



Washington, D. C. 20505

Executive Registry

81-1984/2A

The Honorable David A. Stockman
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Dave:

I take a back seat to no one in support for the President's efforts to get government spending under control and to reduce government employment. As you know, the President is determined to strengthen this nation's defenses and its intelligence capability after a decade of reductions. With his and your strong support, I took steps to strengthen CIA's resource base. We not only supplemented the 1982 budget, but I gave instructions to my staff to move smartly in FY 1981 to get the Agency's personnel strength up to authorized levels and to get a jump on FY 1982 when our ceiling will increase by [] positions. I was struck by the fact that in the 1970s CIA lost about 25 percent of its personnel. []

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My letter of 10 August asked your support to breach the 1981 ceiling so that we would not have to slack off our recruitment and processing effort in the last month, only to start it up again in October. I do not think this request violated the spirit or the letter of the President's goals to curtail government employment or to strengthen intelligence. []

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In the absence of any response to my 10 August letter, my staff took every step possible--short of firing people--to hold to our authorized level. We quit giving entry on duty dates to new employees. We rescinded some that we had given. We postponed training courses for new operations and security officers. This was painful and, I firmly believe, easily avoidable. As a consequence, CIA on 30 September was within its Congressional ceiling. []

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I take strong exception to your assertion that our personnel planning and reporting system is deficient. On the contrary, the system told me that we were moving ahead forthrightly to get the personnel we need to do the job the President has assigned us. It told me that we were in danger of breaching the ceiling at the end of the year. It caused me to ask you for relief. And when no response was forthcoming, it enabled me to take corrective action to live within the Congressional ceiling. The system worked well, and I do not intend to take any "corrective action." We will provide you, as previously agreed, regular reports on our personnel status under the new FTE reporting system. []

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It is unfortunate that you failed to respond to my request favorably. I believe you are badly served in being asked to sign a letter on the last day of the fiscal year asking us to take all steps necessary to stay within ceiling. Fortunately, our personnel management practices and our staff had assured that we would stay within our Congressional ceiling.

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Sincerely,

William J. Casey
Director of Central Intelligence

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