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## AMERICAN INTELLIGENCE YESTERDAY, TODAY AND TOMORROW

There was a time only 40 years ago when William J. Donovan, a New York lawyer, was a one man CIA for Franklin Roosevelt. His World War I Congressional Medal of Honor and his nickname of "Wild Bill" implanted on him the image of a swashbuckling adventurer. In reality he was a mild, softspoken intellectual, whose deepest interest was intelligence.

As the outstanding investigative lawyer of his time, Donovan had learned how to gather a huge array of facts, sift and analyze them, assess their meaning, arrive at a conclusion and present it vividly. He persuaded President Roosevelt that it would be critical in fighting a war and preserving the peace to develop and apply this ability on a worldwide scale.

By the time Pearl Harbor came, Donovan had gathered hundreds of the finest scholars in America and had them processing geographic, scientific, political and military information in the Library of Congress. Two years later, Donovan had scoured our campuses and mobilized thousands of the finest scholars in America. He had assembled what had to be the most diverse aggregation ever assembled of tycoons and scientists, bankers and foreign correspondents, psychologists and football stars, circus managers and circus freaks, safe crackers, lock pickers and pickpockets, playwrights and journalists, novelists and professors of literature, advertising and broadcasting talent. He drew on the great American melting pot to create small teams of Italian Americans, Franco-Americans, Norwegian Americans, Slavic Americans, Greek Americans.

What did he do with this array of talent? He used it to create intelligence networks behind enemy lines, to support the resistance forces which oppression always creates, to bring disaffected enemy officers over to our side, to dream up scenarios to manipulate the mind of the enemy in deception and psychological warfare programs.

But above all he created a machinery to evaluate, sift and analyze.

Intelligence has many facets. It is a very uncertain, fragile and complex commodity:

First, you have to get a report.

Then you have to decide whether it's real or fake.

Then, whether it's true or false as you find out what other intelligence supports or contradicts it.

Then, you fit it into a broad mosaic.

Then, you figure out what it all means.

Then, you have to get the attention of someone who can make a decision, and,

Then, you have to get him to act.

That's the way it was at the inception of modern American intelligence when Lyman Kirkpatrick and I were in the OSS together and that, at bottom, is the way it is today. But, over the years, my predecessors have changed intelligence and made it far more than a simple spy service. They developed

a great center of scholarship and research, with as many Doctors and Masters in every kind of art and science as any university campus. They have produced a triumph of technology, stretching from the depths of the oceans to the limits of outer space. Using photography, electronics, acoustics and other technological marvels, we learn things totally hidden on the other side of the world. In the SALT debate, for example, Americans openly discussed the details of the Soviet missiles. These are held most secret in the Soviet Union, but are revealed by our intelligence systems.

All this has produced a staggering array of information, a veritable Niagara of facts. But facts can confuse. The strong picture is not worth a thousand words. No photo, no electronic impulse can substitute for direct, on-the-scene knowledge of the key actors in a given country or region. Technical collection is of little help in the most important and difficult problem of all -- political intentions. This is where clandestine human intelligence can make a difference.

The highest duty of a Director of Central Intelligence is to produce solid and perceptive national intelligence estimates relevant to the issues with which the President and the National Security Council need to concern themselves. When Bedell Smith took office as Director of Central Intelligence, he was told that President Truman was leaving in 20 hours to consult with General MacArthur at Wake Island and that he would want seven intelligence estimates to study on the plane. Smith assembled the chiefs of the intelligence community in the Pentagon at 4 p.m., divided them and their staffs into 7 groups, told them they would work all night and have their assigned estimate ready for delivery at 8 a.m. President Truman had his estimates as he took off for his discussions with General MacArthur.

Over the years and particularly during the last decade a lot of criticism has been levied at our national intelligence estimates.

Much of the criticism is based on unrealistic expectations of what an intelligence service can do. The CIA does not have powers of prophecy. It has no crystal ball that can peer into the future with 20-20 sight. We are dealing with "probable" developments.

If we can't expect infallible prophecy from the nation's investment in intelligence, what can we expect? We can expect foresight. We can expect a careful definition of possibilities. We can expect professional analysis which probes and weighs probabilities and assesses their implications. We can expect analyses that assist the policymakers in devising ways to prepare for and cope with the full range of probabilities. The President does not need a single best view, a guru, or a prophet. The nation needs the best analysis and the full range of views it can get.

The process of analysis and arriving at estimates needs to be made as open and competitive as possible. We need to resist the bureaucratic urge for consensus.

We don't need analysts spending their time finding a middle ground or weasel words to conceal disagreement. Their time needs to go into evaluating information -- searching for the meaning and the implications of events and trends -- and expressing both their conclusions and their disagreements clearly. The search to unify the intelligence community around a single homogenized estimate serves policymakers badly. It buries valid differences,

forcing the intelligence product to the lowest or blandest common denominator. The search for consensus also cultivates the myth of infallibility. It implicitly promises a reliability that cannot be delivered. Too frequently, it deprives the intelligence product of relevance and the policymaker of the range of possibilities for which prudence requires that he prepare.

