

Scouting the Future: The Public Speeches of William J. Casey,
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THE FIRST LINE OF DEFENSE

At least twice a year, Casey would organize what he called a "worldwide briefing." In essence, these briefings were reports from the Director of Central Intelligence on how the world looked to American intelligence at the time: key trends, developments, problems and opportunities that we saw looming before the country and its key policymakers.

The effort and energy devoted to shaping these briefings was monumental. Casey himself would outline a draft briefing, based on National Estimates and other analytic products that had come across his desk since the previous briefing. Then he would meet, singly or in groups, with the National Intelligence Officers (the intelligence community's senior analysts, who together formed the National Intelligence Council, and who are responsible for geographic regions of the world and for special issues such as general-purpose military forces, strategic forces, counterterrorism, and economics). The NIOs then would prepare sections of the briefing as assigned by the Director of Central Intelligence. The sections would be blended together into a (theoretically) seamless piece of work. Casey would then take this comprehensive draft and work it some more. Invariably he would order

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revisions, and when completed he would revise the revisions. Meanwhile, production schedules for National Estimates would be blown, and the new schedules blown as well.

In short, Casey viewed production of these worldwide briefings as an essential, integral part of managing intelligence. In his view, by organizing our perceptions for policymakers we organized them for ourselves. Thus the exercise served to point us toward our own intelligence research program.

The briefings would then be given to the President, Vice President, senior national security policymakers and military officials, and to Congress. In sanitized form, the briefings would be given to foreign leaders who met with Casey on visits to Washington, or to leaders Casey met with on his overseas travels. And as a man who liked to get the most for his money, Casey would use the material gathered for these briefings (edited and sanitized to remove classified material) to convey to the public a sense of what our government was seeing and thinking as it looked beyond our borders.

It's not easy to cover all the things I'd like to talk about to such a distinguished audience. But I thought the way I'd approach you is to tell you briefly what American intelligence sees out there around the world and then briefly describe how we go about serving as the nation's first line of defense. I have to be fairly general and after that, I'll have time to answer your questions and go into things more deeply as far as I can without being either indiscreet or insincere.

As we look out there, the Soviet Union still dominates our interests. As great Kremlin watchers, we see Chernenko as the third of three aging and sick leaders. He's a transitional leader; whether he dies tomorrow or two years from now really makes little difference. The CIA buried Chinese Chairman Mao some twenty times before he finally died. That's a very good example about the hazards of predicting when anyone might cash in.

What we do know for sure is that the Soviets have a large and growing arsenal of nuclear weapons which are aimed at the United States and Western Europe, and at East Asia, Japan, China, as far as Thailand and Malaysia. On top of that, new missiles and missile-carrying planes and submarines are being designed, developed, tested, and deployed in amazing profusion. It takes us ten years to come up with an airplane,

and during that period of time, they'll have ten to twelve new missiles with varying capabilities. This is compounded by the fact that over the last decade the Soviets have improved their capabilities for missile defense while we've done little or nothing. Recently, we've seen alarming signs of radar deployments which go beyond the 1972 treaty limiting missile attacks. We've seen the testing of interceptors and other activities which could give them a running start if they decided to break the treaty and establish a nationwide missile defense. That, of course, could heavily tip the strategic balance against us and I'd say they've got a four to five year head start.

On the European front, the Warsaw Pact forces outnumber NATO in troop strength, tanks, guns, and planes. These weapons are being deployed in an increasingly aggressive way and backed up with long-range missiles which could reach the European capitals. Yet the main threat may be elsewhere. Khrushchev told us as early as 1961 that the communists would win, not through a nuclear war, which would destroy the world, not through a conventional war, which could still lead to nuclear war; but through national liberation wars in Africa, Asia, and Latin America. We didn't believe that in 1961 any more than we believed Hitler when he told us just how he would go about taking over Europe.

Since then the Soviets have developed Cuba as a base and source of manpower. During the 1960s and during the early 1970s, we saw them send weapons one thousand miles away to link up with Cuban troops in Angola, Ethiopia, South Yemen. Then we saw Vietnam, Angola, Ethiopia, South Yemen, Iran, and Nicaragua taken over by regimes hostile to the United States and faithful to the Soviet line.

This process established Soviet power:

- ◆ In Vietnam, along China's southern border, outflanking the Chinese, and astride the sea lanes through which Japan's oil comes from the Persian Gulf.
- ◆ In Afghanistan, 500 miles closer to the warm water ports of the Indian Ocean and to the Straits of Hormuz, through which comes the oil essential to Western Europe.
- ◆ On the Horn of Africa overlooking the passageway of Suez, which connects the Mediterranean Sea and the Indian Ocean.
- ◆ In southern Africa, rich in minerals, which the industrial nations must have.

