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THE TRADITIONAL FUNCTIONS OF NATIONAL INTELLIGENCE
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OVER THE YEARS, PUBLIC VIEWS OF AMERICAN INTELLIGENCE AND ITS ROLE IN FOREIGN POLICY HAVE BEEN SHAPED PRIMARILY BY MOVIES, TELEVISION, NOVELS, NEWSPAPERS, BOOKS BY JOURNALISTS, HEADLINES GROWING OUT OF CONGRESSIONAL INQUIRIES, EXPOSES BY FORMER INTELLIGENCE OFFICERS, AND ESSAYS BY "EXPERTS" WHO EITHER HAVE NEVER SERVED IN AMERICAN INTELLIGENCE OR HAVE SERVED AND STILL NOT UNDERSTOOD ITS ROLE. THE CIA, THE ONLY STATUTORY NATIONAL INTELLIGENCE ORGANIZATION, IS SAID TO BE AN "INVISIBLE GOVERNMENT" YET IT IS THE MOST VISIBLE, MOST EXTERNALLY SCRUTINIZED, AND MOST PUBLICIZED INTELLIGENCE SERVICE IN THE WORLD. WHILE THE CIA IS SOMETIMES ABLE TO REFUTE PUBLICLY ALLEGATIONS AND CRITICISM, USUALLY IT MUST REMAIN SILENT. THE RESULT IS A CONTRADICTORY MELANGE OF IMAGES OF THE CIA AND VERY LITTLE KNOWLEDGE OR UNDERSTANDING OF ITS FUNCTIONS OR REAL ROLE IN AMERICAN GOVERNMENT. I WOULD LIKE TO DISCUSS THESE TONIGHT.

LET ME DESCRIBE BRIEFLY THE THREE BASIC FUNCTIONS OF NATIONAL INTELLIGENCE -- OF CIA -- AS SET FORTH IN THE 1947 NATIONAL SECURITY ACT AND EVOLVED IN SUBSEQUENT YEARS.

COLLECTION

THE FIRST IS THE COLLECTION OF INTELLIGENCE WORLDWIDE. US INTELLIGENCE GATHERS ITS INFORMATION FROM A VARIETY OF SOURCES. THE TYPES OF SOURCES WE DRAW UPON ARE WELL KNOWN. OUR INFORMATION COMES FROM SATELLITES, FROM NEWSPAPERS, PERIODICALS, RADIO AND TELEVISION WORLDWIDE, FROM DIPLOMATS AND MILITARY ATTACHES OVERSEAS, AND, OF COURSE, FROM SECRET AGENTS. ALL OF THIS INFORMATION, BILLIONS OF BITS AND PIECES OF DATA ON GLOBAL DEVELOPMENTS AND ISSUES OF INTEREST TO THE UNITED STATES, FLOWS TO WASHINGTON WHERE IT GOES TO THE ANALYSTS. MUCH OF OUR MOST VALUABLE INFORMATION COMES FROM THE VOLUNTARY, OVERT COOPERATION OF BUSINESSMEN, ACADEMICIANS AND OTHERS WHO ARE WILLING TO SHARE WITH US INFORMATION THEY ACQUIRE WHEN TRAVELING OVERSEAS. OUR DEPENDENCE ON DIFFERENT SOURCES OF INFORMATION VARIES FROM ISSUE TO ISSUE. ON SOME, SUCH AS SOVIET WEAPONS DEVELOPMENT, WE DEPEND HEAVILY ON SATELLITES AND SPIES. ON OTHERS, SUCH AS INTERNATIONAL ECONOMIC AFFAIRS, WE DEPEND HEAVILY ON OPEN LITERATURE AND EMBASSY REPORTING. BUT, IN ALL CASES, WHAT CLEARLY DISTINGUISHES INFORMATION AS SUITABLE FOR INTELLIGENCE EXPLOITATION IS ITS RELEVANCE TO US NATIONAL SECURITY POLICIES AND INTERESTS.

