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PAO 86-0025

23 June 1986

MEMORANDUM FOR: Director of Central Intelligence

FROM: George V. Lauder
Director, Public Affairs Office

SUBJECT: Address of The Society for Historians
of American Foreign Relations

1. Action Requested: None. This is background information for your address to The Society for Historians of American Foreign Relations (SHAFR) twelfth Annual Conference in conjunction with The American Military Institute and The Conference on Peace Research in History, Wednesday, 25 June, 8:00 p.m. reception 9:00 - 10:30 p.m., Georgetown University Intercultural Center 37th & O Streets N.W. Phone: 625-4007

2. Arrangements: You are asked to arrive at the Intercultural Center at approximately 7:50 p.m. You will be met in the entrance of the Center in the Galleria by Professor Betty M. Unterberger of Texas A&M, President of SHAFR and Dr. Milton Gustafson, Chief Diplomatic Branch, National Archives and escorted to the auditorium for your address to the plenary session of the SHAFR Conference. You will be seated on the dais with the following:

Dr. Betty M. Unterberger	President, SHAFR
Dr. Milton Gustafson	Chairperson, SHAFR
Dr. Thomas Helde	Arrangements Chairman, SHAFR Conference
Dr. Marie-Helene Gibney	Acting Provost, Georgetown University
Dr. Richard Dean Burns	Council Member, SHAFR (tentative)

You will also be meeting with Chairman of the Program Committee for this year, Professor Justus Doenecke. (See opposite for biographies.)

Dr. Helde will open the session and Dr. Gibney will give the welcoming remarks. Dr. Unterberger will preside over the presentation of the Norman and Laura Graebner Prize. The award will be given to Dr. Dorothy Borg (in absentia), a senior scholar in the field of American diplomatic history, and to former President of SHAFR Dr. Warren Kuehl. You will be introduced by Dr. Unterberger who will also monitor the questions and answers. The suggested format for your address is 20 minutes of remarks followed by

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15 minutes of questions and answers. Ken McDonald has been touch with you regarding the speech. A podium with microphone and a neck microphone will be provided for you. A business suit is the dress for the evening. Your remarks will be taped by the organization for our historical records. SHAFR has requested permission to run an article in their newsletter concerning your talk, and have agreed to submit it to us for review prior to publication.

Audience: You can expect an audience of approximately 200 historians from SHAFR, the American Military Institute and the Conference on Peace Research in History. Although TV and radio coverage will not be allowed, members of the print media could be present. Two Canadians will attend, Professors Louise Daw and George Egerton, and a Japanese scholar, Hideki Kan. Professor Peter Boyle (UK) from the University of Nottingham will give a paper on "Churchill - Eisenhower Detente 1953 - 1955."

After your speech, a reception is planned in the Galleria on the third floor of the Center. There will not be a receiving line. Mrs. Casey is invited to attend the address and reception.

Background on the Conference: Topics covered at the Conference will include "Domestic Politics and Foreign Policy," "How U.S. Diplomacy Deals with Political Change," and "Presidential Leadership and Foreign Policy" to name a few. Speakers for the Conference are drawn from academia. (See conference program opposite.) Elliott Richardson was a featured speaker at a past conference.

Background, Society for Historians of American Foreign Relations: According to Dr. Unterberger, the members of the Society are aware not only of your distinguished service in American foreign relations, but also of your support for the Agency's excellent history staff, your opening of the OSS records, your new program to declassify and release CIA historical records, and your active support for President Reagan's recent directive on "Timely Publication of the Foreign Relations Series." The Society's mission is to improve communications among historians in its field. With a current membership in excess of 800, the Society enrolls teachers and graduate students interested in American foreign relations, archivists, government personnel, and non-affiliated writers. Foreign nationals are also members. Officers and committee chairmen are listed on letterhead opposite.

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In past years there has been an occasional run-in with the Intelligence Community when requests for declassification of historical documents have been denied. (See NEXIS run opposite.) The Chief of the CIA History Staff, Dr. Ken McDonald, rates SHAFR as an eminently respectable professional society and believes that speaking to this group could pay dividends for future Agency recruiting. You should be aware that the current SHAFR vice president, Thomas G. Paterson of the University of Connecticut, is bickering with CIA about fee waivers for his voluminous FOIA requests. Nevertheless, most members of SHAFR are aware of your historical interests, and what you have done for historians in opening up the OSS records and establishing the new Historical Review Program.