- ◆ In the Caribbean and Central America on the very doorstep of the United States.

This is a continuing process of creeping imperialism which seems to be moving into other areas of strategic significance: Chad, Honduras, Guatemala, Sudan, even Thailand. The most effective thing the Soviets do in implementing this technique is through the creative and effective use of proxies. This is not exactly new in history. Romans used men from conquered countries to fight their enemies. Later, Swiss and German mercenaries were available to the highest bidder all over Europe, the British army had its Ghurkas, and the French their Foreign Legion. The Soviets have brought a new dimension to this. They use the Cubans, the East Germans, the Libyans, the Vietnamese, the North Koreans, and the PLO in quite a different role.

These Soviet proxies act in peace as well as war. Their role is as much political as military. Different proxies have specialized functions. Of the more than 40,000 Cubans in Africa, 80 percent are soldiers on active duty. Vietnam has the fourth largest army in the world. This keeps China and Thailand worried and solidifies the Soviets' position in Kampuchea. Just this week, Vietnamese troops crossed the border into Thailand and the Chinese sent them an artillery message far to the north at the other end of Vietnam.

That's the way these low-intensity conflicts go. North Korea, Libya, Cuba, South Yemen, East Germany, and Bulgaria trained the security forces that organized block watchers in these occupied countries to protect the governments from their people. They also run training camps for terrorists and insurgents to destabilize and create the basis for overthrowing governments around the world.

Terrorism has become a weapon system used by sovereign states to destabilize other governments and intimidate them in their foreign policy. As practiced today, international terrorism has obliterated the distinction between peace and war. Major terrorist organizations and a great many more "mom and pop shops" are hired by Iran, Syria, Cuba, Libya, and other radical governments. U.S. facilities, emissaries, and personnel here and around the world are a major target and this is a growing challenge for our intelligence capabilities.

Narcotics flow into the United States from South America, the Golden Triangle of Southeast Asia, Thailand, Afghanistan, Pakistan, and

Iran. These narcotics come in container ships, small ships, and aircraft; they even come in stomachs through customs in airports. We see some of the huge amounts of money from this activity going into destabilizing political and terrorist activities.

On top of these acts of violence, we also need to cope with nuclear proliferation, technology transfer, and Third World debt – an international problem which could undermine political stability of some of these countries as well as our own security and prosperity. Finally, perhaps the most critical and most difficult intelligence challenge we face is the assessment of Soviet technology and science and its potential for military and strategic surprise. We do this every two years. We just completed one in-depth study. We believe we're still ahead in most of the twenty critical technologies we look at as having a military strategic significance. But they've pulled ahead or alongside in some of our margins, and lead times tend to shrink across-the-board. It is only in semiconductor and computer areas that we really have a ten to fifteen year lead time; but this could disappear quickly. (I'll cover that in a moment.) One thing we see is that the ability of the Soviet military-industrial complex to acquire and assimilate Western technology far exceeds anything we previously estimated.

During the late 1970s, the Soviets got about 30,000 samples of production equipment, weapons, and military components, and over 400,000 technical documents both classified and unclassified.

The majority of the stuff they acquire is of U.S. origin, with an increasing share of it coming through Western Europe and Japan. This truly impressive take is acquired by both legal and illegal means. We estimate that during this period, the KGB and its military equivalent, the GRU, and their surrogates among the East Europeans' intelligence services – the Poles, Czechs, East Germans, and so on – illegally stole about 70 percent of the technology most significant to Soviet military equipment and weapons programs. So the net effect is that the Soviets have been shortcutting, saving time, saving R&D, and acquiring things they wouldn't otherwise acquire to develop in their weapons systems the precision and accuracy that has forced us to approve budget-busting funds for our military programs.

Some examples:

- ◆ The Soviets had our plans on the C-5A transport plane before it flew.

- ◆ Soviet trucks which drove into Afghanistan came from a plant outfitted with \$1.5 billion of modern American and European machinery.
- ◆ The gyros and bearings in their heavy missiles were designed in the U.S.
- ◆ The radar in their AWACS is ours.
- ◆ Their space shuttle is a virtual copy of our initial shuttle design, and the list goes on and on.

Just how do the Soviets get so much of our technology?

First of all, they comb through our literature, they buy through legal trade channels, they religiously attend our scientific and technological conferences, and send 40-year-old scientists over here to study while we send 20-year-old students of poetry and literature to Moscow. Between 1970 and 1976, the Soviets purchased some \$20 billion in Western equipment and machinery, much of which had potential military applications.

