



Central Intelligence Agency
Washington, D.C.
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8/5/85

Charles E. Wilson
Deputy Director, Public Affairs

Ken McDonald
History Staff, 316 Ames

Ken -

Found this in an
old file. If you have
any interest, it's yours;
otherwise, please destroy.

Regards,
Chuck

~~SECRET~~

Executive Registry

80-2563

24 November 1980

MEMORANDUM FOR: Deputy to the DCI for Collection Tasking
Deputy to the DCI for Resource Management
Deputy Director for National Foreign Assessment
Deputy Director for Operations
Deputy Director for Science and Technology
Acting Deputy Director for Administration
Chairman, National Intelligence Council
General Counsel
Legislative Counsel
Inspector General
Comptroller
✓ Director of Public Affairs
Director of Personnel Policy, Planning, and Management

FROM :
Special Assistant to the Deputy Director

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SUBJECT : Transition Issue Papers

1. Attached are preliminary draft transition issue papers discussed at this morning's staff meeting. Please review for duplication and overlap, but particularly review the "CIA Recommended Position" paragraphs to assure they are consistent with current Agency policy.

2. ~~The papers will be discussed Wednesday morning at 11:00 in the DCI Conference Room.~~

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Attachments

cc: Executive Secretary
DCI
DDCI

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Transition Issue Papers

FROM:

SA/DDCI

EXTENSION

NO.

DATE 24 November 1980

STAT

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Morning Staff Meeting Participants

The following papers are codeword and will be distributed separately:

Relationships in the Intelligence Community

NFIP FY-81 Budget

Satellite Reconnaissance Programs

uscar

The DCI's Community Role

In order to perform his Community role effectively, the DCI must have, in addition to his statutory authorities, the acknowledged confidence of the President. This ensures that he:

- Receives the full and willing cooperation of the Community
- Is the Community spokesman on substantive intelligence matters, and
- Speaks for the Executive Branch when defending the program and budget before Congress.

The DCI's budget authority is an appropriate means for implementing his Community responsibilities. It constitutes real power over matters of importance. It ensures that the organizations of the Community must take him seriously. If he makes wise budget decisions and is an effective advocate, the budget provides an important role of leadership for a DCI. This role can benefit him in other transactions within the Community. The budget, however, is too blunt a tool to use to exert control over the substantive content of intelligence. He cannot use it to stifle substantive disagreement. Instead, there should be free expression of opposing views within appropriate channels.

In the time that the DCI has been exercising this authority, major investment programs have been managed more coherently than before. The programs required to support processing, disseminating, and analyzing the data from new imagery and SIGINT systems have been weighed at the same time. The issue of balance among technical collection and other activities has also been addressed. Traditionally reluctant Program Managers have been encouraged to share information that they might otherwise have withheld.

Finally, OMB and the Congress are organized to deal with the DCI as the advocate for the Community as a whole. In the final negotiations with Congress, the DCI is in the best position to speak for the Executive Branch on tradeoffs among programs.

This document is unclassified.

OVERSIGHT

SUBJECT: Oversight of intelligence activities within the Executive Branch and by the Congress has undergone considerable development during the last four years. The new Administration will have to decide how to structure oversight within the Executive Branch and how to carry out the oversight relationship with the Congress, recently embodied in statute.

BACKGROUND: The mechanism for oversight of the legality and propriety of intelligence activities within the Executive Branch is the President's Intelligence Oversight Board (IOB). Created by President Ford, the IOB was continued in existence under Executive Order 12036. It consists of three part-time prominent citizens from outside government, at the present time assisted by one professional staff member, a lawyer. Under E.O. 12036 the General Counsel and the Inspector General of each intelligence agency, as well as the Director, are specifically charged with reporting to the Board intelligence activities that raise questions of legality or propriety. The Agency is not subject to external audit by the General Accounting Office, but is audited vigorously by the Office of the Inspector General, particularly to ensure the proper exercise of the Director's special authorities.

On the congressional side, oversight is exercised by the permanent intelligence committees in the two Houses. Operating under E.O. 12036 the Agency has developed a generally satisfactory oversight relationship with these two committees. The committees have been given broad programmatic information about the Administration's activities and, in general, have had access to virtually all finished intelligence product. By and large they have neither sought nor been given access to sensitive operational information, such as the identities of agents or sensitive collection programs not involved in the budget process. A great deal of the committees' insight into Agency activities, in fact, derives from the budget process in which the committees and professional staffers have demanded and obtained great amounts of detailed information.

A strong push to create a statutory basis for this oversight relationship resulted from the intelligence charter legislation. In the end, oversight provisions were adopted, the only portion of the charter bill to survive. These provisions, enacted as part of the FY 1981 Intelligence Authorization Act, retain the requirements of the Hughes-Ryan Amendment for Presidential findings and reports to Congress with respect to covert actions, but reduce the number of committees receiving such reports from eight to the two oversight committees. The bill requires prior reporting of covert actions, subject to an exception in certain circumstances. In general terms the bill also requires prior reporting of all significant anticipated collection activities and that the Congress be kept fully

and currently informed of all Agency activities. There are, however, two essential limiting principles. One is that the President's inherent constitutional powers are preserved; the second is a statutory recognition that information may be withheld from the Congress in order to protect intelligence sources and methods. The language of these oversight provisions was hotly contested between the Administration and the Congress. The statute and its legislative history are complex and murky; in effect, they represent an agreement to disagree and to continue the status quo, which both sides recognize largely has been adequate.

CURRENT PROBLEMS/ISSUES: The new Administration will have to decide whether to retain an internal Executive Branch oversight mechanism outside the agencies themselves and, if so, whether that mechanism should be the IOB in its present form. The Board by and large has not presented any great problem to the Agency; neither has it been a markedly effective mechanism of oversight. Its lack of effectiveness is due in part to the part-time participation of the members and the lack of a professional staff. Under E.O. 12036 the precise powers and duties of the Board are not clearly defined. A considerable amount of the Board's energy during the Carter Administration has been devoted to bureaucratic wrangling with agencies over the Board's authorities rather than to issues of substance. The standard for reporting items to the Board under E.O. 12036 is unsatisfactory; if taken literally, it sweeps too broadly. The history of the Board's creation (as a reaction to the investigations of the mid-70's) has left a pejorative connotation to reporting which makes it hard for the Board to gather information simply for purposes of understanding the nature, effectiveness and necessity of legal restrictions on intelligence activities. Notwithstanding these problems, the requirement to report to the IOB in itself probably has strengthened internal oversight procedures of the General Counsel and Inspector General.

A problem has arisen with respect to highly compartmented information known to the President personally and which the President did not want information disseminated to the IOB. This became an issue in the past several years, causing tension between the IOB and the Agency and between the IOB and the President.

Respecting the Congress, the new Administration will face the issue of working out the practical application of the new statutory intelligence oversight provisions. In the last four to five years, a pattern has grown up under which large amounts of information are supplied directly by the intelligence agencies to the Congress (both to the two oversight committees and to numerous substantive committees). This phenomenon is due in part to: the investigations of the mid-70's; the congressional oversight provision of E.O. 12036; the increasingly rigorous budgetary scrutiny of the

authorizing and appropriating committees; and growth of increased congressional demands on the agencies. The requirement to provide information to the two oversight committees has now been embodied in statute in the FY 1981 Intelligence Authorization Act. The manner of providing intelligence information to the oversight committees, to other committees and to individual congressmen continues to be governed solely by ad hoc practices. The FY 1981 Authorization Act provides, however, that the President shall establish procedures for carrying out the provisions of the Act. The legislative history makes it clear that this provision is intended to allow the President to centralize the process of releasing certain kinds of intelligence information to the oversight committees. There is no statutory or Executive Order requirement affecting provision of intelligence information to other congressional bodies.

RECOMMENDED CIA POSITION:

Executive Branch Oversight: There should continue to be a body within the Executive Branch to conduct overall oversight of the legality and propriety of intelligence activities on behalf of, and as an advisor to, the President. This body could be the President's Foreign Intelligence Advisory Board or a subcommittee thereof if the PFIAB is reestablished. It would be desirable that the oversight body also be charged with some advisory role relating to substantive intelligence matters, so that it could conduct oversight in the context of evaluating the impact of legal restrictions on the effectiveness of the Agency. The reporting requirement of Agency officials to the oversight body should be clarified and phrased in terms that separate the reporting of actual wrongdoing from the provision of information for general evaluative purposes.

