

PUBLIC AFFAIRS COUNCIL
OF THE AEROSPACE INDUSTRIES ASSOCIATION
16 March 1979

We are in a state today of considerable change, a profound change in the way we go about our intelligence activities. More profound than I think the public, and many of the people inside the government, appreciate. And I think there are three factors driving this change. One is the change in the perception of the United States' role in the world that our country sees for itself. Second is the much greater interest and attention of the public to intelligence matters ever since the many investigations and revelations and so on. Third, and very relevant to you, is the increasing opportunity that technology is giving us in how we go about collecting intelligence information. Let me just touch on these very quickly so I do not take up too much of our time.

Clearly, we are in a state of transition as I see it from a rather activist, interventionist approach to foreign affairs to one of greater recognition of the restraints, the limits on what we can accomplish and want to accomplish. I am not suggesting isolationism or withdrawal from the world scene. Clearly we cannot do that. But I do think that if we look at the facts, there are limits today that did not exist before on what we can do.

Take for instance twenty years ago, if the Russians were opposed to somebody, we were in favor of them. Today look at some of the cases we have had in just the last year. A year ago right now there was a war in Ethiopia and the people the Russians were against were a Marxist

dictatorship that was the aggressor in that war; tough choice to be for. At the end of last year there was a war in Cambodia. The people the Russians were against were Pol Pot, the most repressive regime on the globe since Hitler; tough to be for. I mean, who are the white hats and who are the black hats today; it is not as easy to discern.

And we have looked around the world and we have not only realized that communism is not monolithic, but that maybe the perception of the '50s, that once you stood behind the Iron Curtain you were done for, is not quite so certain today. Indonesia was under Soviet influence, Sudan, Egypt, Somalia, they have all come back to some degree or other. What I am saying is I am not sure the American public feels the need to intervene as much as it did in years past.

And if we attempt to intervene with political pressure, there are inhibitions today that did not exist before. Again, some measure, thanks to you, in sophistication of communications of the world. Anything we do in the way of political maneuvering in the world is almost instantly displayed before all the countries and we are either criticized or receive approbation. And that visibility, that approbation or criticism, does inhibit us and inhibits the Soviets and it inhibits others as to what you can do. I cannot explain why it is inhibiting, but international world opinion does have inhibiting effect to some extent.

If we try to intervene militarily around the world, you can appreciate better than most groups I'm sure, that today the dynamics of the military equation is putting, I think, more emphasis on the

defense, more capability on the defense, as we learned to our sorrow to some extent in Vietnam. You don't have to be a major military power to cause a major military power a lot of problems if they try to exercise the military option against you. So I think there are lots of inhibiting factors even though I see a trend in this country towards shaking off the revulsion, the great, great reluctance that came out of Vietnam to consider intervening in any part of the world.

What does that mean for us in intelligence in words? It means that the country is less inclined to putting fingers in the dike. I think more inclined to looking at the long term trends and influencing matters over the longer trends. It means we have got to understand what is going on beneath the surface around the world and to be able to anticipate rather than just react. And that means more emphasis on political, economic, cultural, energy, production, terrorism, narcotics, all these kinds of intelligence rather than quite as much emphasis on the military which we cannot neglect because that military problem has not gone away, it has not gone away in the Soviet dimension, it has not gone away in the number of wars we have to watch all around the world. There are more wars going on today than I can remember. It does not go away because we have arms control agreements that have to be monitored. We have to have good military intelligence. But we have had to spread ourselves into many more disciplines, many more countries and to a deeper, longer range outlook on the world so we can interpret what is going to happen and try to shape it in a gentle manner today for tomorrow rather than waiting until we have got a crisis on our hands and some of these more inhibiting factors come into play.

Quickly, the second factor of more public attention and interest in us derivative from the investigations. It is tough on an organization, or a group of organizations, that have to have secrecy and have had a great tradition of it. And it is startling, it is unnerving to the professionals in the intelligence field to find themselves in the public display so much. We are there in part because we want to be however. It is a hard policy to sort of persuade the people to follow in the intelligence world. But there is, out of the investigations, in my opinion, not a lack of appreciation in this country for the need for intelligence, but a lingering suspicion that we may be doing more than intelligence; that is, we may be invading the privacy of the American public. I can assure you we are not, but we have got to dispel that if we are going to continue to have the confidence, the support of the American public.

So we are trying to be more open. We are pleased to have you here today. We are publishing more. We are sharing more with the public when we can. But it is not an easy transition. On top of that, we have all too much unwanted publicity and I am sure in your profession you appreciate so well the damage that is done to us by these disclosures of very sensitive information. And it particularly hurts, of course, the intelligence field as to our ability to continue to collect information from our sources when cases get compromised by these disclosures. So, it is a difficult period for us as we try to recoup from the sense of criticism from the new environment of greater visibility that is not a natural and common environment for intelligence.