ANALYSIS

THE SECOND FUNCTION -- THE CORRELATION, EVALUATION AND DISSEMINATION OF INTELLIGENCE, OR ANALYSIS, IS THE ONLY FUNCTION OF CIA SPECIFICALLY AUTHORIZED BY THE 1947 NATIONAL SECURITY ACT. INDEED, CIA'S CREATION DERIVED FROM DETERMINATION TO PREVENT ANOTHER PEARL HARBOR: TO ENSURE THAT ALL AVAILABLE INTELLIGENCE WOULD BE COLLATED AND EVALUATED IN ONE PLACE AND PROVIDED TO THOSE WHO NEED IT.

AS INFORMATION FLOWS TO WASHINGTON, ANALYSTS WITH EXPERTISE IN SCORES OF DISCIPLINES COLLATE AND TRY TO MAKE SENSE OF IT. THE CIA THEN REPORTS ITS FINDINGS TO POLICY OFFICIALS AND TO THE MILITARY SERVICES. IT IS THE COMPREHENSIVENESS OF THE CIA'S COLLECTION AND ANALYSIS, THE AGENCY'S FOCUS ON THE NATIONAL SECURITY INTERESTS OF THE UNITED STATES AND THE ADVANTAGE OF ITS HAVING KNOWLEDGE BEFORE ANYONE ELSE THAT MAKE THE CIA'S INTELLIGENCE VALUABLE TO THE POLICYMAKER. FURTHERMORE, THE CIA OFTEN MAKES A CONTRIBUTION SIMPLY BY ORGANIZING FACTS IN A CLEAR AND CONCISE WAY, BY PROVIDING THE SAME FACTS TO A RANGE OF DIFFERENT ORGANIZATIONS, BY IDENTIFYING THE IMPORTANT QUESTIONS -- AND BY TRYING TO ANSWER THEM.

THIS INFORMATION FINDS ITS WAY TO THE POLICYMAKER IN SEVERAL WAYS. FIRST, INTELLIGENCE ON DAY-TO-DAY EVENTS AND

DEVELOPMENTS AROUND THE WORLD IS PROVIDED TO SENIOR OFFICIALS DAILY OR EVEN SEVERAL TIMES A DAY. EARLY EACH MORNING A WRITTEN BRIEFING IS DELIVERED TO THE WHITE HOUSE FOR THE PRESIDENT. AS DIRECTED BY PRESIDENT REAGAN IN 1981, OFFICERS OF THE CIA'S ANALYSIS DIRECTORATE ALSO FAN OUT ACROSS WASHINGTON EACH MORNING TO SHARE COPIES OF THE PRESIDENT'S BRIEFING WITH THE VICE PRESIDENT, THE SECRETARIES OF STATE AND DEFENSE, THE NATIONAL SECURITY ADVISER AND THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF. DURING CRISES, SITUATION REPORTS ARE PROVIDED EVERY FEW HOURS.

SECOND, THE CIA CONTRIBUTES ANALYSIS TO POLICY PAPERS, BY DESCRIBING BOTH CURRENT EVENTS AND POTENTIAL OPPORTUNITIES OR PROBLEMS FOR THE UNITED STATES. NEARLY ALL NSC AND SUB-CABINET MEETINGS BEGIN WITH A BRIEFING BY THE DIRECTOR OF CENTRAL INTELLIGENCE OR A SUBORDINATE EXPERT.

THIRD, NATIONAL INTELLIGENCE ESTIMATES CAN PLAY AN IMPORTANT ROLE IN THE MAKING OF POLICY. AN ESTIMATE PROVIDES A FACTUAL REVIEW OF A SUBJECT AND FORECASTS FUTURE DEVELOPMENTS. IN RECENT YEARS A HIGH PREMIUM HAS BEEN PLACED ON THE PRESENTATION OF DIVERSE POINTS OF VIEW AND ALTERNATIVE SCENARIOS -- THE DIFFERENT WAYS EVENTS MAY PLAY OUT, AND WITH WHAT LIKELY CONSEQUENCES. BUT, ALWAYS, A "BEST ESTIMATE" IS OFFERED; THE INTELLIGENCE COMMUNITY OWES THE POLICYMAKER THAT.