Congressional Oversight: The President should establish procedures under the FY 1981 Intelligence Authorization Act for the provision of intelligence information to the Congress. Serious consideration should be given to negotiating with the congressional leadership procedures by which substantive intelligence requested by the non-oversight committees of the Congress would be filtered through the oversight committees in a manner that would protect source-revealing information and reduce the number of inappropriate requests.

SUBJECT: Key legislative issues of concern to the Intelligence Community over the past several years have included Intelligence Charter Legislation, modification of the Hughes-Ryan Amendment, protection of Intelligence Identities, and relief from the Freedom of Information Act (FOIA). The major items of continuing interest are Identities and FOIA legislation.

BACKGROUND: Strong interest on the part of the Carter Administration and a segment of the Senate Select Committee on Intelligence (SSCI) in pursuing comprehensive Intelligence Charter Legislation resulted in several years of intensive and ultimately successful effort by the Intelligence Community to avert the enactment of overly detailed and unrealistic statutory restrictions on intelligence activities. At the same time, the Administration's focus on a comprehensive Charter impeded Intelligence Community efforts to promote separate and prompt legislative action on Identities and FOIA initiatives.

CURRENT STATUS: Provisions modifying the Hughes-Ryan Amendment and establishing a statutory system for congressional oversight of intelligence activities were incorporated in the Fiscal Year 1981 Intelligence Authorization Bill enacted on 14 October 1980 (P.L. 96-450). The Intelligence Community supported enactment of these provisions and believes that the codification of existing practices contained in the oversight language is consistent with both constitutional authorities and duties and the protection of intelligence sources and methods. The enactment of these provisions has, moreover, effectively dissipated any remaining congressional impetus for further pursuit of comprehensive Intelligence Charter Legislation.

Action on Identities legislation picked up following resolution of the charter issue, and Identities bills have been favorably reported by the House and Senate Intelligence and Judiciary Committees. The Intelligence Community supports the Bill (H.R. 5615) reported by the House Intelligence and Judiciary Committees, as well as the somewhat different version (S. 2216) reported by the Senate Intelligence Committee. These proposals are carefully crafted and narrowly drawn so as to provide an effective remedy for the problem of unauthorized disclosures of identities, while remaining capable of withstanding challenge on constitutional grounds. The version of S. 2216 reported by the Senate Judiciary Committee, however, is unacceptable because its failure to provide realistic hope for successful prosecutions deprives it of any deterrent value.

The 96th Congress also initiated serious consideration of efforts by the Intelligence Community to obtain relief from the FOIA. The Department of Justice and the Intelligence Committees of the House and Senate expressed support for modifying the handling of requests for intelligence information under the FOIA, and testimony on the need for FOIA-related legislation was taken at hearings held by the House Intelligence and Government Operations Committees.

CURRENT PROBLEMS/ISSUES: The section of the identities legislation which would apply to individuals who have not had authorized access to classified information, and which would criminalize their disclosures of identities even if these disclosures cannot be shown to have come from classified sources, will continue to face strong opposition from civil liberties groups and from legal scholars concerned about First Amendment implications.

Decisions are needed now as to the new Administration's position on the pending identities Bills, and on the advisability of attempting to complete action during the lame duck session.

Senator Chafee, the key Senate proponent of identities legislation, opposes going forward during the lame duck session. In the House, however, the measure has been scheduled for floor action and it will probably be acted upon during the lame duck session.

On FOIA, the new Administration needs to formulate a specific legislative initiative. H.R. 7056, a Justice Department proposal which would provide partial FOIA relief by precluding judicial review of information certified by the DCI to fall within certain specified categories, was introduced earlier this year and became the tacit Carter Administration position. This approach, however, does not fully solve the resource, operational, and security problems currently besetting the Intelligence Community under the FOIA. These problems can best be addressed by entirely excluding certain categories of files from the search and review requirements of the FOIA process. Justice Department support for such an FOIA initiative will be extremely important. Strong opposition can be expected from the ACLU, the Center for National Security Studies, and elements of the academic community. Opponents will concentrate on the House Government Operations Committee, but changes in the makeup of that Committee in the 97th Congress augur well for success.

RECOMMENDED POSITION

IDENTITIES

The Agency considers identities legislation to be of critical importance. If action is not completed by the 96th Congress this issue should be of priority concern in 1981. The Agency recommends Administration endorsement of the legislation already reported by the House Intelligence and Judiciary and Senate Intelligence Committees.

FOIA

The Agency recommends that the Administration work quickly toward formulation and introduction of legislation that would provide Intelligence Community-wide relief from the full range of FOIA-related problems. Such a measure was formulated by the Agency last year and is available for immediate consideration.

ADDITIONAL MEASURES

The Agency believes that there is a need for legislation to facilitate investigations by appropriate Executive Branch entities of unauthorized disclosures of intelligence information. Such legislation should broaden statutory authority for administrative investigations and provide administrative sanctions for unauthorized disclosures. In addition, the Agency believes that the new Administration should consider changes to the Espionage Laws to deal with the increasing epidemic of leaks of classified information.

RELIEF FROM FREEDOM OF INFORMATION ACT

SUBJECT:

The Freedom of Information Act as amended in 1974 is so poorly constructed that its objectives cannot be met by CIA without excessive manpower and taxpayer costs. More importantly, the aggregate release of information over several years (a) reveals more about clandestine activities than intended, and (b) inhibits cooperation of recruited sources and friendly foreign services due to their fear of exposure.

BACKGROUND:

To date, the Directorate for Operations (DO) has received or processed about 20,000 requests for information under the FOIA statute, resulting in the release in whole or in part of some 50,000 documents. By far the largest proportion of requests received by the Agency are for information from DO files which involves clandestine operations, intelligence and security liaison relationships, and information on sources and staff members of intelligence services. The FOIA Act even gives foreigners the same request rights as American citizens and permanent resident aliens--indeed, even one case from East Germany. Although the Congress originally projected the total U.S. Government annual costs for FOIA at about \$100,000, in fact DO costs alone have never been that small, and this year will approach 17 times that original estimate.

CURRENT STATUS:

Almost all DO information is classified. Because the DO indexes its records by topic and name, each request causes a search for information that reasonably might pertain to the request. This usually produces a quantity of classified paper which must be researched and sanitized. This virtually prohibits meeting the 10-day response requirement of the law. Frequently, the requester appeals, and failing the second deadline, sues the Agency for release. This causes us to place court suits and appeals ahead of initial FOIA requests and creates a self-defeating circle that diverts effort from initial requests to prepare for litigation. In the end, because of the exemptions to release of classified information allowed by the law, the requester receives largely trivial or useless expurgations, which operate to defeat the purpose of the law in any event.

ADMINISTRATIVE - INTERNAL USE ONLY

CURRENT ISSUES:

The Agency is underfunded and understaffed to meet FOIA requirements unless personnel and money are diverted from the Agency's principal missions. But more importantly there is an increasing perception abroad from cooperative sources and friendly foreign intelligence and security services that the Agency cannot guard its secrets, which in turn has accounted for reduced or refused cooperation in several situations. Finally, the Act is subject to serious abuse by some requesters, who have used it to delay other legal processes, to support personal research and publications at taxpayer expense, and to harass the Agency by frivolous or malicious requests.

RECOMMENDED CIA POSITION:

The Agency should be exempted totally from the provisions of the Freedom of Information Act.

It is especially noted that we do not seek exemption from the Privacy Act. This Act is better structured and the Agency can and should supply a U.S. citizen with data on himself that he rightly is entitled to.

ADMINISTRATIVE - INTERNAL USE ONLY

SUBJECT: Congressional Oversight and Access to Classified Information

BACKGROUND:

Historically, four committees of Congress oversaw the activities of the Central Intelligence Agency: the Senate and House Appropriations Committees; and the Senate and House Armed Services Committees. The former focused on the Agency's budget--which was not subject to the authorization process until 1976. The latter, which had referral jurisdiction over legislation derived from the National Security Act of 1947, focused on intelligence operations. Prior to 1974, however, the Agency operated under guidelines that only the senior Members of these four committees were entitled to information on clandestine activities or other information "protected" under the CIA Act of 1949, e.g., budget, organization and personnel.

The oversight status of the Foreign Relations and Foreign Affairs Committees was codified in the Hughes-Ryan Amendment of 1974 which provided that no funds may be appropriated for operations in foreign countries unless and until the President reports, in a timely fashion, a description and scope of such operations to the appropriate committees of Congress.