Although there were demonstrations concerning South Africa on the Georgetown University campus this spring, Dr. Helde reports that the campus is quiet with the undergraduates on break.

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George V. Lauder

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REMARKS OF WILLIAM J. CASEY
DIRECTOR OF CENTRAL INTELLIGENCE
BEFORE
THE SOCIETY FOR HISTORIANS OF AMERICAN FOREIGN RELATIONS
AT
GEORGETOWN UNIVERSITY, WASHINGTON, D. C.
25 JUNE 1986

I am delighted to be here this evening with the Society for Historians of American Foreign Relations. I'm glad that you invited me to join your discussions. I'm glad that the Conference on Peace Research in History and the American Military Institute are both with us, since intelligence is a function that is as essential for the conduct of foreign policy in peace as it is necessary for survival in war. Our president and foreign policy-makers need the best intelligence possible if they are to spend a \$300 billion Defense budget wisely and if they are to shape a sound American policy to preserve the peace. Modern arms control agreements, for example, are only feasible because of the effective technical means of verification that our Intelligence Community works to provide.

Research into the relationship between intelligence and history is much easier than it use to be. As a result of Senator Durenberger's initiative, and with the encouragement of the Senate Intelligence Committee, CIA took steps to transfer to the National Archives and Records Administration its entire holdings of declassified OSS permanent records. This large and important collection has been transferred in increments over the past two years, and almost all of it is now open to the public at the National Archives on Constitution Avenue. The opening of this collection for the first time permits well documented studies of the role of American intelligence in World War II.

I have built on this transfer of OSS records to establish an Historical Review Program to review and release records of CIA itself for historical research. In organizing this new program we had invaluable help from consultations last year with Robert Warner, then Archivist of the United States; John Broderick, Assistant Librarian of Congress; and three distinguished American diplomatic historians, John Lewis Gaddis, Richard Leopold, and Gaddis Smith. With additional resources from Congress we have organized a concerted effort to declassify and transfer to the National Archives the greatest feasible volume of historically important CIA records, beginning with our earliest holdings. I might add that in connection with this Historical Review Program, Ken McDonald and the CIA History Staff are cooperating with the Department of State Historian's plan for publishing supplements to early postwar volumes of the Foreign Relations of the United States, which will contain material declassified since these volumes first appeared. I have also pledged my strong support for President Reagan's directive last November that necessary measures be taken to ensure the publication by 1990 of the Foreign Relations volumes through 1960. CIA will do everything it can -- especially in declassification review -- to help State meet this accelerated schedule.

Now let me turn to the interplay between history and intelligence during our lifetime. We had substantially demolished our intelligence capabilities in the years leading up to World War II. When a New York lawyer, Bill Donovan, was pressed into service by President Roosevelt in 1940, the whole

United States intelligence apparatus was down to something like 100 officers in Army and Navy units. Upon his return from a fact-finding mission to Europe and the Middle East, Donovan told the President that America needed an intelligence and covert operations capability. Roosevelt didn't need much persuasion. Six months before Pearl Harbor, Donovan was in business as head of what would become the OSS.

In World War II we were amateurs and learned about intelligence from the British. We also learned that when people are deprived of civil liberties they fight. Guerrilla movements in Yugoslavia, Greece and Albania were a major factor in keeping some 40 German, Italian, Bulgarian, and Croatian divisions in Southeast Europe far from the arena of decision. Resistance armies in Norway, Denmark, Holland and Belgium tied up other German forces and delayed their movement to reinforce fighting in France.

After the fall of France in 1940, Great Britain found itself alone, with most of its army's guns, armor and transport left behind on the continent. Fearing invasion of its own island, Britain could only wage a war of attrition against the economy and morale of the victorious Germans. Britain had to use the only weapons it had left -- the Royal Navy to blockade, the Royal Air Force to bomb, and the people of Occupied Europe to sabotage and undermine.