Thirdly, what you are doing in Aerospace Industries in helping us to get more photographic and signals intelligence capabilities is just surpassing imagination. The burgeoning capabilities to collect data through signals intercept and photographic means--we call it technical intelligence as opposed to the human intelligence spying operation--is really just superb. It has brought about a revolution in the intelligence process.

Let me emphasize quickly that it has not done away with the human intelligence. That generally speaking the technical tells you what happened some time in the past and then the decision maker wants to know what is going to happen tomorrow, or why did they build that or do that. And that is, of course, the forte of the human agent. So we have to play them together in a complementary team. The more you get from the technical systems, the more questions you have posed to you which can best be answered by the human.

So there is not a emphasis on one or the other. But there is a great need today to be sure we can orchestrate these, that we do not go off and use a human spy at great risk and cost when you can get it by satellite. But, of course, there is a quality that what you get by a satellite photograph that is different than a quality of what you get from signals intercept or what you get from a human agent. So you have to play those qualities, each one feeding to the other. Maybe you get a picture of a building that looks strange. You target your signals intelligence on it because it has an antenna that you know is in a certain band. And then you get a human agent to say, we know that place is emanating this characteristic, we think that puts it in this kind of

business. Get in there and penetrate that part of the government and find out what that is about. You play that all together. That is not easy. It is new.

The people in the human intelligence business has been an intelligence community to themselves, the photographic people and the signals intelligence people. As you know, they are spread all over the government. Nominally I am the boss--nominally. The President strengthened my authority, gave me budgetary and what we call tasking authority over all the agencies, tasking what you go out and collect, how you orchestrate them. I am not there yet and, as you can imagine, in this big bureaucracy change does not come easy. I am not sure it does in your corporation. But it certainly does not in the government. So, we are going through change. We are going through change in what we want to do because what does the country need. How do we adjust to being in the fishbowl more and how do we get out of it to some extent where we do not need and want the publicity? And how do we really take advantage of the kinds of things that your corporation and others have made available to us in a complementary way and one that is not going to drive the country bankrupt? But one which also is not going to let things sort of drop between the cracks because the photo people think the SIGINT people have got it and so on.

It is a real challenge. It is a lot of fun. We are making progress and we are in a hell of a lot better state than the newspapers tell you.

QUESTIONS & ANSWERS

Q: The news media would have us believe that the Intelligence Community, despite the Iranian student protest _____, the Intelligence Community was caught flatfooted in not knowing that the Shah was on shaky ground. _____?

A: Yes. _____, but let me put it this way. We surely kept the policy makers posted that there were problems in Iran, the Shah was not riding smooth. We saw people that did not feel happy because they were not part of the political process. We saw people who were not happy because they were not getting enough out of the economic improvements. We saw people who were unhappy because their religion was being tampered with by _____ and so on. What we did not see was that these numerous forms of discontent were going to coalesce under the rubric of a 78 year old cleric who was out of the country and had been out for 14 years. And suddenly, not the 4, 5, 6, 7 forms of discontent but one, right up to October 1, at least, worked on the assumption that this was basically--I am off the record--a police state with a strong SAVAK, strong military, a strong boss and that when the time came, he was not going to let it get out of his control. There were repressive measures available. _____ a few things happened. One, they coalesced to where it was going to be a much bigger problem to repress. And two, I do not think the Shah was much more alert to it than we were in that sense that it was really going to bubble over. And by the time he appreciated that, he made the choice it was going to be too bloody to use his _____ powers and he stepped aside instead. Now let me not try to pretend that I think we did the best job possible. I would like to have been able to predict this in September or August that there was going to be explosion in November and that would lead to the Shah's demise in January. But I do not want to lead you astray in thinking that I am going to be able to do that the next time it happens someplace else. I would like to, we will try harder. Those are tough. Those are tough to predict. But I want to do for the country and the way you should measure up is not whether we make each little individual event things I have been criticized for in the last few years--I did not predict Begin's election. Who predicted Jimmy Carter's election? And you had a lot more data. We did not predict this thing in Iran, but if I am not providing this long term sense to the policy makers, you know there are problems in this area of the world _____. But much as I would like to predict every assassination, every coup, every turn of government in the world and I will try better, I am not guaranteeing we will ever make it.