As a result of the recommendations of the Church and Pike Committees, the Senate Select Committee on Intelligence (SSCI) and the House Permanent Select Committee on Intelligence (HPSCI) were established in May 1976 and July 1977, respectively, to "oversee and make continuing studies of intelligence" activities and programs, and to "submit appropriate proposals for legislation". The enabling resolution for these new committees not only failed to provide exclusive jurisdiction over covert operations, i.e., repeal Hughes-Ryan, but was careful to avoid providing exclusive jurisdiction over substantive intelligence products: "Nothing in this resolution shall be construed as affecting the authority of any standing committee to obtain full and prompt access to the product of intelligence activities...."

CURRENT STATUS:

Executive Order 12036 directs the DCI to keep the SSCI and HPSCI fully and currently informed concerning intelligence activities, providing any information or document upon request, and to facilitate the use of national foreign intelligence products by the Congress.

In recent testimony before the HPSCI and SSCI on Charter Legislation, the DCI reconfirmed his intention to keep these committees "fully and currently informed" but was careful to delineate two restrictions on their access to classified information: information which revealed sources; and information acquired from friendly foreign liaison services with strict caveats concerning dissemination to Congress. Such reassurances were instrumental in overcoming much of the Congressional resistance to the Agency's desire to reduce the number of oversight committees.

The Intelligence Authorization Act for Fiscal Year 1981 repealed the Hughes-Ryan Amendment and established the exclusive responsibility of the two Intelligence Committees for overseeing intelligence operations. While this Act codifies important jurisdictional principles and reduces access to sensitive intelligence operations, its major significance is in its impact on outside perceptions, particularly with liaison services and foreign agents. In practice, it will change very little the extent or nature of the Agency's interaction with Congress.

Congress has developed an insatiable appetite for, and a dependency upon, Agency information and analysis. At the DCI's direction, the Legislative Counsel has developed a multi-layered program for providing substantive intelligence support to Congressional consumers on matters within their jurisdiction and for providing the HPSCI and SSCI with the information required for their legislative oversight and budget authorization functions, consistent with the obligation to third Agency interests and the responsibility for protecting sources and methods. Access to information, depending on its sensitivity, can range from full committee and staff to only the Committee Chairman and Ranking Minority Member; dissemination can range from automatic distribution to in camera briefings.

Within the restrictions noted above, the SSCI and HPSCI have full access to all Agency personnel, components, files and products. Each Staff Director has his own system of internal compartmentation, and access to intelligence operational data is limited to a few designated staff members. The SSCI, which was created in an atmosphere of skepticism toward the Agency, tends to concentrate on investigations of alleged abuses. The HPSCI, with a much smaller staff, many with prior intelligence experience, began with a less accusatory perception of its role and has concentrated its activities in the area of oversight of intelligence operations and assessment of intelligence quality. In both cases, the relationship with the Agency can be characterized--with few exceptions--as fiduciary rather than adversarial.

CURRENT PROBLEMS/ISSUES

One of the DCI's most difficult tasks has been to overcome the institutional reluctance to accept the oversight process and to recognize the Congress as a legitimate consumer of the Agency's product. The current realities have been generally accepted--if not embraced--by the Deputy Directors and independent Office heads. Agency personnel at the desk, or working level, are still receiving conflicting signals from other senior officials. The result is an inconsistency and failure on occasion to be responsive which has a negative impact on Congressional perceptions of the Agency.

In order to retain our reputation for independent and objective intelligence assessments, the Agency's flow of information to the Congress must be apolitical. The Agency's credibility is severely threatened when the Executive withholds, delays or otherwise impedes this flow for political--rather than national security--purposes. *pl*

The impact on Agency resources would be greatly reduced if the Intelligence Oversight Committees would assume some of the responsibility for keeping other Committees and individual Congressmen informed on appropriate intelligence matters. The HPSCI and, to a lesser extent, the SSCI have been reluctant to assume this role.

Although the SSCI and HPSCI staff members, who have access to virtually all Agency information and operations, undergo a complete background investigation, they are not subjected to the initial polygraph examination and re-polygraphing program required of Agency employees. In view of their special access, a modified polygraph, concentrating on contacts with foreign agents and the leaking of classified information to the press, does not seem to be an unreasonable condition of their employment.

Although there has never been an indication of a leak from one of the two Intelligence Oversight Committees, at least one Member has politicized his service on the Committee by issuing unclassified press releases from his office on topical intelligence issues. The releases, although carefully crafted from open source material, are based on testimony provided in closed session. The Committee adopted a rule to control such practices but the Chairman has never enforced it.

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SUBJECT Handling the dissemination of intelligence information to the Congress.

BACKGROUND The volume of substantive intelligence furnished to Congress has greatly increased since the mid-1970s.

-- Requests for finished intelligence have risen from 200 in 1976 to more than 1,400 last year; in response over 3,500 intelligence and biographic reports were sent to the Hill in 1979.

-- Briefings of committees, members, and staffs have doubled in the same period to about 450 a year.

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This increase reflects both the Congressional oversight role and the growing awareness by non-oversight committees that the Agency is a valuable source of information on international issues. Moreover, the Agency itself has taken the initiative in providing its product to committees with a valid need to know. For example, the Senate Committee on Energy and Natural Resources was briefed extensively in 1980 in executive session by OPA and OER analysts on the geopolitics of oil.

CURRENT STATUS AND PROCEDURES The cutback to two formal oversight committees is not expected to reduce overall Congressional demand for intelligence information, at least under current control practices.

-- Aside from the National Intelligence Daily (NID) and the International Economic and Energy Weekly (IEEW), dissemination of intelligence publications to the Congress is normally

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done in response to requests; none of the committees automatically receive reports.

-- The National Intelligence Daily is provided to the oversight committees, the House and Senate Armed Services, Appropriations, and Foreign Relations Committees, and to the Senate Office of Classified National Security Information.

-- National Intelligence Estimates, Interagency Memoranda, and NFAC intelligence reports are listed in weekly NFAC publications which are sent to the two oversight committees and also by special request to Senate Foreign Relations to facilitate its numerous requests for documents.

-- The oversight committees frequently ask for title listings on specific topics. These are checked through the appropriate offices to exclude or clear sensitive memos prepared exclusively for the White House.

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PROBLEMS Decisions on providing intelligence information to the Hill are on a case-by-case basis.

-- Application of source- and policy-sensitive criteria has been uneven.

-- Denials of intelligence reports to the oversight committees nearly always lead to protest letters from committee chairmen. The upshot usually is the release of the requested material in a form which protects sources and methods.

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-- Denials to committees other than the two oversight committees have rarely met with serious resistance so long as a briefing is given in lieu of the actual document.

-- Considering the increase in material provided to Congress, there have been few instances of Congressional leaks or mishandling of CIA intelligence. Proper classified storage and secure facilities for briefings are available on the Hill.

RECOMMENDATIONS The key problem is consistency in our approach to providing intelligence products and information to Congress, particularly to the oversight committees.

-- A concrete mechanism, such as a committee or panel with full DCI authority, should be set up to decide on release to the oversight committees of those few reports flagged by NFAC, DDO, or other components as highly policy- or source-sensitive. Such a panel at the same time should approve or deny further Congressional dissemination.

-- Source-sensitive reports should be evaluated prior to publication to determine if minor revisions of source descriptions would allow release. Denials on the grounds of sources and methods should be accompanied by offers of briefings on the substance of the report in question.

-- Policy-sensitive reports usually involve a matter of timing; background briefings should be offered until the policy options stage is completed.

-- Current restrictive policies on dissemination of sensitive reports to non-oversight committees seem adequate to ensure control.

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UNAUTHORIZED DISCLOSURES AND SECURITY ISSUES

SUBJECT: The problem of unauthorized disclosures of classified intelligence information ("leaks") has always existed, but it has reached devastating proportions in the last several years, with serious adverse effects on U.S. credibility abroad as well as on intelligence activities.

BACKGROUND: A particularly disturbing development has been an increase in leaks, not merely of substantive intelligence information but of details about sensitive technical and human collection resources. These leaks are beginning to result in discernible degradation of our intelligence gathering capabilities.

At present, information revealing intelligence sources and methods is disseminated much more widely in the Federal Government than is consistent with application of the need-to-know principle on which good security is based. There is no mechanism within the Executive Branch for control over authorized disclosures of classified information by Government officials. No one knows clearly, therefore, who has authority and in what circumstances to make such disclosures. In the Congress there is such a procedure as regards information imparted to the two oversight committees although adherence to it has not been perfect. Information imparted directly to individual congressmen or other committees, however, is at risk of being disclosed with no effective sanction.