To mobilize resistance in the vanquished nations, Winston Churchill created SOE, the Special Operations Executive, and issued his memorable order, "Set Europe ablaze." Many brave Britons were ready to become commandos, and many brave Europeans were eager to risk their lives to inflict damage on the conqueror and redeem their national pride and honor. Europeans at large cheered them on until they discovered what the occupier would do in reprisal, like wipe out an entire village. German reprisals turned the SOE and the resistance groups that sprang up all over Europe largely away from one-shot sabotage operations and hit and run raids. Rather they began carefully and slowly to organize, train and equip specialized groups and networks that could get intelligence, spread propaganda, do quiet and difficult-to-detect sabotage and develop paramilitary units capable of striking when the time came. A long slow process, some three to four years, of building skills, support structures, training capabilities, organization and relationships set in.

There were three separate but loosely tied together organizations which guided and supported this process from outside France -- Britain's SOE, DeGaulle's Free French in London and Algiers and, during the last two years, the OSS from Washington, London and Algiers. Inside France separately led and frequently rival resistance forces developed from five principal strands. Indigenous resistance groups sprang up all over France and consolidated into some half a dozen movements,

more or less focused in particular regions of the country. When the Germans attacked Russia in 1941, French Communist and far left groups which had largely supported the occupiers went into resistance and began to form their own units. SOE and General DeGaulle's intelligence and action service each separately sent organizers and radio operators all over France to recruit resistance groups and provide them with communications, training and weapons. Finally, when the occupier imposed a labor draft, thousands of young men left their homes to hide in the hills and forests, and many ultimately formed themselves into military units that sought arms either directly from London or through one of the earlier resistance networks.

Before D-Day and during the allied advance from Normandy to the Rhine, the French resistance provided invaluable intelligence about the situation and activities of German forces in France. In World War II this kind of intelligence, collected by old-fashioned espionage -- human intelligence, or humint in today's jargon -- was enormously important. Although getting similar information for our advancing armies from inside Nazi Germany proved a much tougher proposition, in the last six months of the war we managed to infiltrate some 150 American agents into the Third Reich -- and to get almost all of them out again alive. The other two principal sources of intelligence about the German war machine were aerial reconnaissance and code-breaking, the forerunners of our great

technological intelligence gathering capabilities today. Aerial reconnaissance was of key importance both for ground forces and air operations. Research and analysis on the German economy laid the basis for the great strategic bombing offensive. The breaking of German high-grade cyphers and the operations and strategic use of these breaks -- evoked by the single word "Ultra" -- is one of the most exciting stories of the war. Beyond this, OSS and British counterintelligence worked together in deception operations that badly misled the Germans about both the time and place of the cross-channel invasion.

When the Americans of OSS arrived on the scene in London and Algiers early in 1943, our new and senior partners of SOE and the Free French had been supporting resistance forces for some three years and had become proficient and confident in sending organizers and saboteurs into France and keeping them there. They had performed sabotage jobs, established organizers and communications, built up caches of weapons, organized resistance bands and formed them into networks. But using these scattered and irregular forces in support of large-scale military operations in France was a new problem. It had to be worked out with military planners and commanders skeptical about the value of resistance forces. We were in a vicious circle. To satisfy ourselves about the reliability of resistance forces, we had to persuade the arriving American military to give them the plans and equipment they needed to

prove their value. Yet we found that the military commanders coming over from the US were schooled and geared to secure their objectives by the application of overwhelming firepower, and they believed they had it. For the most part, they know little and cared less about French resistance or guerrilla warfare.

For the generals at SHAEF the French resistance movement might be as good and important as OSS and Special Operations Executive said it was. On the other hand, the resistance might be an illusion and not materialize in the crunch. Sure, there were thousands of Frenchmen eager to fight the occupier, as many as 150,000 by some estimates. But they had to be organized, armed and directed. Could the still nascent and loosely knit resistance movement quickly become a cohesive striking force that was sufficiently under our command and control to make a military contribution to the invasion? To answer yes required an act of faith. OSS and SOE officers in Grosvenor Street and Baker Street who had worked with General DeGaulle's intelligence service and with the men going in and out of France were willing to make that commitment. Selling the idea to our generals and their planners wasn't easy, but in March 1944 the Supreme Commander, General Eisenhower, came down on our side and ordered a new Special Forces Headquarters to implement plans for resistance activities in support of the invading armies. On 31 May SHAEF decided that instead of signaling the resistance to rise unit by unit, as needed in the

battle across France, there would be a general call-up of the entire movement in support of the Normandy landings that week. Beginning 1 June some 300 messages went out over the BBC alerting resistance leaders all over France that the landings would come during the week. The French resistance made 950 cuts in French rail lines on 5 June, the day before D-Day, and destroyed 600 locomotives in ten weeks during June, July and August of 1944. Our greatest debt to the resistance fighters is for the delays of two weeks or more which they imposed on one panzer division moving north from Toulouse, two from Poland, and two from the Russian front as they crossed France to reinforce the Normandy beachhead. We will never know how many Allied soldiers owe their lives to these brave Frenchmen.