Q: Admiral, there has been considerable comment in the general press about the lost _____ and friendly faces (inaudible)

A: _____ I want to be candid with you. That is a very sensitive subject. Off the record let me say that the more we talk about our sensitive intelligence collection operations in public form, the more difficult, the more costly become ways to replace those that get overtaken or lost. I think that should be obvious to you. So I really am trying to low-key this one. It is important to the country we have all the intelligence collection capabilities needed, particularly with the SALT treaty looming on the horizon. And to the extent we loose anything one place we have got to try to replace it some other way, either through a better technical device you fellows can invent for us, or in different locations around the world. The cost of doing these is just going to get exorbitant if we keep telling the world we are _____ that because of one event or another.

Q: (Inaudible)

A: No, I do not have any perception of when the Iranian situation will stabilize. I am afraid the situation will polarize--polarizing first between the secular leadership, Bazargan; the religious leadership, Khomeini; and the great danger that the leftist of the Sheriks and of others, that the Sheriks, terrorists, paramilitary groups being the most prominent Marxist oriented people. There is great confusion between the secular and religious leaderships of the country, they may step into the breach. They are, I think, consciously discouraging the revival of the Iranian army, which if it were brought back into cohesiveness and did work for the secular government, it might be able to get some semblance of order. The army has sort of disappeared off the radar scope right now. It is hard for me to predict whether there is any hope that it could be brought back.

Q: Do you have any indication what the security of the _____ missiles and so on? Are they still secret or have they managed to breach those secrets?

A: Well I can say this, I do not have any evidence they have been breached. But we have not had access to them, that is the Americans, for some time now. One hope is that there is a group of _____ people called _____ and they are really high priced technicians, they are in uniform. I guess they would be sort of like _____ people who get technical training. I guess they do not have a military authority, they are just there to operate and maintain the equipment so they get a better education _____ . They have been a very unusual group. They have been _____ Khomeini from the beginning. And they have taken control of the air bases where these equipment are and they excluded us, they are not pro-American by any means. But we also think they are pro-Iranians and they like their equipment and they are proud of it and they think it belongs, and it does belong to Iran. And I guess our hope is that out of the sense of nationalism, they are not letting this stuff escape and go away. They are not Marxists, so there is something of hope here but no guarantee that it has not (inaudible).

Q: Going back to _____, there has been some comment that the activation of the women in Iran is sort of parallel to what happened in Chile, the women were instrumental in bringing down the government.

A: Well, it is symptomatic of the number of sectors of the Iranian society that are not happy to go to a full Islamic concept that Khomeini--the bankers do not like the idea of having banks with no interest rates. The lawyers, the judiciary do not like the idea of the Islamic courts to decide things outside the normal legal process because _____ . The women, many of them do not want to go back to the veil. Lot of others, particularly women, are concerned that their educational opportunities will change under this concept of the Islamic republic. I do not, at this moment, see the women any more than any other group as being one that would likely topple things. But I do see some indication that those groups, be they women or lawyers or bankers or whatever, who are reluctant to see the thing go as Islamic as it may. From looking around for support against the religious trend, we may end up with the Shariks as the only cohesive force which will eject. You see, Bazargan can only fight Khomeini to some limited degree both because of a lack of power and because he is on his team. So if you really want to fight Khomeini at this point as a non-Marxist, you may end up with a Marxist in order to find a coalescing factor. That is a real big one.

Q: (Inaudible)

A: _____ a much smaller population. It has not been as perturbed yet by great infusions of money and a chance to build a whole new society. There has, of course, been education for women _____ liberation of women in the working force and so on. Saudi Arabia _____ not nearly as much disturbance of the traditional religious _____. The difference in the other direction is that there is large expatriate population in Saudi Arabia's working force. A potential disturbing problem they did not have except for representatives of your companies and ours _____ the government in Iran is not the same way. _____ Moslem sect largely rather than Sheha is less inclined to tamper with governmental processes and less structured than Shehas are. _____ a big role. It was a communications network around Iran and not that it was exactly against the Shah but _____ coalescing process. Tighter control by a, not a single individual like the Shah as much as a family, a fairly sizable family, that has its pluses and minuses, less decisive; but on the other hand, more in touch with the country. The King, you know, I had the privilege of calling on the King last March. I had to get in a C130 and fly out, a really exciting adventure, and land in the desert, no airstrip, and get into a Cadillac and drive out across no road and come to the tents where the King was out there to be able to commune with the _____ and have them call on him. And you would enjoy this sight as you

came upon this tent city and right behind the King's tent what was there but a huge antenna to transmit to his satellite. And you go in the tent and saw it covered with Persian rugs and around on the wall are neatly spaced air conditioners. I mean, really, _____ . But he does get out and he keeps in touch with the people. There are other things going for us there but, clearly, the basic seeds are very similar and we have got to hope (inaudible)

Q: _____ how you do coordinate and effectively put forth your position and your problems in reports to the President or the government and how that works? I realize it is a big long subject, but how effectively do you think you are in influencing government or the President in taking action or developing policy?