They use dummy firms in sophisticated international operations to divert and steal Western technology. We've identified some 300 firms operating in more than thirty countries engaged in these technology diversions. Most diversions occur by way of Western Europe, which is why we have made such a strong effort to enlist the help and support of our European allies in combatting these technology losses and diversions.

U.S. microelectronic production technology is the second most significant industrial technology acquired by the Soviets since the end of World War II. With this help, they have systematically built a modern microelectronics industry. The Zelenograd Science Center is the Soviet equivalent to Silicon Valley built literally from scraps of Western technology. All Soviet monolithic integrated circuits are copies of U.S. designs. They even copied the imperfections contained in some of the U.S. samples!

This is very serious business. The West must organize to protect its military, industrial, commercial, and scientific communities, keeping two objectives clearly in view: First we must seek to maintain our technological lead time over the Soviets in vital design and manufacture know-how. Second, manufacturing, inspection, and most importantly, automatic test equipment, which would alleviate acute Soviet deficiencies.

cy in military-related manufacturing areas, must be very strictly controlled. That's a tough task.

On our side, we've had a fair number of successes in frustrating the Soviet technology theft. We've penetrated some of these phoney technology firms and we've been able to stop a lot of their activities and diversions. I will just mention one.

Late in 1983 and early in 1984, West German and Swedish Customs seized several advanced VAX computers and thirty tons of related equipment that were being smuggled into the Soviet Union by perhaps the most notorious of these illegal smuggling trading programs headed by a man named Richard Muller. This turned out to be just the tip of the iceberg. We'd rather stop them in Stockholm and Hamburg in order to prevent equipment from going into the Soviet Union. That stuff had been sent to those destinations by breaking it up into components sending some through South Africa, some through Switzerland, some through Germany, some through Sweden, and so on. But we found out that much larger quantities of computing electronic equipment has been successfully diverted into the Soviet Union through activities of the Muller firm, by others like that firm, and the Western manufacturers who have dealt with them. So this a very wide-spread activity.

Now I'd like to take a little time to comment on the apparatus which American intelligence has developed to meet this broad array of challenges I described so briefly. My predecessors have enlisted photography, electronics, acoustics, seismic reading, other technological marvels, to gather facts from all corners of the earth. These capabilities have and are being enhanced as new technologies and new intelligence requirements emerge. As a result, we will be receiving four times as many photos, signals, and reports in four or five years as we're receiving now. To sift and evaluate and get practical meanings on this veritable Niagara of facts, we need to recruit and develop dedicated people.

We have scholars and scientists of every discipline, in the social and physical sciences, as well as engineers and specialists in computers and communications. We have them in a profusion which I think is unmatched by any university. We work hard to tap scientists and businessmen who roam the world with their professional capabilities, for the information which comes their way and for the insight and understanding they develop.

It's necessary to distill the sweeping array of data acquired by clandestine reporting commonly known as spies, that is obtained in overt discussions by military attaches, by diplomats around the world, by contacts with businessmen and scientists, scholars, and openly conducted here in the United States. All this is distilled into intelligence assessments on specific issues and problems.

Where appropriate it's addressed in National Intelligence Estimates, which are relevant to the decisions which the President and his colleagues are called upon to make. For these National Intelligence Estimates, the chiefs of the components which we call the American intelligence community – Defense Intelligence Agency, the National Security Agency, CIA, the Army, the Navy, the Air Force, and the Marine Corps intelligence staffs, as well as the FBI, and the intelligence arms of the Department of State and Treasury – comprise a board of review. They are charged with contributing information and the judgments developed by our analysts.

We take great care to make sure that these estimates are no longer what they used to be, kind of a compromised consensus. So we make efforts, and I think we're successful in presenting our intelligence as a range of alternatives rather than what used to be a watered down, compromised opinion.

All these tasks can't be done without getting the assistance of people around the world who share our values and want in one way or another to help in this work. To get that kind of help, it is essential that the American intelligence community maintain its reputation for integrity, competence, confidentiality, reliability, and security. I think that the quality of the intelligence we produce manifests the loyalty and dedication of our people. Large numbers of Americans are now interested in joining our ranks – demonstrating that we do maintain that kind of a reputation despite a steady drumbeat of criticism from the media.

With few exceptions, the highly publicized charges made against the CIA and other intelligence agencies during the mid-1970s turned out to be false. The charges were on the front pages and their repudiations were buried away when few people would notice. Now this kind of ordeal and problem was terminated in the late 1970s by leaders in the Congress, and the Chairman of the Intelligence Oversight Committee who spoke up to declare that the intelligence communities had been libeled and unfairly treated. Out of this process came a congressional oversight process

which has assured that special intelligence activities are known and scrutinized by elected legislatures responsible directly to the people.