The lack of adequate uniformity of security practices in the Federal Government is disturbing. This is seen especially in the uneven use of the polygraph despite the obvious utility of this technique at CIA and NSA. In these two agencies polygraph examinations are required for all personnel (except military at NSA) given access to classified information. Other departments and agencies (e.g., State, Justice, NSC Staff) do not require a polygraph examination and otherwise have somewhat varying security practices and capabilities from those seen at CIA and NSA. In addition, at the present time CIA is the only agency requiring execution of a comprehensive secrecy agreement, including the requirement of prepublication review of writings on subject matters related to intelligence. Under the new APEX system currently being implemented for Sensitive Compartmented Intelligence, such an agreement would be required throughout the government, but only with respect to SCI material. Moreover, this requirement has met with considerable resistance on the part of various departments and agencies. Finally, the Executive Branch has very little control, if any, over the security practices of the Congress, which again do not include the use of the polygraph in clearing staff members and impose absolutely no clearance procedures in the case of Members of Congress.

The investigation of leaks is stalemated by a variety of legal limitations and Department of Justice policies. Under the Carter Administration, the Criminal Division of the Department of Justice has followed a consistent policy of refusing to take on any leak investigation that would involve the media. The Department has declined to permit the FBI to interview journalists or other persons with respect to contacts with journalists. The Department itself has declined to use the powers of the grand jury or of search warrants. In general, the Department has thrown up a succession of bureaucratic hurdles, with the result that not a single leak case referred to the Department in the last four years has led to any prosecutorial action and almost none have resulted in even the most rudimentary investigative activity.

Although in testimony before Congress, Justice Department representatives have maintained that the existing espionage laws are adequate to deal with leak cases, in practice the inadequacies of the antiquated espionage statutes have been cited repeatedly by the Criminal Division as one of many reasons not to go forward with investigations. On the administrative side, the investigation of leaks for purposes of disciplinary sanctions against government employees have been hampered by two factors. One is the inability of the intelligence agencies, under E.O. 12036 and other legal constraints, to carry a security investigation beyond interviews of current employees. The second has been the refusal, as a matter of policy, by the FBI and the Department of Justice to use investigative techniques for purposes of possible civil or administrative enforcement proceedings. The result is a vacuum in which no one investigates possible leaks beyond the perimeter of any specific agency.

CURRENT PROBLEMS/ISSUES: An immediate issue confronting the new Administration will be whether to restructure procedures for the dissemination of intelligence information within the Executive Branch, and conceivably to the Congress, and whether and how to improve security practices. Specifically, the Administration will have to decide whether to retain the new APEX system for Sensitive Compartmented Intelligence, either in its present form or in a modified form, and whether to institute a similar system for other intelligence information.

The Administration will have to determine what kinds of security clearance procedures to impose on new appointees, as well as holdover officials, outside the intelligence-collecting agencies who will require access to intelligence information. The Administration will have to decide whether to impose a system for controlling authorized disclosures of

classified information. Similarly; decisions will have to be made as to the media relations policy of the Executive Branch as a whole, and of various departments and agencies. Decisions as to the proper roles of the Assistant to the President for National Security Affairs and the NSC staff, while presumably driven principally by other concerns, will have a direct impact on the problem of leaks.

RECOMMENDED CIA POSITION:

Controls on Dissemination: The President should decide and communicate throughout the Administration that authorized disclosure of classified information will be made only by designated senior executive officials and should require such officials to account for and record each such disclosure. All other officials would automatically be guilty of a disciplinary breach if found to have disclosed classified information. The Administration should institute a system for reducing to an absolute minimum the number of officials given access to source- or method-revealing intelligence information and should institute uniform security practices throughout the Executive Branch, including the use of the polygraph, as a condition to access to such information. The Administration should attempt, through negotiation with the congressional leadership, to institute a similar tightening of security practices and dissemination on Capitol Hill.

Investigation and Prosecution of Leaks: The Administration should ensure that the new senior leadership of the Department of Justice adopt changes in current Department policies so as to ensure (a) vigorous use of criminal investigative and prosecutorial resources in cases of serious leaks, and (b) the use of FBI investigative resources to supplement Agency security investigations for purposes of identifying and disciplining, administratively or through civil procedures, government employees responsible for leaks. Alternatively, the Administration should sponsor legislation to grant the agencies suitable investigative powers for disciplinary purposes. The Administration should undertake a revision of the espionage laws.

Dissemination of NFAC Finished Intelligence

NFAC publications appear in three broad categories: regular, periodic serials; ad hoc studies; and unclassified analytical and reference items. The scope of dissemination varies with the subject, the classification of the item, and its relevance to the recipient. Because of the large US interest in international economic and resource-related issues, OER publications are generally the most widely disseminated within and outside NFIB, followed closely by those of OGSF. Publications of OSR and OSWR are, by their nature, disseminated most widely within the Defense Department. OPA's papers are sent primarily to the President's National Security Adviser and senior officials of the NSC, State Department, and Defense Department.

There has been a concerted effort over the past year to tailor dissemination to the needs of recipients.

Most classified NFAC publications are printed to an average of 350 copies, with about 150 sent outside the Agency. Obvious exceptions occur in the case of sensitive items, where only 50 copies might be printed, with as few as 10 sent outside of the Agency. The International Economic and Energy Weekly--considered by OER as its prime publication--is printed in 1,085 copies, 619 of which are sent outside the Agency. By contrast, OSR's Strategic Intelligence Monthly Review--also a prime publication vehicle--is printed in 290 copies, with 64 distributed outside CIA. Classified publications also have been disseminated in growing numbers over the past few years to Congress through the Office of Legislative Counsel.

NFAC also has published unclassified reports which are released to the public and to standard government recipients. Since 1972 when the Agency began participation in the DOCEX program at the Library of Congress, the number of issuances made available and the number of copies provided of each has grown. In 1972, 27 Agency publications were sent to DOCEX in 165 copies each for distribution to their subscribers. We are currently making available over 150 publications a year, 625 copies of each, free of charge. Another outlet was established in December 1978, when the Agency signed a contract with the National Technical Information Service (NTIS) at the Department of Commerce. Everything sent to DOCEX is also made available to NTIS. Ten copies are provided free; a fee is charged for any over the amount. NTIS determines its needs for each publication offered, the number varying from 35 to 310.

Each unclassified report must be specifically approved by DD/NFAC before issuance. The release is then coordinated with NSC and State. The number printed varies depending upon subject and anticipated interest. The more narrowly focused ones receive a printing of between 1,700 and 2,000 copies; those of more general interest are printed in as many as 6,000 copies. In addition to the DOCEX and NTIS distribution, other prime consumers of our unclassified publications are the Office of Public Affairs, Domestic Collection Division, the Coordinator for Academic Relations, the Office of the Legislative Counsel, and OER for academic distribution. They are also made available to foreign intelligence through liaison channels.

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Incentives and Disincentives for Overseas Service

I. Background

- a. CIA has a continuing need for a large cadre of highly qualified and motivated employees overseas.
- b. During the 1950's and 1960's employees had strong motivations for overseas service. Morale and esprit were high. Employees believed they were a part of a unique and elite organization and that their special contributions were recognized and appreciated. Disincentives were either non-existent or of lesser degree than today.
- c. As perceived by employees today, incentives for overseas service are being neutralized by disincentives.

II. Current Status

A. Incentives for Overseas Service

- a. Quarters, post, transfer, and other allowances, were developed to permit the employee and family to maintain a living standard overseas comparable to that in the United States.
- b. Employees in career tracks that require overseas duty realize that career advancement depends, to a large extent, on their willingness to accept overseas assignments that are not always consistent with their personal desires and convenience.
- c. Some employees go overseas because:
 1. they have commitment and dedication to their Agency and country; and,
 2. they find their professions personally rewarding.