The French resistance forces continued their magnificent work throughout the liberation of France, and when it was all over, General Eisenhower said, "...In no previous war and in no other theatre during this war have resistance forces been so closely harnessed to the main military effort....I consider that the disruption of enemy rail communications, the harassing of German road works and the continual and increasing strain placed on the German war economy and internal services throughout occupied Europe by the organized forces of resistance, played a very considerable part in our complete and final victory...."

At the end of World War II President Truman was persuaded that in peacetime the United States would not need the kind of central and strategic intelligence service that OSS had provided. He therefore dissolved OSS in October 1945, soon after V-J Day.

The Soviet seizure of Czechoslovakia and threats to Iran, Turkey and Greece showed that Harry Truman had acted too quickly. After a long debate, in which General Donovan and others who had served in OSS played an important part, the Central Intelligence Agency was established in September 1947, by the same National Security Act that created the Secretary of Defense, an independent Air Force and the National Security Council. CIA's origins in the wartime OSS were evident in its leadership, which has been dominated by former OSS officers, by its functions, which are largely the same as those that OSS performed in World War II, and by its role in government, which is close to the vision that General Donovan had for OSS.

Yet while CIA's legacy from OSS is large and important, CIA today is very different from OSS in World War II. As one who served in OSS in the second war and in CIA since 1981, I am keenly aware that the world CIA lives in, and the problems it deals with, are infinitely more complex, variegated and difficult than those we faced in World War II. Signals intelligence has come a long way since Ultra and Magic, and we have capabilities in overhead reconnaissance today that could

not even have been dreamed of forty years ago. Constantly developing technical systems that cost billions of dollars now produce enormous amounts of intelligence. In the World War II emergency we did a remarkable job of transforming talented and patriotic amateurs into competent and effective intelligence operators whose sole mission was to win the war against the Axis powers.

Today CIA has developed a highly training and disciplined corps of career intelligence professionals who can cope with vastly more complicated and diffuse challenges. We have a host of new missions, in such areas as international debt, technology transfer, gauging foreign industrial competition and the implication for US security, helping to stop the international flow of narcotics, and fighting against terrorism. Even in our central traditional role of assessing our potential adversaries' strategic capabilities we find counting Soviet mobile ICBMs a very different and more complicated enterprise than tracking Wehrmacht divisions.

But we can perhaps make too much of these differences. There are still lessons to be learned, and insights to be gained, from the World War II experience of OSS. During the Vietnam War, I'm afraid we forgot our World War II experience in resistance warfare. There we took over a losing war from

locals, ready to fight for their homeland, who might have won it if intelligently supported and directed and if the external support provided the invaders had been effectively restricted.

In the aftermath of Vietnam, the challenge that we failed to handle effectively there has only proliferated. The Soviet Union soon began to test whether the U.S. would resist foreign provoked and supported instability and insurgency elsewhere in the Third World. Fully aware of the political climate in this country, it developed an aggressive strategy which avoided direct confrontation and instead took maximum advantage of Third World forces or surrogates to obtain Soviet objectives. This enabled Moscow to deny involvement, label such conflicts as internal and warn self-righteously against "outside interference".

Over the last several years, the Soviets and their allies have supported directly or indirectly radical regimes or insurgencies in more than a dozen countries in every part of the Third World. It is also no coincidence that these subversive efforts supported by the Soviets and their allies are occurring close to the natural resources and the choke points of sealanes on which the U.S. and its allies must rely to fuel and supply their economic life. Time and again we have watched the Soviets and their surrogates move in to exploit and instigate social and economic discontent. They gain an insurgent base, expand it with trained men and military arms,

sabotage economic targets, drive out investment, and wait for another plum to fall. Since 1972 five nations have extricated themselves from Soviet grasp and 25 nations have fallen under a significantly increased degree of Soviet influence or insurgency supported by the Soviets or their proxies.