A: Let me say that I have been very grateful in the two years that I have been here in not having any problem getting through to President Carter and having tremendous receptivity from Vance and Brown and Brzezinski. They have a tremendous interest in what we are doing. A phone call interrupted me in the middle of a breakfast this morning. Vance had read a memo I sent him and wanted an amplification. Now there has never been a time when there has not been difficulty whether decision makers will accept and understand and interpret intelligence _____. I am not the I to say whether they do it right or wrong because that is the policy _____. But, I have felt a tremendous need as a result of these changes that I mentioned, and particularly the shift to more emphasis on political and economic kinds of intelligence. _____ careful that what I think that is _____ to intelligence by consensus is not the way we do it in the future. You are doing military things. You are looking for facts. Have they got a thousand mile range in that airplane or two thousand mile range? And we have developed in this country--I can say this as an ex-military man--a feeling that _____ more interested in the capabilities than the intentions. And, therefore, we want to know what the range is and we end up compromising between DIA and CIA and the State Department, the Army, the Navy and so on. And if we compromise and make it fifteen hundred miles, why, it is probably pretty good because everybody exaggerates his position anyway cause he knew he was going to come to consensus. But you cannot come to consensus on are they going to attack on Monday or Friday. That is their intentions and Wednesday is the one wrong answer. And you cannot compromise on is the Shah going to survive or is he not going to survive. What you've got to do is explicate to the people, what are the pressures against the Shah, what are the things he has got going for him. We thought what was going for him was a little more than he had. But as long as we explicate that to people, we are providing a service. So I am trying to shift the orientation of analysis to this kind of explication of pros and cons more than I am saying, what is the prediction, what actually, I mean, _____. You give them something to chew on. The decision maker then integrates with his own intelligence and his own judgment. Then I think he has got _____ . _____ have not got there yet, but that is what we are trying to do.

Q: (Inaudible)

A: Yes, surprised to the extent that that movement of relatively small military force is very difficult to project. Not surprised to the extent that we knew, in fact, both countries are trying to undermine the other with the South being more competent at it. So, again, this specific outbreak, which actually the specific outbreak on 5 November, no, I did not predict that would happen there. It is not easy, even now, to detect exactly what is going on because these are not big tank arms that are moving around _____. But clearly, we have been apprehensive for some time as to how much this continued division of equipment and training by the Soviets contributed to South Yemen and the impact on either North Yemen or _____.

Q: (Inaudible)

A: Not a great deal. The problem on my commenting on SALT is that my job is not to tell you whether they are _____ or viable, but to tell the policy makers can I tell you what is happening. We call it monitoring. It seems like a fine line _____. Can I detect what they are doing with respect to each of the 60 some provisions of the treaty. And in some I will tell the policy makers I'll be right on boss, you know, one missile and we will have it in two weeks. Others I'll say, I'll let you know how far a cruise missile will fly, it is tough as you would know very well. And so my confidence level is "x" rather than 100. It is up to the policy makers to decide can the country benefit by a treaty in which the confidence level of being able to check on this is "x" as opposed to 100. What is the net plus or minus for the country. If I get involved in saying yes, that is a good treaty and I can verify it, then I am likely to color my degree of confidence in checking on it, you see what I mean. I have to stay as impartial as I can by saying, these are the hard facts, and I will give those to the Senate, obviously give them to the President all the time and they include them in the course of negotiations so they know what they are getting into. I am afraid that I will have to keep my monitoring confidences limited to the Senate who will have to make the judgment for the country.

Q: Admiral, could you comment on the various Africas--South Africa, Angola, Southwest Africa _____ significant political change may result?

A: That is a tough one. We are also sort of disappointed and discouraged over the last four or five months _____ they have just continued to have lost their sense of direction. Angola, let's take the countries quickly. A hugh (tape turned) suppressed and now increasing problems with South Africans working against the Swapo guerrillas that go down into Namibia or _____. So they are in real problems and the more they are attacked by _____, the more they are attacked by South Africa, the more they claim they have to have a _____ to build them up. So I don't see, myself, a lot of hope for the prospects of a big change in the

attitudes or policy of the Angolans. In Libya, it is just hanging right on the cliff as to whether the U.N. will get in there and do something to hold elections and to form an indigenous government that would have some ability to control the countryside. There is a real danger it could go the wrong way, but we will just have to continue _____ with some very weak government in there. I do not know if it will get that far or whether the South Africans will feel they have to hang on _____ work right now, it is very touchy. The Rhodesian situation--a few people think the elections on the 17th of April might solve the problem there. I only hope that it will as if Smith really does step down. He is saying now that he is not sure he is going to. An unfortunate prospect or continued guerrilla warfare _____.