Still despite this, intelligence gets a lot of flack. Everything imaginable is charged to secret intelligence activities. Its purposes and activities are widely distorted and misrepresented.

I submit that the intelligence function is so critical to our present security and to our national interests that it must be defended; and the people who put their careers on the line to carry out its functions have made it clear that they expect their leaders to defend them, their skill, their record of accuracy, and their integrity. So for that reason I'd like to tell you just a little about the people who meet this sweeping challenge every day.

I'll start by telling you what they say about themselves. I think their quality and character is epitomized in a CIA Credo in which they declare their mission and the standards that they demand of themselves. It says:

We are the Central Intelligence Agency.

We produce timely and high quality intelligence for the president and government of the United States.

We provide objective and unbiased evaluations and are always open to new perceptions and ready to challenge conventional wisdom.

We perform special intelligence tasks at the request of the president.

We conduct our activities and ourselves according to the highest standards of integrity, morality, and honor and according to the spirit and letter of the law.

We measure our success by our contribution to the protection and enhancement of American values, security, and national interest.

We believe our people are the Agency's most important resource. We seek the best and work to make them better. We subordinate our desire for public recognition to the need for confidentiality. We strive for continuing professional improvement. We

give unfailing loyalty to each other and to our common purpose.

We look to our leaders to stimulate initiative, a commitment to excellence, and a propensity for action; to reward and protect us in a manner which reflects the special nature of our responsibility, our contribution, and our sacrifices; and to promote among us a sense of mutual trust and shared responsibility.

We derive our inspiration and commitment to excellence from the inscription in our foyer: "And ye shall know the truth and the truth shall make you free."

The people in the CIA have survived one of the most rigorous screening processes known to man – the highest skill requirements, the toughest intelligence and psychological testing, severe medical clearances, security clearances, and polygraphs. This gives us high confidence that those who get through this obstacle course are smart, clean of drugs and alcohol addiction, healthy, and psychologically able to cope. The record is that since the beginning of the CIA there are some 83,000 people who have worked for us. The bad apples who really let the country down and embarrassed or disgraced themselves and damaged the organization are very few and far between.

Last year we had 153,000 inquiries for employment; we selected 23,000 applicants for interviews; of those, 10,000 were actually considered for employment; 4,000 got through all the screening and all the tests satisfactorily, and only 1,500 made it through the entire screen process and entered on duty. That's a very tough selecting process. And after obtaining their security clearances they have to go back and pass it again and again.

Those who obtain career status – and their families – live with any number of security responsibilities, heavy travel, and away-from-home demands, heavy pressure and timing requirements, and many other constraints. Last year they forfeited 97,000 hours of annual leave and worked untold hours of uncompensated overtime. That's not something you'd find in your ordinary organization. Finally, I think this is really perhaps the most important point: throughout their career they know that

there is no public recognition or public acclaim for their achievements and that criticisms, justified or not, have to be tolerated in silence.

These are the people our national leaders turn to when something needs to be done well and fast. Perhaps the satisfaction is perverse, it may be subtle, but it is real. I think it's found in the knowledge that intelligence is our first line of defense, for our security and future as a nation.

That satisfaction is heightened by understanding the perils represented by nuclear weapons, by international terrorism, by deliberate destabilization, by subversion and support of revolutionary violence around the world. I think there is a satisfaction in being called upon for constant vigilance and readiness to cope with these threats. The bond of trust and sharing of responsibility among these people flourishes from realizing how success affects our safety and from feeling the human and economic cost of each little granule of information that falls into their hands, and for knowing how the value of all that hangs finally on the care and depth, breadth and precision with which those nuggets of intelligence and information are evaluated, analyzed, and interpreted to their practical use. It is by confronting all of this in its multiple dimensions, and meeting that responsibility in different ways at various levels that the effectiveness, the quality, and skill that characterizes our people and organization are demonstrated. That's how that quality is developed and maintained.

Now finally I'd like to say that this is not our intelligence service — it's yours. It works for our common security and well being. There's a lot of things you can do to help it: You could speak up when our work and purposes are misunderstood and misrepresented; explain and share your knowledge and insight when our offices contact you for valued information; direct promising young people looking for a challenging and honorable career to our recruiters; and some of you could continue to develop the relevant technology and creative capabilities for the better, faster, and deeper collection, processing, and analysis of information, as some of you have in the past, and without which we could not keep up with the demands of this world.

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