Above all, the policymaker needs to be protected from the conventional wisdom. Let me give you some horrible examples.

Before there was a CIA, Senator Brian McMahon and Lewis Strauss, then a member of the Atomic Energy Commission, performed one of the most important intelligence missions in the history of our nation. Together, they insisted that we had to develop a program to monitor and detect all large explosions that occurred at any place on the earth. We had to have that intelligence.

The first chance to perfect such a system was offered by tests which we were planning to conduct in the vicinity of Eniwetok in the spring of 1948. A detection system was devised by the end of 1948 but the Air Force found itself short of funds to procure instrumentation for the monitoring program and that about a million dollars would be required to complete it. Contracts had to be let at once if the instruments were to be ready in time. Lewis Strauss, a great patriot and Chairman of the Atomic Energy Commission, volunteered to obligate himself for the million so that the contracts could be made firm immediately. This effort was launched in the nick of time and in September it established that an atomic explosion had occurred somewhere on the Asiatic mainland and at some date between August 26 and 29, 1949.

Had there been no monitoring system in operation in 1949, Russian success in that summer would have been unknown to us. In consequence, we would have

made no attempt to develop a thermonuclear weapon. It was our positive intelligence that the Russians had exploded an atomic bomb which generated the recommendation to develop the qualitatively superior hydrogen weapon -- thus to maintain our military superiority.

On January 30, 1950, President Truman made the decision to build the bomb. We were able to test our first hydrogen bomb in November, 1952. The Russians tested their first weapon involving a thermonuclear reaction the following August.

Had we relied on the conventional wisdom about Soviet nuclear capability, the Russian success in developing thermonuclear weapon capability in 1953 would have found the United States hopelessly outdistanced and the Soviet military would have been in possession of weapons vastly more powerful and devastating than any we had.

Early in 1962, John McCone, newly arrived as Director of Central Intelligence, saw reports coming in about the arrival of anti-aircraft weapons in Cuba. What are they there to protect, he wondered. There are no targets there now, he concluded, so they must intend to bring something there which will need to be attacked and hence will need to be defended. Thus, he was many months ahead of anyone in Washington in predicting the possibility that Moscow might base offensive missiles in Cuba. When Cuban refugees brought reports that large missiles were being brought in and installed, McCone considered this confirmation of his tentative forecast, while everyone else in Washington dismissed them on the basis that the Soviets would never do anything so foolish, until the U-2 pictures could not be denied.

To protect against the conventional wisdom, CIA, military intelligence, and every other element of the intelligence community should not only be allowed to compete and surface differences, but be encouraged to do so. The time has come to recognize that policymakers can easily sort through a wide range of opinions. But, they cannot consider views and opinions they do not receive.

The time has also come to recognize that the intelligence community has no monopoly on truth, on insight, and on initiative in foreseeing what will be relevant to policy. For that reason, we are in the process of reconstituting a President's Foreign Intelligence Advisory Board. It will be made up of strong and experienced individuals with a wide range of relevant backgrounds.

To get all the intelligence we need, we've got to go beyond the formal intelligence organizations. We've got to tap all the scholarly resources of the national and the perspectives and insights you develop from your activities around the world. We're geared to do that in open and direct contact with the campuses, the think tanks and the business organizations around the country.

We will need to do even more of this in the future to cope with the intelligence requirements of our increasingly complex and dangerous world as it generates new threats. In the OSS, we were doing pretty well if we knew where the enemy was and how he was redeploying his forces. For the first twenty years of a peacetime intelligence, most of the effort went to understanding the production and capabilities of weapons. It is only in the last decade that it has dawned upon us that we have been threatened and damaged more by coups and subversion and economic aggression than by military



force. We will still devote a large slice of our effort to military estimates and rely very heavily on them in formulating our defense budget, our weapons development and force structures. But they will have to be supplemented by increased efforts to assess economic vulnerabilities and search for technological breakthroughs. Increasingly priority attention will go to the need to identify social and political instabilities -- and how they can or are being exploited by propaganda, by subversion, and by terrorism.

So much for the kind of intelligence capabilities we have and need to develop.

Now, let me say a few words about what we face. Our first priority is still the Soviet Union. It has been the number one adversary for 35 years. It is the only country in the world with major weapons systems directly targeted at the United States which could destroy the U.S. in half an hour. For that reason alone, it remains the number one target.

Less lethal but perhaps more dangerous is the threat of worldwide subversion and insurrection and tiny wars of so-called national liberation. Over the last five years we've seen the combination of Cuban manpowers, Libyan money and Soviet arms and transport substantially seize and thoroughly threaten the African continent from Angola to Ethiopia and across through the Sudan and Chad to the Western Sahara.