It is very difficult to see how that can be resolved easily and a great danger that if the guerrillas find things not going their way that that could be the sand in the face in Zambia, Mozambique respectively, that they will turn more and more _____ Soviets for material support, training support and even _____ in Ethiopia. The latter would be a very dangerous _____ and limit how far the South Africans might _____. So I think it is a very uncertain, dangerous prospect _____.

Q: (Inaudible)

A. You are well aware of how critical some of those are to us. I don't think I see South Africa itself in great internal danger at this point. I think certainly the long term plan and why the Soviets are taking such an active interest down there, they want to be on that side and it is going to be pushing South Africa but I think that would come after they _____ especially in Rhodesia and Mozambique and so on to put the pressure on them. In the meantime, we are very concerned about the situation in Zaire. _____ one or two crises there. They are trying to keep the cobalt running, I guess that copper is important but not as critical as the cobalt. But _____ is not solving the basic internal problems of the country either discipline of his military or _____ themselves or the serious economic problem. So I think we can expect continued difficulties in that area.

15 March 1979

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Public Affairs Council
of the Aerospace Industries Association
1100, Friday, 16 March 1979

Community in state profound change

Not appreciate

1. Customers different needs - U.S. sees role in world different
2. Public interest greater
3. Technological systems

I. Customers

Transition - activist - recognition limits/restraints

1. Visibility - criticism - 1 vote/country
2. More difficult to decide who to support where/when, e.g., Ogaden, Cambodia

Black vs Whites

No irretrievable losses to communism?

Interpret world scene - mil - pol - econ - culture

3. Tools intervention less military - Defense dynamic

Pol - econ limits too

Must understand

Not mean - opt out - not care - intervene

Longer range view

Less finger in dike

Impact Intell two-fold

Collection

1. More countries/topics - food, population, bal trade, nuc prolif

raw material, production

Pol/Econ - Some tech - Much HUMINT

Non espionage

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2. Analysis - More disciplines

More area specialists - Training overseas

More interdisciplinary

Military

Sov build-up - More local wars - Arms control

Tech systems - Timely

New style

Mil - facts - consensus

Compromise - Not bad

Need

Decisive - avoid least common

Differing views - Views not comments

Pol - Econ - essence - not prediction

E.O. - Coordinate - Not control DIA, INR

II. Increased Public Attention to Intelligence

Investigations eroded confidence, support

Generated suspicions of invasions of privacy

Enough true (tho much exaggerated) - corrective action necessary

Action very thorough

Oversight procedures: Pres, IOB, Congress - including press

Impact

Much greater visibility - some wanted - much unwanted

3 Impacts on Community

1. Uncomfortable

Secrecy - necessity and habit; e.g. case officer's stock

in trade is assurance of confidentiality

2. Accountability - New - Techniques unfamiliar

Have adapted beautifully - but painful

Super budget presentations - FY '78 vs '80

3. Lessen valuable capabilities

A. Especially to C.A. - 2 aspects

1) Leaks

a) Controversial policy issues - Exec Branch - Hughes-Ryan?

b) Domestic political issues - Congress - 8 committees

2) Loss of flexibility due detailed guidance/control - won't work that way

Spillover inhibition to intell collection

B. To intell collections

Risks of leaks - clearances

Reverse need for disclosure and hold closeness

Lesser confidence - agents and allies

Net impact of visibility:

Plus - Must have public support - Must avoid abuses

Charters and practice of next 2-3 years will establish balance -

How much does nation desire assurance against invasions

of privacy and foreign policy moves considered unethical

at expense of intell/covert action capabilities

III. Burgeoning Technical Capabilities

New dimension of intell - referred to earlier - arms control - but

want expand because magnificent opportunities if utilized well

unique problems - sorting - processing

Missing mechanism -

Coordination of 3 elements - PHOTINT - SIGINT - HUMINT

- Each intell community on own -

Collect - Interpret - Produce

- Especially need integrate HUMINT

Conclusion

- Changing customer needs
- Changing domestic climate
- Changing character and cost of tools of intel collection

Each places special demands - requires adjust

Adjusting well, but must be careful

Easy to hobble intel capability

Your contribution in area of technology often permits us to make those adjustments without loss in capability.

Aerospace Industries playing even greater role in intel for future.

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