THESE ESTIMATES -- MORE THAN A HUNDRED WERE DONE LAST YEAR -- ARE PREPARED BY ANALYSTS FROM DIFFERENT INTELLIGENCE AGENCIES UNDER THE SUPERVISION OF THE SENIOR SUBSTANTIVE EXPERT IN THE INTELLIGENCE COMMUNITY, KNOWN AS THE NATIONAL INTELLIGENCE OFFICER. ESTIMATES ARE THE MOST FORMAL EXPRESSION OF THE INTELLIGENCE COMMUNITY'S VIEWS. ALL OF THE INTELLIGENCE AGENCIES OF THE GOVERNMENT BOTH CONTRIBUTE TO AND COORDINATE WHAT IS WRITTEN IN NATIONAL ESTIMATES. THE BEST KNOWN OF THESE ARE THE ANNUAL ESTIMATES ON SOVIET STRATEGIC MILITARY FORCES.

FOURTH, POLICYMAKERS RECEIVE SPECIALIZED ASSESSMENTS BY INDIVIDUAL AGENCIES. THE CIA'S ASSESSMENTS AND RESEARCH PAPERS ARE THE PRODUCTS OF THE LARGEST INTELLIGENCE ANALYSIS ORGANIZATION IN THE WORLD. THE RANGE OF ISSUES IS BREATHTAKING -- FROM STRATEGIC WEAPONS TO FOOD SUPPLIES, EPIDEMIOLOGY TO SPACE, WATER AND CLIMATE TO THIRD WORLD POLITICAL INSTABILITY, MINERAL AND ENERGY RESOURCES TO INTERNATIONAL FINANCE, SOVIET LASER WEAPONS TO REMOTE TRIBAL DEMOGRAPHICS, CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION TO COMMODITY SUPPLIES, AND MANY, MANY MORE.

COVERT ACTION

THE THIRD FUNCTION OF NATIONAL INTELLIGENCE -- OF CIA -- IS THE IMPLEMENTATION OF COVERT ACTION. COVERT ACTION IS AN INSTRUMENT FOR PROTECTING OR ADVANCING AMERICAN NATIONAL

SECURITY INTERESTS IN THOSE CASES WHEN IT IS ESSENTIAL THAT AMERICAN INVOLVEMENT BE HIDDEN OR AT LEAST NOT OFFICIALLY ACKNOWLEDGED. THE FIRST AND MOST IMPORTANT THING TO UNDERSTAND ABOUT COVERT ACTION IS THAT IT DOES NOT REPRESENT SOME SORT OF INDEPENDENT CIA FOREIGN POLICY. THE DECISION TO USE COVERT ACTION IS A POLICY DECISION MADE BY THE NATIONAL SECURITY COUNCIL -- THE PRESIDENT, VICE PRESIDENT AND THE SECRETARIES OF STATE AND DEFENSE. AND IT IS CIA'S RESPONSIBILITY TO IMPLEMENT SUCH DECISIONS.

UNDER THE LAW, THE PRESIDENT MUST SIGN A DOCUMENT KNOWN AS A "FINDING" TO AUTHORIZE SUCH COVERT ACTIONS. THESE FINDINGS ARE SHARED WITH THE TWO INTELLIGENCE OVERSIGHT COMMITTEES AND THE FUNDS FOR THEIR IMPLEMENTATION ARE APPROVED BY CONGRESS. THERE HAVE BEEN THREE EXCEPTIONS TO THIS PROCESS OVER THE PAST DECADE OR SO, ALL RELATING TO IRAN.

YOU CAN READ DOZENS OF BOOKS ABOUT PAST COVERT ACTIONS -- MOST OF THEM CRITICAL, BUT I WOULD LIKE TO MAKE A FEW OBSERVATIONS. ONLY ABOUT 3% OF CIA'S PEOPLE ARE INVOLVED IN COVERT ACTION. ABOUT 5% OF THE NATIONAL INTELLIGENCE BUDGET IS DEVOTED TO COVERT ACTION. WITH VERY FEW EXCEPTIONS, THE ONLY COVERT ACTIONS YOU TEND TO HEAR ABOUT ARE THOSE THAT FAILED. IN A NUMBER OF INSTANCES, IN MY JUDGMENT, THIS HAS BEEN BECAUSE THE COVERT ACTION WAS DECIDED UPON BY POLICYMAKERS AS A LAST DITCH EFFORT TO INFLUENCE EVENTS WHERE ALL OVERT MEANS PREVIOUSLY HAD FAILED. AS A COROLLARY, COVERT ACTIONS TEND TO