B. Disincentives for Going Overseas

- a. Employees increasingly believe that their contributions and the sacrifices inherent in overseas service are not adequately recognized and appreciated.
- b. Hardships imposed by the cost-of-living and the devalued dollar, lack of adequate medical care, poor sanitation, limitations on movement, foreign languages, substandard school facilities, lack of recreational facilities, and inadequate protection against crime.
- c. Increased susceptibility to terrorist activities resulting from disclosure of employees' names and growing real concern for the protection of self and family.
- d. Problems associated with serving and living under cover combined with the stress of



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- e. Cover-induced reduction in status and perception of declining benefits combined with harder and more complex responsibilities in relation to the Agency employees' mission contemporaries.
- f. Host country, cover and legal limitations on operational activities.
- g. Decrease in foreigners' respect and trust in the United States Government in general and particularly in the CIA's ability to protect secrets.
- h. Deferral of career aspirations of the spouse because of the limited job opportunities at overseas posts.
- i. Reluctance of the employee and family to continually relocate, separation from relatives and friends, and disruption of the educational progression of dependent children.

III. Current Problems/Issues

We are deeply concerned about the above disincentives because they adversely impact on our ability to perform the Agency's foreign mission.

IV. Recommended CIA Position

We are presently working to develop entitlements and allowances to counter disincentives and return the esprit of our overseas staff to the level that existed in the 1950's and 1960's. This will require the Administration's support and commitment for additional fiscal and personnel resources.

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TECHNOLOGY TRANSFER LIMITATION

Problem:

Recent reporting has shown that the Soviet, Soviet Bloc and PRC intelligence services are heavily involved in the acquisition of U.S. technology. Techniques for acquiring U.S. technology include the establishment of "dummy" firms, third country transfers and espionage. The present structure of control and limitation is still inadequate to the task. In addition to more effectively addressing the problem of clandestine acquisition, the new structure must provide for integration of efforts against such activity with efforts to control overt acquisition and to enforce export laws.

Recommendation:

That the NSC/SCC/CI or its successor establish a more effective structure and program, involving a clearer enunciation of policy and better apportionment and implementation responsibility, especially in regard to countering the clandestine acquisition of U.S. technology.

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PERSONNEL SECURITY STANDARDSProblem:

At present each agency of the U.S. Government establishes its own criteria for the conduct of security investigations and the issuance of non-SCI security clearances. This independence has led to considerable variance in the requirements among agencies for access to the same information. For SCI, the DCI establishes investigative standards; however, no such universal standard exists for collateral information. There is a clear need to ensure that information of comparable levels of sensitivity is given the same level of protection in any agency. The DCI Security Committee staff was asked earlier this year by the NSC/SCC/CIWG to provide a recommended set of personnel security standards for uniform governmental use but has not done so. In the interim, other governmental bodies, e.g., the Office of Personnel Management-Department of Defense Task Group on personnel security investigations, are solidifying positions on such standards for use in non-intelligence environments. Unless there is a national-level effort to coordinate these efforts in a timely manner, we risk increasing divergence of personnel security procedures between the Intelligence Community and the rest of the Government.

Recommendations:

That the NSC/SCC/CI or its successor:

- a. Review existing procedures on a priority basis to determine standards for the scope and conduct of security clearance investigation and processing throughout the Government; and
- b. Where no satisfactory procedure now exists, for example in the case of deception detection (lie detection), establish a means to guide research and development efforts and, when developed, to certify acceptance of new equipment or methods.

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COUNTERING OVERT HUMINT COLLECTION

Problem:

The Soviets are currently the beneficiaries of a large volume of sensitive or classified information which is made available to them through public release. The mechanisms involved range from legally required release through the FOIA and Defense contract procedures to the publication of unauthorized information "leaks." In some cases such as the sale of documents by the National Technical Information Service of the Department of Commerce, the release of information is subsidized by the U.S. Government. Countering the problem will require broad policy direction as well as specific corrective action by releasing agencies.

Recommendation:

That a working group be established by the NSC/SCC/CI or its successor to review the problem from a national level and to recommend policy changes to the NSC/SCC/CI or its successor for implementation.

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NEED FOR SECURITY AWARENESS PROGRAM

Problem:

National responsibility has not been established for conducting a general security awareness program to alert individuals in the Government and in the private sector to the objectives and techniques of hostile intelligence agencies. Such an awareness program should be a fundamental ingredient of a national counterintelligence effort. The open society of the U.S. and the limited resources of counterintelligence require that individuals be sufficiently aware of the threat to recognize and protect sensitive information and to report indications of hostile intelligence activity. The use of many technical as well as human source collection techniques and the wide range of targets involved in the operation of foreign intelligence services dictates the participation of many agencies--Defense, State, Commerce, CIA and FBI--in portions of the security awareness program.

Recommendation:

That the NSC/SCC/CI or its successor establish a working group to review the problem and recommend a program assigning primary responsibility and requiring the participation of requisite agencies.

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INFORMATION CONTROL OVER CRITERIA COUNTRY
NON-IMMIGRANT VISITORS TO THE U.S.

Problem:

The Immigration and Naturalization Service (INS) information system for control of data on non-immigrant alien visitors to the U.S. from criteria countries is inadequate for counterintelligence purposes and is a serious problem. ("Criteria countries" are those foreign governments whose intelligence activities are so hostile to, or of such concern to, the national security of the United States that counterintelligence activities against such countries are determined by the Attorney General to be warranted. They are identified by the FBI and Department of Justice in cooperation with the Department of State, and are reviewed annually. They include all Communist countries and certain non-Communist countries that engage in or sponsor international terrorist activities.)

A contract study, to be completed in the spring of 1981, is currently under way. The study will define the critical information needs of INS and other U.S. Government agencies with respect to non-immigrants visiting the U.S., determine the capabilities of existing systems in terms of informational outputs, and identify ways to improve the existing system and ways to use other potential sources of information on non-immigrants to satisfy informational requirements. Although the study is a step in the right direction, past experience suggests that high-level attention may be necessary to ensure that the results of the study are translated into timely and adequate action.

Recommendation:

That the NSC/SCC/CI or its successor ensure that INS moves quickly and provides sufficient resources to implement those study recommendations that will close existing informational control gaps on criteria country non-immigrant visitors.

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SUBJECT: SYSTEMATIC REVIEW FOR DECLASSIFICATION

SYNOPSIS:

The program of Systematic Review for Declassification mandated by Executive Order 12065 is a disaster. It is not cost effective; it syphons off valuable, scarce resources from CIA's primary mission; and it poses security risks. It should be abolished. The General Accounting Office has also recommended its abolition.

BACKGROUND:

Section 3-4 of Executive Order 12065 (E.O. 12065) effective 1 December 1978 requires the Executive Branch to institute programs to review all "permanently valuable records" when they reach 20 years of age (30 years for foreign government information) to determine whether the records should remain classified. If they remain classified after such review, they then must be reviewed again 10 years later, and every 10 years thereafter until declassified, unless a longer period is agreed to by the Director, Information Security Oversight Office (ISOO). Such ISOO exemptions can be difficult to come by.

The above requirement is not new. The idea started during the Eisenhower administration and in 1972 President Nixon issued E.O. 11652 which contained a similar declassification review requirement with two major differences: the initial review was to take place when records reached 30 years of age, and the time interval for re-review was left to Department Heads. E.O. 12065, recognizing that agencies were not geared up to switch from the old 30-year period to the new 20-year requirement overnight, allowed agencies 10 years to close the gap. Hence, by 1 December 1988 all permanent records dated 1 December 1968 and before are to receive an initial review.

CURRENT STATUS:

Our best estimate indicates that we still have approximately 22,000 cubic feet of permanent records that must be reviewed by 1 December 1988 if we are to comply with E.O. 12065. We have people performing the review. Because of the sensitive nature of our records, we must use mostly senior analysts with long years of experience. They are highly trained in their jobs and utilize procedures designed to maximize their production. In spite of this devotion of resources, we are able to review on an average only 640 cubic feet per year. Thus, by 1 December 1988, unless we more than triple our staff, we will accomplish less than 30 percent of our objective. Also, in December 1988, as we continue to attack the remaining 70 plus percent, we will have to begin the second review of all material once reviewed and on which the decision was made to continue classification. Since our experience shows that we continue classification on over 85 percent of the records reviewed, we will have to re-review

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most of the material we review by December 1988. At that time, we will be faced with the first review of records beginning to mature in December 1988. It is an impossible job.

CURRENT PROBLEMS:

CIA's program for systematic review of classified material entails the following:

1. Dollar Costs: We will spend [] by 1988 under our current program and still not comply with E.O. 12065 [] if we are to comply).

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2. Human Resource Costs: [] mostly valuable, scarce senior analysts, spend full time reviewing classified documents under our current setup; over [] people would be required if we are to comply with E.O. 12065. These people could and should be used to collect and produce intelligence.