We've seen the same forces take over Nicaragua and threaten to Castroize all of Central America. We see the crossroads and the oil resources of the Middle East, threatened from Iran and Afghanistan from the east, Syria from the north, Yemen from the south and Libya from the west -- all literally stuffed with Soviet weapons.

There are many levels at which the Soviet Union challenges us today.

First, there is the strategic arena in which the increasing accuracy and the power of Soviet missiles thoroughly threatens the survivability of our own land based missiles. This has led to a Presidential decision to accelerate the strengthening of our air and sea retaliatory capability and to basically defer the decision on the basing of the more powerful land based missiles until we can better evaluate the role that anti-missile defense and versatile cruise missiles can play in maintaining our deterrent capability.

Secondly, on the Central European Front, Soviet and Warsaw Pact forces vastly outnumber NATO forces and tanks, planes and troops.

Thirdly, in the ability to project military power over long distances, the Soviets, together with their Cuban proxies, have demonstrated their capability in Angola and in Ethiopia while the rapid deployment force we have recently created remains untested.

In numbers, and experience, and freedom to act, the ability of the Soviets to subvert other governments and propagandize in other countries is unrivalled. A few years ago the United States was providing twice as much military equipment to Third World countries. Today the Soviet Union is providing 50% more equipment to a larger number of Third World countries, and military advice and influence go along with these relationships. The Soviets, along with their Eastern European satellites, Libya, Cuba and the PLO, engage in the widespread training of guerrilla fighters and terrorists, and sometimes use them to destabilize governments and thus lay the ground for their support of revolutionary violence.

Large and specialized segments of the KGB and the Soviet military intelligence, known as the GRU, together with trade and scientific delegations roaming the advanced world, are acquiring western technology and using it to build the military threat which we have to defend against and to reduce the drain which that process imposes on the Soviet economy at a rate which we have only recently begun to realize.

This is the range of the threat, so much of it new and beyond the traditional range in capabilities of western intelligence which we are now called upon to deal with.

A strong defense and ability to exercise influence in the world requires a strong industrial basis.

We need to ask ourselves tough questions about where our economy is headed. For example, what will the increasing globalization of the automobile industry do to the industrial base on which we must depend for national defense? As the auto industry becomes globalized our need to keep the sea lanes open will become more critical.

How will the attrition of our computer and semi-conductor industry, under the impact of the drive the Japanese have mounted to capture this market, undermine our defense capability? How will it impact our ability to make our way in the world through the manufacture of machinery and equipment which will be increasingly controlled and guided by micro-processors?

If the French, Germans and Japanese, and less developed countries like Korea and Brazil, convert more rapidly than the United States from fossil

fuels to nuclear energy, how rapidly will lower power costs in those countries be converted into important competitive advantages in manufacturing costs? How will the instabilities in southern Africa on the one hand and seabed mining on the other affect the structure of our world mineral markets and impact our manufacturing industries?

Looking at the world more broadly, what do we see as we look around the world? We see a Soviet Union rapidly building it's military strength as ours has been permitted to decline.

-- The U.S. falling behind in economic competitiveness as the Japanese and Germans give, invest and innovate more, and Koreans, Singapore, Taiwanese, Brazilians, Mexicans increasing their share of the world market as ours diminishes.

-- Political and economic instability in the Middle East, Africa and Latin America where we get the fuel and minerals to keep our economy going.

-- The Soviet Union with it's Cuban, East German, Libyan, Syrian proxies demonstrating remarkable ability to exploit these instabilities by well orchestrated subversion and paramilitary operations conducted with guerrilla fighters they train, equip and direct.

-- Large numbers of tanks and guns stockpiled in Syria, Libya and Yemen on the fringe of the Arab peninsula and transported to Nicaragua and Cuba, Angola and Ethiopia, and used in Chad and Lebanon, El Salvador and Guatemala.

I'm not here to frighten you but to say that the world is full of economic, political and military dangers which need to be taken seriously and watched closely.

And that the outlook is not all black.

Russia has fallen into a hornet's nest in Afghanistan where after eighteen months freedom fighters confine Soviet troops to half dozen cities and to their barracks at night.

In Poland, it is caught in a dilemma between concern that developments there could unravel Communist system while suppression would entail heavy economic and political costs and bring bloodshed and prolonged resistance from militant Poles.

It's economy gasps under it's inherent inefficiencies and the burden of enormous military expenditures and many billions each year to Cuba and Vietnam, cut-rate oil to East European satellites, huge worldwide propaganda and troublemaking machines, sprinkling guns in Africa, Middle East and Central America.

What will count here and around the world is a renewal of confidence in our people and among other nations in the strength of purpose and the reliability of the United States to do what needs to be done to make our own society stronger and more efficient and to work with our friends and allies in support of freedom and justice.