FAIL IF THEY ARE DONE IN ISOLATION FROM THE USE OF OTHER, OVERT INSTRUMENTS OF POLICY, OR IF THE COVERT ACTION IS UNDERTAKEN AS A SUBSTITUTE FOR OR IN THE ABSENCE OF A CLEAR POLICY. CONTRARY TO POPULAR IMPRESSIONS, THE CONGRESSIONAL INTELLIGENCE COMMITTEES HAVE BEEN BROADLY SUPPORTIVE OF COVERT ACTION. WITH A VERY FEW EXCEPTIONS -- MOST OBVIOUSLY IN CENTRAL AMERICA -- THERE HAS BEEN BROAD BIPARTISAN SUPPORT FOR OR AT LEAST TOLERANCE OF MOST OF THE COVERT ACTIONS UNDERTAKEN BY PRESIDENTS CARTER AND REAGAN -- MOST OF WHICH HAVE NEVER BECOME KNOWN PUBLICLY. IN MY VIEW, CIA SHOULD NOT BE AN ADVOCATE OF COVERT ACTION BUT RATHER AN IMPLEMENTING INSTRUMENT. THE DECISION TO USE COVERT ACTION IS A POLICY DECISION. IT IS THE RESPONSIBILITY OF SENIOR MANAGERS IN CIA, AS WELL AS THE EXECUTIVE AND CONGRESSIONAL OVERSIGHT PROCEDURES, TO ENSURE THAT SUCH ACTIONS DO NOT TAKE ON A LIFE OF THEIR OWN AND PROCEED OVER A PERIOD OF TIME WITHOUT REGARD TO CHANGING CIRCUMSTANCES OR POLICIES, RELEVANCE, OR EFFECTIVENESS. FINALLY, IT IS CIA'S RESPONSIBILITY TO BE SCRUPULOUS IN KEEPING OUR OVERSIGHT COMMITTEES PROPERLY INFORMED ABOUT COVERT ACTION. IF THERE IS TO BE CONTROVERSY, IT SHOULD BE ABOUT THE POLICY, NOT HOW WE HAVE CARRIED OUT OUR RESPONSIBILITY TO THE COMMITTEES.

CONGRESS

THERE IS A FOURTH FUNCTION OF INTELLIGENCE THAT IS RELATIVELY NEW AND THAT IS ITS RELATIONSHIP TO AND SUPPORT OF

THE CONGRESS. SINCE THE MID-1970S, VIRTUALLY ALL CIA ASSESSMENTS AS WELL AS THOSE OF THE OTHER PRINCIPAL INTELLIGENCE AGENCIES, HAVE GONE TO THE TWO CONGRESSIONAL INTELLIGENCE COMMITTEES. MOST GO ALSO TO THE APPROPRIATIONS, FOREIGN RELATIONS AND ARM SERVICES COMMITTEES. EIGHT CONGRESSIONAL COMMITTEES GET THE CIA'S DAILY NATIONAL INTELLIGENCE REPORT. IN 1986 THE CIA ALONE SENT SOME 5,000 INTELLIGENCE REPORTS TO CONGRESS AND GAVE MANY HUNDREDS OF BRIEFINGS. OFTEN THANKS TO THEIR STAFFS, MANY SENATORS AND REPRESENTATIVES ARE AS WELL, IF NOT BETTER, INFORMED ABOUT INTELLIGENCE INFORMATION AND ASSESSMENTS ON A GIVEN SUBJECT THAN CONCERNED POLICYMAKERS. MOREOVER, THIS INTELLIGENCE IS OFTEN USED TO CRITICIZE AND CHALLENGE POLICY, TO SET ONE EXECUTIVE AGENCY AGAINST ANOTHER AND TO EXPOSE DISAGREEMENTS WITHIN AN ADMINISTRATION. BY THE SAME TOKEN, I REGARD THE DISTRIBUTION OF INTELLIGENCE REPORTS TO CONGRESS AS AN IMPORTANT ADDED PROTECTION FOR THE OBJECTIVITY AND INTEGRITY OF OUR ASSESSMENTS.

