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BRIEF REMARKS OF WILLIAM J. CASEY

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before

SAN FRANCISCO CHAPTER

ASSOCIATION OF FORMER INTELLIGENCE OFFICERS (AFIO)

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*Effects of 70's*

## INTELLIGENCE IN THE TROUBLED EIGHTIES

Nice to be here. Let me say a few words to introduce myself and set the stage for a dialogue this evening.

Sixteen months ago President Reagan asked me to be his intelligence chief. It is the job of the intelligence chief to see that a vast flow of evidence is gathered, sifted through, evaluated and analyzed daily, and to forewarn the President of trouble spots -- and of the dangers to the United States that lurk there. I have been doing that for these past months, and I can tell you it is an awesome job. Trouble spots abound. Almost all of them present some danger to the interests of the United States. We will talk about some of them later.

In troubled times, Presidents rely even more heavily on the country's intelligence services. President Reagan is no different. He took his election as a mandate for a strong intelligence service and has supported the rebuilding of capabilities which had been diminished by the loss of 50% of its people and 40% of its funding during the seventies.

There are many reasons I am enormously pleased to be involved in this rebuilding. Intelligence is something I have had a life-long interest in -- and dedication to. I got my first taste as an aide to General Donovan. Then, with David Bruce, I worked in organizing, supplying and coordinating the French Resistance forces in support of our landings in Normandy and the liberation of France. And finally, as chief of American secret intelligence operations in

sending over 100 deep intelligence missions into Germany itself. Believe it or not, we did use aerial photography and signals intelligence in that operation. After the war I worked with Donovan, Bruce, Dulles and Russ Forgan, who succeeded Bruce as CO in Europe, and with General Bill Quinn who kept OSS together after Donovan left, in helping President Truman develop the concept and make the case for a peacetime central intelligence service. Later I served on the General Advisory Committee on Arms Control where I learned about counting missiles and monitoring arms control, and on the Murphy Commission headed by Ambassador Bob Murphy who organized and ran our first intelligence network with radio communications to an invading fleet when he was American pro-Consul in North Africa in 1942. His Commission was charged with evaluating our organization and instruments for the conduct of foreign policy and I was in charge of its look at the Intelligence Community. Still later, I was asked by President Ford to be one of his intelligence advisors as a member of the President's Foreign Intelligence Advisory Board. So, although I was never in the Central Intelligence Agency, I feel that I was there at the creation and have not been far away since.

There is a rich tradition at the Central Intelligence Agency on which to rebuild. William Donovan met the challenge by scouring our campuses to gather hundreds of the nation's foremost scholars to analyze military, political, economic and scientific aspects of the great struggle. He reached into the great American melting pot for young men with language skills who would volunteer to go behind enemy lines. He reached out to the financial, advertising, journalistic, entertainment and industrial communities, both national and international, which he had come to know

as a lawyer, to assemble talent to write scenarios for psychological warfare, cover and deception, to organize, supply and run operations on a worldwide scale. He left the country the Central Intelligence Agency as a legacy to ensure there will never be another Pearl Harbor. Bedell Smith and Allen Dulles put flesh and bone on the CIA. Dick Helms and Frank Wisner devoted their professional careers to the creation and development of our human intelligence capability. Bill Colby took the heat and fought hard to maintain an effective intelligence service in the mid-seventies. George Bush then stepped in and began the long process of restoring confidence and regaining public respect. In doing this job it means a great deal to me to have known and worked for much of my adult life with all of these founders and leaders of American intelligence and so many of those who supported them, John Bross and Jim Angleton, Ray Cline and Lyman Kirkpatrick, and many others.

It is hard to overstate the damage done to the intelligence service during the seventies. Unrelenting questioning of the Agency's integrity generated a severe loss of credibility. The credibility is only now being restored. Perhaps more devastating for the long term was the almost unnoticed draw-down of resources that resulted in part from the incessant challenging of the need for intelligence. A larger reason was the budget philosophy that predominated, which asked the question, "What can we do without?" Rather than, "What kind of challenges will the United States face over the next ten years? -- and what kind of intelligence will we need? The answer to what we can do without was always "manpower." With steadily diminishing resources, operations were curtailed, too many good people were lost, analysis suffered.

We have set our goals immediately to strengthen the capabilities of the Intelligence Community to deal with the complexities of today's problems, and, at the same time, develop new capabilities to meet the challenges of the troubled times we see in the late eighties and nineties. We have made a good start and been assured of the President's steady support toward meeting both these goals. Much work remains to be done and we have hundreds of former intelligence officers back on contract to help us: On Tuesday of this week I was in Honduras and met a retiree who gave up fishing and hunting in central Oregon, another who skipped a semester of teaching at the University of Illinois and a third who left his retirement home in North Carolina to help us teach the Honduran security service to resist intrusion into that country from Cuba and Nicaragua.

So, I'm pleased to meet the San Francisco contingent of AFIO and answer your questions and get your suggestions this evening.