years and success turns on your willingness to stand up and to shout loudly and then both I and others can hear. If there are any questions, I would be happy to take them.

Question: You mentioned the budget earlier and how frustrating it is. Do you perceive any impact from this Gramm-Ruddman-Hollins action that took place a couple of weeks ago?

Answer: I assume that all heard the question related to our budget and Gramm-Ruddman-Hollins. I don't know really any more than any of you from reading the papers about the likelihood that in the end we will have to live with Gramm-Ruddman. My instincts tell me that the Congress has an interest in getting beyond that and making it go away and therefore we'll probably emerge out from under it. I did not elect to talk much about budget matters because we don't really know what we're talking about yet, but now that you have raised the subject let me guess that in all likelihood when all is said and done we will probably emerge into FY-90 with a number of dollars to spend that is almost the same as or just slightly above what we had in FY-89. The House and the Senate have different views on how our budget ought to be changed as they go through these benalitmte stages but that would be my projection as to the likely outcome on the dollar side. On the personnel side I would guess that we will probably not receive any significant number of new positions. If we do it will be a relative handfull dedicated exclusively to narcotics or arms control. Those are the things that are on the mind of the Congress. Happily, this time around what's on their mind is also on

our mind, so that's not bad. But clearly we're in a period of a relative plateau as opposed to the significant growth that we have enjoyed over the last 10 years. But I would guess that Gramm-Ruddman will go by the board.

Question: I understand that they are in the process of having seen a revision that would pay less for 2s and 3s to encourage higher level than pay more for 4s and 5s. Is that a policy that will be coming and also whether any though has been given to allowing analysts to receive language use when they use it on a daily basis in a job the way that the DO officers do overseas.

Answer: I assume You talked about wanting more -----

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Answer: I assume that you all heard the question a couple of subset issues on the language subject. My understanding is pretty much like yours that the focus of ~~the~~ discussion on how the guidelines should be changed is likely to put less ^{of} a premium on maintenance or the acquisition of more limited skill levels and instead is likely to put a premium on increasing your skill level over time reaching obviously the higher levels. I have no problems with that in the abstract, although I have not personally seen the formulation and ^{the} liberties that we would have to interpret it. The other half of your question is a very good one and draws or parallels a contrast between our situation and that of the DO. The two situations are different. In the DO, the premium is put on speaking the language for your next assignment overseas. My feeling is that we need to be able to speak the language for a whole variety of reasons some of which I mentioned and ^{we're} are richer for it, but we also need to be sure that we have the liberty and the authority to reward people if we want for acquiring the reading knowledge of a language which in many cases is how we really use it as you mentioned day-by-day in doing our job. All of this is not yet

settled. ^{It's} ~~It is~~ being worked on and my own interest is in being sure that whatever comes out is flexible enough that it applies to our situation, as well as to the larger numbers involved in the DO.

The lights make it a little difficult for me to see all of you. If there are questions, I am happy to take them. If there are not, let me say that this has been a rare opportunity for me. I certainly enjoy giving you a roundup of what we have been doing, important and unimportant and my proposal would be to do this periodically. The implicit message of course is that I and and other managers ^{of} in the Directorate are interested in making these changes to accomplish the goals that I laid out, and if you have suggestions either about those goals or how to get there better and quicker, by all means let us know. Thank you very much.

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27 OCT 1989

~~OF~~
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Shih B

MEMORANDUM FOR: All DI Employees

SUBJECT: DDI Address.

1. The DDI will meet with DI personnel on Thursday, 2 November, at 2:30 pm in the Headquarters Auditorium. He plans to address the Directorate's recent accomplishments as well as our plans and directions for the future.

2. All employees are encouraged to attend. Seating will be available beginning at 2:00 pm. A question and answer period will follow. A videotape of the presentation will be available at a later date.



Chief, Management, Planning and Services

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