MOST SPECIALISTS WRITING ABOUT THE CHANGE IN RECENT YEARS IN THE BALANCE OF POWER BETWEEN THE EXECUTIVE AND CONGRESS ON NATIONAL SECURITY POLICY CITE WATERGATE AND VIETNAM AS PRIMARY CAUSES. I BELIEVE THERE WAS A THIRD PRINCIPAL FACTOR: THE OBTAINING, BY CONGRESS IN THE MID 1970S, OF ACCESS TO INTELLIGENCE INFORMATION ESSENTIALLY EQUAL TO THAT OF THE EXECUTIVE BRANCH.

THIS SITUATION ADDS EXTRAORDINARY STRESS TO THE RELATIONSHIP BETWEEN CIA AND THE POLICY AGENCIES. POLICYMAKERS' SUSPICIONS THAT THE CIA USES INTELLIGENCE TO SABOTAGE SELECTED ADMINISTRATION POLICIES ARE OFTEN BARELY CONCEALED. AND MORE THAN A FEW MEMBERS OF CONGRESS ARE WILLING TO EXPLOIT THIS SITUATION BY THEIR OWN SELECTIVE USE OF INTELLIGENCE THAT SUPPORTS THEIR VIEWS. THE END RESULT IS A STRENGTHENING OF THE CONGRESSIONAL HAND IN POLICY DEBATES AND A GREATER HEIGHTENING OF THE TENSIONS BETWEEN CIA AND THE REST OF THE EXECUTIVE BRANCH.

I MIGHT ADD THAT THE OVERSIGHT PROCESS ALSO HAS GIVEN CONGRESS -- ESPECIALLY THE TWO INTELLIGENCE COMMITTEES -- FAR GREATER KNOWLEDGE OF AND INFLUENCE OVER THE WAY CIA AND OTHER INTELLIGENCE AGENCIES SPEND THEIR MONEY THAN ANYONE IN THE EXECUTIVE BRANCH WOULD DREAM OF EXERCISING. CONGRESS HAS BEEN IMMENSELY SUPPORTIVE AND STEADFAST OVER THE PAST TEN YEARS IN PROVIDING THE RESOURCES TO REBUILD AMERICAN INTELLIGENCE. BUT I SUSPECT IT CAUSES POLICYMAKERS CONSIDERABLE HEARTBURN TO KNOW THAT CONGRESS MAY ACTUALLY HAVE MORE INFLUENCE TODAY OVER INTELLIGENCE PRIORITIES AND ALLOCATION OF RESOURCES THAN THE EXECUTIVE BRANCH.

THE INTELLIGENCE-POLICYMAKER TANGLE

EACH OF THE FOUR FUNCTIONS OF INTELLIGENCE THAT I HAVE DESCRIBED -- COLLECTION, ANALYSIS, COVERT ACTION, AND THE

RELATIONSHIP WITH CONGRESS -- AFFECTS THE RELATIONSHIP BETWEEN CIA AND THE POLICYMAKER. SHERMAN KENT, A PROFESSOR OF HISTORY AT YALE WHO BECAME A SENIOR ANALYST IN THE OFFICE OF STRATEGIC SERVICES AND WAS LATER DIRECTOR OF CIA'S OFFICE OF NATIONAL ESTIMATES, WROTE IN 1949: "THERE IS NO PHASE OF THE INTELLIGENCE BUSINESS WHICH IS MORE IMPORTANT THAN THE PROPER RELATIONSHIP BETWEEN INTELLIGENCE ITSELF AND THE PEOPLE WHO USE ITS PRODUCT. ODDLY ENOUGH, THIS RELATIONSHIP, WHICH ONE WOULD EXPECT TO ESTABLISH ITSELF AUTOMATICALLY, DOES NOT DO THIS." THE FACT IS THAT OVER THE YEARS THE POLICYMAKER AND THE INTELLIGENCE OFFICER HAVE CONSISTENTLY (AND WITH FRIGHTENINGLY FEW EXCEPTIONS) COME TOGETHER HUGELY IGNORANT OF THE REALITIES AND COMPLEXITIES OF EACH OTHERS WORLDS -- PROCESS, TECHNIQUE, FORM AND CULTURE. CIA OFFICERS CAN DESCRIBE IN EXCRUCIATING DETAIL HOW FOREIGN POLICY IS MADE IN EVERY COUNTRY IN THE WORLD SAVE ONE -- THE UNITED STATES. BY THE SAME TOKEN, AS SUGGESTED BY PROFESSOR YEHOSHAFAT HARKABI, THE UNHAPPINESS OF INTELLIGENCE PEOPLE "SWELLS WHEN THEY COMPARE THE SOPHISTICATION AND ADVANCED METHODS EMPLOYED IN THE COLLECTION OF THE INFORMATION AND THE PRODUCTION OF INTELLIGENCE AGAINST THE CAVALIER FASHION OR IMPROVISATION WITH WHICH POLICY DECISIONS ARE MANY A TIME REACHED."