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3. Results of Review: On the average, 15 percent of the material reviewed is declassified. The declassified material that does eventually reach the public will be of little interest.

4. Security Risks: Given our workload and time pressures, there is always the danger of human error resulting in the release of compromising information. Also, the release of the declassified material adds to the total picture our adversaries have access to. When added to material released under FOIA, books, and leaks, this total picture is awesome and frightful.

5. Chilling Effect on Intelligence Relationships: Because of past Congressional investigations, FOIA releases, books by former employees, and leaks, many agents and foreign intelligence contacts who would have cooperated in the past now perceive that we are unable to keep their relationship secret. With systematic review for declassification added to the list, we guarantee these folks that if their names haven't come up for review previously, they will come up when documents containing their names or identifying data become 20 years old.

RECOMMENDATION:

It is recommended that E.O. 12065 be modified to eliminate Section 3-4 or, alternatively, to exempt CIA from its provisions. The General Accounting Office has concluded after a lengthy investigation that this program should be abolished Government wide. If so, then it is submitted that even more so should it be abolished with respect to CIA.

SYSTEMATIC REVIEW FOR DECLASSIFICATION

SUBJECT:

Executive Order 12065 requires that all classified information of permanent value be systematically reviewed for declassification when it is 20 years old (30 years old for foreign government information). If not declassified at that time, it must be reviewed again every ten years until it is declassified.

BACKGROUND:

Less than 4% of Directorate of Operations documents reviewed have been declassified. Those which have are only of trivial value. Foreign governments have consistently refused to give permission for us to declassify their information through systematic review and have expressed concern over the implications of those provisions in the Executive Order.

CURRENT STATUS AND PROBLEMS:

Experience in systematic review over the past two years shows that intelligence sources and methods information must remain classified. Systematic review is a waste of time and money.

RECOMMENDED CIA POSITION:

The Agency should be relieved from systematic (automatic) declassification review of intelligence sources and methods information and Executive Order 12065 should be amended accordingly. Mandatory review for declassification pursuant to law or regulation is not at issue.

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20 November 1980

Intelligence Analysis in NFAC

I. General trends over the past ten years.

A. As US foreign policy interests have become more diverse, NFAC intelligence analysis has had to cover a broader range of countries, regions, and issues; the old preoccupation with political, military, and economic developments in Communist countries is no longer adequate.

B. As the problems of foreign policy formulation have become increasingly complex, so the intelligence support required has demanded a more integrated and multidisciplinary approach.

C. We can acquire more high-quality information with greater speed and frequency. Result: enhanced ability to monitor developing events and to warn, especially in the military sector. Corollary: increased demand for up-to-the-minute description and analysis.

D. The use of ADP-assisted methodologies is increasingly widespread and found in every substantive area. With the computer, the intelligence analyst of today can: 1) manipulate quickly large quantities of data; 2) quantify, forecast, and measure impacts of alternative scenarios, in all disciplines but particularly military, scientific, and economic.

II. Trends by functional area--political, economic, geographic and sociological, military, and scientific.

A. Political analysis

- Is heavily directed toward policy deliberations of the present, both in Washington and abroad. (The politics of theater nuclear force modernization in NATO, Cuban refugees, reactions to grain embargo, etc.)
- Has a demanding integrative function, pulling together political, economic, military, and other considerations. (Nuclear proliferation questions; multi-dimensional implications of situation in Poland.)
- Must look at regional and worldwide implications, as well as country-specific ones.

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20 November 1980

Intelligence Input to Policy

The ultimate purpose of intelligence is the informing of policy. It has long been an article of faith--not wholly accurate in practice--that intelligence actively and positively contributes to the policymaking process. It is nonetheless clear that intelligence does indeed give policymakers an accurate general view of the world confronting them, and in many key respects provides unique insights into specific world dangers and opportunities.

This process of informing policy takes place constantly in a number of settings, levels, and fashions. A daily stream of reports and assessments feeds into the various working levels of policymaking: not only to State, Defense, and the NSC structure, but numerous offices of Commerce, Treasury, Energy, and so on.

--Intelligence gets high marks for the support it gives policy manage-

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--On a regular basis senior decision-makers request specific information or assessments.

--Intelligence input also occurs in the numerous occasions where the DCI or his officers brief the Executive Branch, or contribute through their presence in policy meetings at various NSC levels.

--The most formal and authoritative input to policy is made in the National Intelligence Estimates (NIEs) and other judgments prepared for the DCI by the National Intelligence Council (NIC) and coordinated with the Intelligence Community.

The policy relevance and timeliness of intelligence are being enhanced through both the National Intelligence Topics process conducted by the PRC (I), and by perfecting the NIO system.

--The contact on a regular basis of the NIOs with policymaking groups, added to that of the DCI, the DDCI, and senior NFAC officers, guides the programming of NIEs and NFAC research, furnishes authoritative feedback from senior consumers of intelligence, and thus enhances the utility of estimative intelligence.

Nonetheless, numerous continuing problems demand further remedy:

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--Can intelligence be kept fully policy-relevant, yet policy-free? Although the danger remains that objective intelligence will become advocacy, resulting from too close an association with policy-making, experience to date demonstrates the greater problem to still be an inadequate degree of contact with policymakers, a failure to be fully aware of the needs of policy and of the many US dimensions present in the foreign scenes being evaluated.

- o Top consumers of intelligence are sometimes as well or more fully informed on a subject than are the particular producers. Improved feedback loops with these consumers are needed.
- o Do policymakers in fact receive what intelligence analysis and estimates have to contribute--especially in crisis situations? This cannot be answered affirmatively with full confidence. Despite the contacts of the DCI, the NIOs, and others

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- o How can even the best intelligence penetrate the consciousness of busy and harassed policymakers? This is one of the toughest problems of all. Those consumers intelligence is most eager to inform are the very ones with the least available time and energy to so devote, particularly so in instances where their attentions are consumed with today's crises, while intelligence is trying to warn them of tomorrow's.
- o Policymakers need more reflective, long-range analysis than they receive, yet current demands continue to drive intelligence production and demand, alike. This is an ever-present problem. Its dangers can be lessened through fuller contact of intelligence and policy officers, and by additional steps to set a number of imaginative analysts aside from daily intelligence demands. On the production side, analytic components designed to protect long term analysis on selected topics have been created and the intelligence production planning process has been substantially tightened. On the demand side, policymakers need to make themselves more available specifically for focusing on longer term analytic problems.

--What balance should be struck in grinding US considerations into assessments of foreign situations? Too little concern for US strengths, etc., can render an assessment one-dimensional or worst-case; too much concern can make it appear that intelligence judgments are trying to drive policy decisions. This question of proper balance remains a significant and divisive one within the Intelligence Community, especially with respect to NIE 11-3/8, the annual estimate on Soviet strategic weapons.

--Can clear and useful messages to policy survive the interagency coordination process? Progress has been made in these respects: the NIOs are directed to prepare NIEs which fully and clearly present differences of judgment, where they occur, rather than produce

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watered-down papers which say nothing. The coordination process nevertheless still consumes inordinate time, usually because the State and Defense bureaucracies require so much turn around time, and it takes a firm and gifted NIO to bring home a product whose sharpness has not been somewhat dulled.

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SUBJECT:

The need for a public affairs program that explains to the public the vital role of intelligence in a free society and describes the intelligence process. Its objective is to raise the level of understanding of, and restore the public's confidence in, the intelligence function, its mission and the various intelligence services, while at the same time emphasizing the absolute necessity to protect classified information and sources and methods of collection.

BACKGROUND:

- In the 50s and 60s there was little need for more than a minimal public affairs effort.

- Vietnam, Watergate, and the White House and Congressional investigations of CIA in the mid-1970's generated Congressional and public demand for more knowledge of what the CIA does, and greater control of its activities.

- Continued public exposure and media sensationalism contributed to widespread public perception of ineffective CIA and U.S. intelligence effort.

- Public Affairs program established in 1977 to restore public confidence and elicit support by educating public to critical role and true efficacy of national intelligence.

CURRENT STATUS:

The Office of Public Affairs:

- Advises DCI/DDCI on all public affairs matters; supports DCI/DDCI public appearances; guides all Agency components that interface with the public.

- Provides the public a variety of printed and audio visual informational materials; sponsors group visits to CIA and maintains an active speakers bureau.

- Researches, prepares, and coordinates answers to some 1,800 media inquiries, 1,500 written public inquiries, and 5,000 telephone inquiries annually.