And now we have begun to witness a new phenomenon. Moscow now finds itself supporting high cost, long-term efforts to maintain in power the regimes they have installed or coopted in places like Afghanistan, Angola, Ethiopia, Cambodia, Mozambique, Yemen and Nicaragua -- a reversal of the roles played by the United States and the communists in Vietnam. In my opinion, this amounts to something of an historical turning point in the last half of this century whose significance has not yet been fully appreciated and assessed by informed public opinion or, perhaps, even by historians.

In seeking to stem subversion in the Third World and in attempting to help local populations resist Soviet-backed repressive Third World regimes, the United States and its allies can indeed apply our historical experiences in supporting resistance forces. El Salvador is a good example of how these old lessons can be successfully applied to help a beleaguered nation defend itself. The successful free elections that have been held in El Salvador were made possible largely by our help in developing new intelligence sources and showing the El Salvadoran army how to use intelligence to break

up guerrilla formations before they could attack provincial capitals in order to disrupt voting. The dramatically improved security situation there has been due largely to a relatively modest training effort on our part which has imparted new capabilities to the government army. Today El Salvador has a popularly elected government and a population that has overwhelmingly rejected insurgents organized, supplied and directed from Cuba and Nicaragua.

And what about Nicaragua? In my opinion Nicaragua can and should be a perfect example of how some of our experiences in World War II can be applied with great effect in support of a resistance movement. During the debate on the renewal of United States aid to the Nicaraguan resistance, a number of misconceptions about the nature and effectiveness of resistance to oppressive governments have surfaced. For example, its been said that there is no way the hundreds of millions of dollars the Soviets are providing the Sandinistas could be matched, or that the insurgents will never have the military power to match the governments' might. We hear that a resistance movement should be totally self-sufficient and that external support would undermine its legitimacy. These arguments, of course, ignore our experiences with the resistance in World War II and reflect a basic misunderstanding about the way insurgencies and resistance movements work.

The truth, revealed in our World War II experiences and numerous struggles in the Third World since then, is that far fewer people and weapons are needed to put a government on the defensive than are needed to protect it. A resistance movement does not seek a classic and military definitive military victory. External support is almost always a key factor in resistance success. A progressive withdrawal of domestic support for a government accompanied by nagging military pressure largely against economic targets is what helps bring down or alter a repressive government.

The small and weak countries which are combatting Soviet inspired subversion and the resistance movements which are combatting Marxist-Leninist repression do not need and cannot handle a lot of sophisticated military hardware. What they need is what always has been needed in these kinds of situations, training in small arms and their use in small unit actions, good intelligence, and good communications. We helped provide this with effect to the resistance against Nazi Germany and if we can muster our resolve and act before resistance assets are allowed to wither away, we can put these tactics to good use today.

In conclusion, ladies and gentlemen, its still worth talking about how the OSS and the British SOE helped the French resistance forces and contributed to the defeat of Nazi Germany because I'm convinced that our success in that work can teach

us something about how we can meet our global responsibilities today. With a relatively few skilled officers and a tiny fraction of our military budget we can introduce new elements of stability into the Third World and check Third World Marxist-Leninist regimes that are stamping out democratic liberties and human rights and posing a threat to our own national security. Thank you.

I have built on this transfer of OSS records to establish an Historical Review Program to review and release records of CIA itself for historical research. In organizing this new program we had invaluable help from consultations last year with Robert Warner, then Archivist of the United States; John Broderick, Assistant Librarian of Congress; and three distinguished American diplomatic historians, John Lewis Gaddis, Richard Leopold, and Gaddis Smith. With additional resources from Congress we have organized a concerted effort to declassify and transfer to the National Archives the greatest feasible volume of historically important CIA records, beginning with our earliest holdings. I might add that in connection with this Historical Review Program, Ken McDonald and the CIA History Staff are cooperating with the Department of State Historian's plan for publishing supplements to early postwar volumes of the Foreign Relations of the United States, which will contain material declassified since these volumes first appeared. I have also pledged my strong support for President Reagan's directive last November that necessary measures be taken to ensure the publication by Now let me turn to the interplay between history and intelligence during our lifetime. We had substantially demolished our intelligence capabilities in the years leading up to World War II. When a New York lawyer, Bill Donovan, was pressed into service by President Roosevelt in 1940, the whole United States intelligence apparatus was down to something like 100 officers in Army and Navy units. Upon his return from a fact-finding

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