INDEED, MY DESCRIPTION AT THE OUTSET OF MY REMARKS OF THE FUNCTIONS OF INTELLIGENCE DOES NOT ADDRESS CENTRAL QUESTIONS SUCH AS WHETHER CERTAIN USERS OF INTELLIGENCE SEEK, NOT DATA OR UNDERSTANDING, BUT SUPPORT FOR DECISIONS ALREADY MADE; WHETHER

THEY SELECTIVELY USE OR MISSTATE INTELLIGENCE TO INFLUENCE PUBLIC DEBATE OVER POLICY; WHETHER THEY DISINGENUOUSLY LABEL INTELLIGENCE THEY DISLIKE AS TOO SOFT, TOO HARD, OR "COOKED"; WHETHER SOME INTELLIGENCE OFFICERS ARE ADDRESSING PERSONAL AGENDAS OR BIASES. IT DOES NOT TAKE INTO ACCOUNT THE UNHAPPINESS OF POLICYMAKERS WITH INTELLIGENCE THAT CHALLENGES THE ADEQUACY OF POLICIES OR ACCURACY OF POLICYMAKER PRONOUNCEMENTS. IT DOES NOT REVEAL THE IMPLICATIONS FOR INTELLIGENCE AND POLICY OF A CIA DIRECTOR WHO IS HELD AT TOO GREAT A DISTANCE FROM THE PRESIDENT, OR OF ONE WHO IS TOO CLOSELY ASSOCIATED. IT DOES NOT TREAT POLICYMAKERS' FRUSTRATIONS WITH INADEQUATE, AMBIGUOUS OR LATE INTELLIGENCE; WITH CONSTANTLY CHANGING EVALUATIONS, WITH ANALYSIS THAT IS JUST PLAIN WRONG, OR THE USE OF INTELLIGENCE AS A POLITICAL FOOTBALL IN STRUGGLES BETWEEN GOVERNMENT DEPARTMENTS OR BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCHES. AND, FINALLY, MY DESCRIPTION DOES NOT DEAL WITH THE PREOCCUPATION OF POLICYMAKERS WITH CURRENT REPORTING AS OPPOSED TO LONGER RANGE ISSUES, OR THE ABDICATION OF POLICYMAKERS FROM THEIR INTELLIGENCE GUIDANCE RESPONSIBILITIES.

EVEN WITH THIS LITANY OF PROBLEMS, THE DIALOGUE AND RELATIONSHIP BETWEEN POLICYMAKERS AND INTELLIGENCE OFFICERS IS, ON THE WHOLE, A VITAL AND HEALTHY ONE; THE INHERENT STRESSES ARE MANAGED CONSTRUCTIVELY AND TO GOOD PURPOSE. AND, IN THIS RELATIONSHIP, THE OBJECTIVITY AND INTEGRITY OF ASSESSMENTS HAVE BEEN PROTECTED. ON SUBJECTS SUCH AS VIETNAM, VARIOUS ASPECTS

OF SOVIET POLICY AND BEHAVIOR, ANGOLA, LEBANON, IRAN AND THE EFFECTIVENESS OF VARIOUS EMBARGOES OR SANCTIONS, AS WELL AS ON A NUMBER OF OTHER EVENTS AND ISSUES, THE CIA'S ANALYSTS HAVE DRAWN CONCLUSIONS THAT HAVE DASHED COLD WATER ON THE HOPES AND EFFORTS OF POLICYMAKERS. SOMETIMES THE CIA ANALYSTS HAVE BEEN WRONG, MORE OFTEN THEY HAVE BEEN RIGHT; BUT ON PROBLEMS BOTH LARGE AND SMALL THE AGENCY HAS NOT FLINCHED FROM PRESENTING ITS HONEST VIEW.