- Chairs and provides Executive Secretariat for Agency-wide Publications Review Board that reviews manuscripts written by current and former employees for non-official publication. (327 books and articles reviewed since 1977; additional statistical data attached.)

- Conducts weekly in-house news conferences, coordinates Notes from the Director, publishes daily media highlights, maintains a news-clipping library, services news bulletin boards in nine Washington-area facilities, publishes a daily executive summary of media queries, briefs training courses and Management Advisory Groups (MAGs) on Public Affairs activities.

- Distributes wide variety of unclassified research materials to the public; provides advice on public affairs perspective to wide variety of Agency committees and activities, such as [redacted] Freedom of Information and Privacy releases and chairs the Agency-wide Public Affairs Advisory Group; maintains liaison with, and supports as appropriate, retirees and retiree organizations; supports overt employees in the field, such as recruiters, Domestic Contact activities and Equal Employment Opportunity actions.

- Maintains liaison with Intelligence Community components, and particularly with the White House, the NSC Staff, State and Defense, for purpose of coordinating public statements and activities; represents CIA on NSC Public Information Committee; and sponsors periodic conferences of Intelligence Community Public Affairs Officers.

CURRENT PROBLEMS/ISSUES:

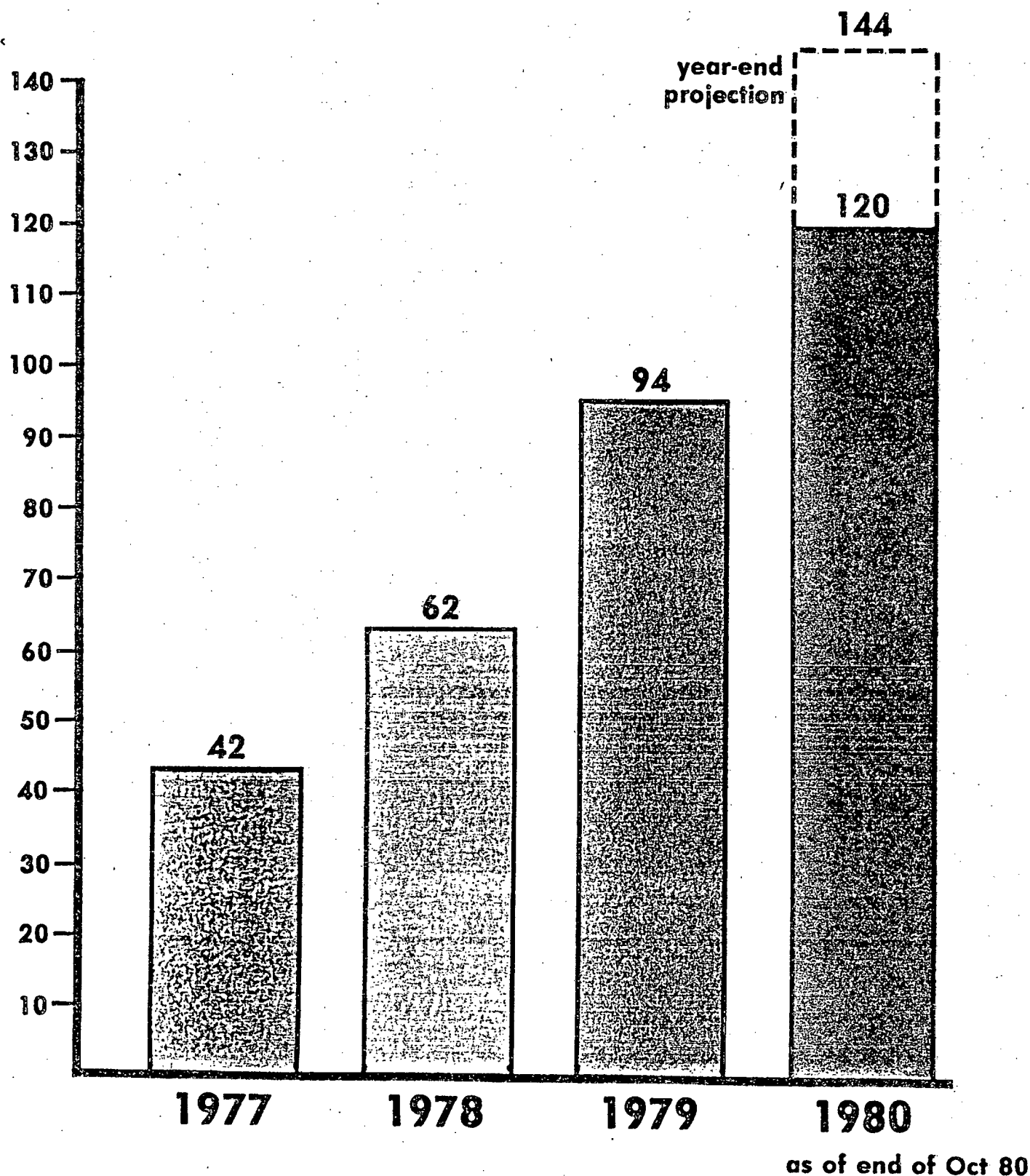
None

RECOMMENDED CIA POSITION:

Sustain the on-going Public Affairs program at approximately the current level of activity.

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Number of Publications Submitted to the Board for Review



As of End
Sept.
1980

<u>Performance</u>	<u>1978</u>	<u>1979</u>	
Internal distribution of daily press clippings	90	134	145
Response to media queries	2,200	2,605	1,727
Background briefings to media	128	139	110
DCI/DDCI speeches	48	31	17
DCI/DDCI media interviews	15	27	10
DCI/DDCI news conferences (including editorial boards)	16	8	1
DCI/DDCI media appearances	9	5	0
Other CIA officers public appearances	-	-	125
Public groups visits to CIA	32	41	55
Public mail answered	1,655	3,117	1,394
Requests for unclassified publications	1,204	3,520	1,026
New CIA unclassified publications released to the public	-	158	93
Publications Review Board submissions	62	94	99

Note: Dash (-) indicates statistics
not kept for those years

Agency Personnel Management Reforms

I. Background

A. At the request of the Director of Central Intelligence, a four-person team from the National Academy of Public Administration (NAPA) reviewed the CIA personnel management system. Their conclusions in March 1979 were that:

- a. The current CIA system, characterized by rank-in-the-person and decentralized management to Directorates, has served the Agency well.
- b. The caliber of employees in the Agency is high, and managers have evidenced their interest in the personnel management system, recognized their responsibility for administering the system, and are acutely aware of the importance of balancing the needs of the Agency and the needs of the employees.
- c. With some minor adjustments, the existing personnel policies are sound, the best available for CIA, and able to accommodate the environmental changes most likely to affect the Agency's future.
- d. The Agency's personnel system is one which most Federal agencies would envy for its flexibility and its potential to respond to management needs.

B. The NAPA Team did recommend some fine tuning, particularly in the areas of:

- a. Centralized policy guidance.
- b. Goal-setting, the evaluation of results, and implementation, with goal-setting and evaluation being done by top management, and implementation being decentralized to the operating components.
- c. Uniform treatment of employees.
- d. Better definition of the roles and relationships in personnel management.

C. A NAPA Project Group, formed by the DDCI of officers from all five Directorates, addressed 27 issues and conducted Agency-wide fact-finding and interviews, appropriate research, in-depth review, and consultation. The Project Group published its findings in the NAPA Project Group Report under four major issue areas:

- a. A Framework for the Agency Personnel System
- b. Personnel Selection and Development
- c. Manpower Planning, Recruitment and Separation
- d. Personnel Program Evaluation

After Directorate and Independent Office review, the comments were discussed by the Executive Committee, and the resulting recommendations were approved by the Deputy Director of Central Intelligence.

II. Current Status

A. During 1980, the following Executive Committee recommendations were implemented to strengthen the framework for the Agency's personnel system:

- a. The DCI's authorities in personnel administration have been better defined.
- b. Personnel regulations have been revised to clearly distinguish policy.
- c. The authorities of the Director of Personnel Policy, Planning, and Management (D/PPPM) have been enhanced by establishing the personnel function as an Independent Office with direct reporting to the DDCI and DCI.
- d. The role expected of personnel officers has been more clearly delineated.
- e. A Personnel Management Advisory Board, chaired by D/PPPM, has also been established as an inter-Directorate forum to initiate or review policy changes and initiatives in the personnel management area.

B. In the area of personnel selection and development:

- a. A revised vacancy notice system has been instituted.
- b. A uniform personnel evaluation board and panel system has been established.