THE FUTURE

I HAVE FOCUSED MY REMARKS ON TRADITIONAL FUNCTIONS OF NATIONAL INTELLIGENCE, CIA, AND THE RELATIONSHIPS BETWEEN CIA, THE EXECUTIVE BRANCH AND THE CONGRESS. BEFORE CLOSING, I WOULD LIKE TO MENTION SEVERAL TRENDS THAT DOMINATE OUR WORK NOW AND ALMOST CERTAINLY IN THE FUTURE:

- AS WE CONTEMPLATE THE STRATEGIC RELATIONSHIP WITH THE SOVIET UNION, A DOMINATING REALITY IS THAT THE MARGIN FOR ERROR OF US INTELLIGENCE STEADILY IS BECOMING NARROWER. THE COSTS OF MISESTIMATING OR OF MISCALCULATING WILL BE HIGH. THIS IS AT A TIME WHEN SOVIET WEAPONS ARE PRODUCED WITH GREATER SECRECY, HIGHER TECHNOLOGY AND MORE EFFORT TO MISLEAD US THAN EVER BEFORE, AND WHEN THE DEMANDS ON US FOR MONITORING COMPLIANCE WITH ARMS CONTROL ARE BECOMING ALWAYS MORE COMPLEX AND DETAILED.

- INTELLIGENCE FOR SOME YEARS NOW HAS BEEN MARKED BY A GROWING DIVERSITY OF THE PROBLEMS AND ISSUES IT IS EXPECTED TO ADDRESS. TODAY, THE SOVIET UNION AND CHINA TOGETHER PROBABLY ACCOUNT FOR NO MORE THAN HALF OF OUR OVERALL WORK. THE DIVERSITY OF ISSUES THAT WE COVER -- WHICH I DESCRIBED EARLY IN MY REMARKS -- IS EXPANDING EVERY DAY.

- THE GROWING DIVERSITY OF ISSUES HAS BEEN ACCOMPANIED BY GROWING NUMBER AND DIVERSITY OF THE USERS OF INTELLIGENCE. WE NOW SUPPLY INTELLIGENCE TO NEARLY EVERY DEPARTMENT AND AGENCY OF THE GOVERNMENT AS WELL AS TO THE CONGRESS. AND WE ARE UNDER INCREASING PRESSURE TO PROVIDE MORE INFORMATION FOR THE PUBLIC.

- INTELLIGENCE INCREASINGLY IS BECOMING CENTRAL IN POLICY DELIBERATIONS. FOR EXAMPLE, THE CAPACITY OF US INTELLIGENCE TO MONITOR OR VERIFY SOVIET COMPLIANCE WITH ARMS CONTROL AGREEMENTS INCREASINGLY IS DRIVING THE NEGOTIATING PROCESS. AGREEMENTS THAT CANNOT BE INDEPENDENTLY VERIFIED BY THE UNITED STATES PROBABLY CANNOT BE RATIFIED. SIMILARLY, IN TECHNOLOGY TRANSFER, COUNTERNARCOTICS, COUNTERTERRORISM AND A RANGE OF OTHER ISSUES, INTELLIGENCE IS PROVIDING THE STRATEGIC CONTEXT AS WELL AS TACTICAL INFORMATION.

-- FINALLY, INCREASINGLY, INTELLIGENCE IS THE ONLY PART OF THE AMERICAN GOVERNMENT THAT IS LOOKING AHEAD -- WHAT I CALL "SCOUTING THE FUTURE". WE ARE INCREASINGLY ALONE IN IDENTIFYING PROBLEMS AND OPPORTUNITIES THIS COUNTRY WILL ENCOUNTER OVERSEAS FIVE OR TEN YEARS FROM NOW OR EVEN WELL INTO THE 21ST CENTURY.

CONCLUSION

THE REAL INTELLIGENCE STORY IN RECENT YEARS IS THE SIGNIFICANT IMPROVEMENT IN THE QUALITY, RELEVANCE AND TIMELINESS OF INTELLIGENCE ASSISTANCE TO POLICYMAKERS -- A STORY THAT WITH RARE ANECDOTAL EXCEPTIONS CANNOT BE PUBLICLY DESCRIBED, IN CONTRAST TO THE PUBLICITY SURROUNDING CONTROVERSIAL COVERT ACTIONS, PROBLEMS BETWEEN THE CIA AND THE CONGRESS, AND SPY SCANDALS. WE CANNOT HOPE TO COUNTER THE AVALANCHE OF ALLEGATIONS AGAINST US IN THE DAILY NEWS. SOMETIMES IT SEEMS THAT EVERY ACCUSED MURDERER AND DRUG DEALER IN THE COUNTRY CLAIMS TO HAVE BEEN WORKING FOR US. THE ALLEGATIONS ALWAYS SEEM TO MAKE PAGE 1; THE REFUTATIONS OR FACTS, IF THEY APPEAR AT ALL, ARE IN THE BACK PAGES. THE MYSTIQUE AND MYTHOLOGY OF CIA -- AND OUR SILENCE WHEN ATTACKED -- MAKE US A DANDY TARGET. ACCORDINGLY, I WOULD URGE YOU TO BE SKEPTICAL READERS OF INTELLIGENCE STORIES -- GOOD OR BAD.

THE FACT IS, CIA CANNOT ADVERTISE BETTER COLLECTION OR INTELLIGENCE ANALYSIS. CIA OFFICERS UNDERSTAND THIS POLITICAL

REALITY, BUT IT IS IMPERATIVE THAT AMERICANS KNOW THAT THE CIA'S PRIMARY MISSION REMAINS THE COLLECTION AND ANALYSIS OF INFORMATION. THIS IS THE CIA'S PRINCIPAL ROLE IN THE MAKING OF AMERICAN FOREIGN POLICY. THE PRESIDENT, THE POLICY COMMUNITY AND THE CONGRESS DEPEND UPON THE CIA, TASK IT AND LOOK TO IT MORE EACH DAY. THE CIA ATTRACTS AMERICA'S MOST CAPABLE YOUNG PEOPLE, WHO FIND THEIR WORK WITH THE AGENCY TO BE AN EXCEPTIONALLY CHALLENGING, HONORABLE AND CONSISTENTLY FASCINATING CAREER. AS JOHN RANELAGH OBSERVES IN HIS RECENTLY PUBLISHED HISTORY OF THE CIA, "IN ITS MOMENTS OF ACHIEVEMENT AS WELL AS CONDEMNATION, THE AGENCY WAS A REMINDER THAT IT WAS A FAITHFUL INSTRUMENT OF THE MOST DECENT AND PERHAPS THE SIMPLEST OF THE GREAT POWERS, AND CERTAINLY THE ONE THAT EVEN IN ITS DARKEST PASSAGES PRACTICED MOST CONSISTENTLY THE VIRTUE OF HOPE."

THE UNITED STATES HAS THE FINEST GLOBAL INTELLIGENCE SERVICE IN THE WORLD. FAITHFUL TO THE CONSTITUTION AND THE LAW, IT HELPS TO SAFEGUARD OUR FREEDOM AGAINST OUR ADVERSARIES AND HELPS THE POLICYMAKER UNDERSTAND AND DEAL WITH THE OFTEN DANGEROUS WORLD AROUND US. INTELLIGENCE IS AMERICA'S FIRST LINE OF DEFENSE -- ITS EYES AND EARS, AND, AT TIMES, ITS HIDDEN HAND. AND, JUST POSSIBLY, AMERICA IS AT PEACE TONIGHT BECAUSE AROUND THE WORLD, FROM SHADOWY STREETS TO THE DEPTHS OF SPACE, AMERICA'S INTELLIGENCE SERVICES ARE ON GUARD -- KEEPING THE WATCH.