- c. Uniform precepts and guidelines for the operation of boards and panels have been developed.
 - d. An Agency-wide handbook that will replace the individual Career Service handbooks has been compiled.
- C. In the area of manpower planning, separation, and recruitment:
- a. Flow-through and reduction policy have been defined.
 - b. We are working with the Office of Personnel Management to gain competitive transfer status for our employees.
 - c. A totally new recruitment and processing system has been introduced to significantly reduce the processing of professionals from an average of 325 to 80 days; and clericals, from 167 to 42 days.
- D. In the area of personnel program evaluation:
- a. Personnel evaluation is being strengthened by the development of tools for line managers to use in assessing the effectiveness of their personnel management programs.
 - b. The Annual Personnel Plan has been revised to better reflect managerial needs and desires.
- E. The Agency's Senior Intelligence Service is now established; and, we now have a Senior Officer Development Program which defines our rotational assignment policy and provides developmental programming for both managers and specialists.

III. Current Problems/Issues

None

IV. Recommended CIA Position

None

Recruitment and Processing of New Employees

I. Background

A. The Agency is exempt from Civil Service rules governing hiring of personnel. To meet Agency requirements for new applicants there are 12 regional recruitment offices. Applicant processing involves extensive and rigid security and medical clearances. In the past this clearance process has required an unacceptable period of time--the average time for professional positions took 11 months and six months for clerical employees.

B. A system dynamics computer model study showed that we were recruiting and processing too many applicants at one time. This resulted in the loss of many qualified applicants because of the time taken to clear them.

II. Current Status

A. As a result of our study, a new recruitment and processing system was started in May 1980. Among the key concepts of the system are:

- a. More realistic and accurate forecasts of the number of new employees required.
- b. More accurate and current descriptions of the work to be performed and qualifications required of new employees.
- c. More targeted recruiting.
- d. Greater involvement of offices in recruiting.
- e. Publication of:
 1. a shorter, two-part application form;
 2. medical and security criteria used in evaluating applicants; and,
 3. unclassified fliers describing the work and qualifications required by offices with the most numerous personnel requirements.

- f. Consolidation of four decision-making points on applications to one, thereby reducing the time from 21 to 2 days.
 - g. Use of expeditors to ensure strict adherence to rigid deadlines by applicants and offices at every step of the processing.
 - h. Reduction of the number of applications in the system and those undergoing medical and security clearances reduced from 1200 to 400.
 - i. Detail of Security and Medical Services personnel to the Office of Personnel Policy, Planning, and Management to screen out applicants who obviously do not meet Agency standards.
- B. So far, the new hiring system:
- a. Would have reduced hiring time by one-half had it not been for the freeze.
 - b. Increased hiring in FY-1980: overall by 39%; minorities by 29%; and women for professional and technical positions by 65%.
 - c. Filled a higher proportion of shortage categories, such as computer scientists and electronic technicians.

III. Current Problems/Issues

We expect that even greater efforts will be needed to meet our personnel requirements, particularly for women, minorities and shortage occupational categories (e.g., engineers, computer science, electronic technicians, and secretaries) in an increasingly competitive labor market.

IV. Recommended CIA Position

Although considerable progress has been made, further refinements are needed to make the new system fully effective. Determination of long-term personnel requirements need to be linked more closely to the budget cycle with provision for full resources to meet requirements. Hiring freezes have proved to be very disruptive and expensive in relation to an orderly hiring process.

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TRANSITION BRIEFING BOOK

SUBJECT : Internal Management/Decision Mechanisms: The Goals Program

BACKGROUND: Until the last few years, the four Directorates in the Agency operated fairly independently of one another. Setting goals and defining objectives varied considerably across Directorate and office lines. The gradual trend toward a "one Agency concept", and the growing number of more complex issues requiring interdisciplinary approaches led to the creation of an Agency Goals Program.

CURRENT STATUS : The DDCI Goals Program was initiated in 1978 to track progress being made on Directorate goals for the fiscal year. The DDCI initiates some goals with an Agency-level perspective and the Directorates add those they feel appropriate. With its focus on short-term Directorate-level issues, the Goals Program complements the Executive Committee mechanism, with its Agency-level, longer-term perspective. The DDCI's quarterly review sessions with the Deputy Directors and their line managers have generated increased cross-directorate understanding of programs, objectives, and problems and set the stage for increased emphasis on Agency-wide goals. A concerted effort has been made to minimize required paperwork.

CURRENT PROBLEMS/ISSUES : The Goals Program should gradually become more integrated with the long-range planning process as the latter evolves.

RECOMMENDED POSITION: Maintain and continue to improve on the Goals Program as CIA a management tool.

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TRANSITION BRIEFING BOOKSUBJECT : Internal Management/Decision Mechanisms: Executive Committee

BACKGROUND: During the early 1970s incoming DCIs and DDCIs realized that the Agency consisted of four isolated Directorates, sometimes referred to as "individual fiefdoms." As more and more policy and management issues began to transcend Directorate and functional boundaries, the need for a more collegial management approach was perceived. The Management Committee, consisting of the line Deputies and eventually chaired by one of them, was the first attempt in this direction. This was succeeded in 1976 by the Executive Advisory Group (EAG), headed by a new DDCI with an Executive charter to run the Agency on a day-to-day basis and a general charge from the new DCI to "bring CIA together."

The EAG made significant headway in creating a constructive problem-solving environment for senior Agency managers. By 1979 the DCI/DDCI thought a revitalization was required to improve decisions and sharpen the Agency's performance. The Executive Committee, supported by a small staff, then evolved from the EAG. The addition of the Staff has facilitated better problem identification, agenda development, recording of decisions and monitoring of decision implementation.

CURRENT STATUS : Since 1979 the Executive Committee, meeting on the average of once a week, has become a vital, integral part of the Agency's management process. Focusing on inter-directorate long-term issues, the Committee has reviewed more than two dozen difficult Agency-level issues resulting in DCI/DDCI decisions or guidance. (Examples include reforming the personnel management system, developing legislative strategy, developing an information handling strategy, reviewing and revising budget decisions, and initiating an Agency-wide, long-range planning process. The Committee's success to date has been attributed to DCI/DDCI commitment to an action oriented forum to support their decision making; a limited membership that encourages frank constructive decisions; thorough staff work in advance of meetings to provide an effective basis for discussions; and careful selection of topics to avoid those which can be treated in other forums.

CURRENT PROBLEMS/ISSUES : Immediate agenda concerns include completing the first attempt at an Agency-wide planning process and evaluating what has been learned to improve the next cycle; developing a legislative strategy for the coming year; and developing policies responsive to the new Administration's needs.

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Organizationally, the Committee will enhance its effectiveness as individual members continue to break through the functional barriers of the past and place more importance on their roles as senior executives of the entire Agency.

RECOMMENDED: Maintain and continue to improve the Executive Committee
CIA as a senior Agency management forum for seeking Agency-
POSITION wide solutions to Agency problems; assisting the DCI/
DDCI in policy formulation; and addressing long-range
issues.

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20 November 1980

CIA LONG-RANGE PLANNING

In May 1980 the CIA Executive Committee (EXCOM) initiated an Agency-level long-range planning process. The goals are to develop Agency-wide flexible objectives by which to operate and evaluate our efforts; provide executive direction on what we will be doing in the future and how we will be doing it as an input to the budget; integrate planning efforts at the directorate level, and develop a process to satisfy congressional interest in planning and evaluation.

Background:

With the exception of short-lived efforts in the mid-sixties and early seventies, there has been no Agency-wide planning process. The budget process includes outyear projections but does not lend itself to true long-range planning because of its focus on resource constraints and solving near-term resource allocation problems. There are planning activities at the directorate and lower management levels. These have generally resulted in multi-year plans for specific activities, such as communications, automatic data processing, etc. While of generally high quality they have lacked Agency-wide executive perspective and review. There are also annual plans for research and development with longer term plans for some specific development areas, such as agent communications equipment.

Current Status:

Since May 1980, under the guidance of the SA/DDCI and the EXCOM Staff, an interdirectorate planning group has identified long-range issues in two categories: foreign policy intelligence topics of vital interest and management issues focusing on intelligence collection, operations, and analysis. The issues were assigned to interdirectorate working groups to develop background, likely trends, and alternative courses of action. These issues are now being presented to EXCOM. A final summary EXCOM session is scheduled for early December.

Problems and Issues:

The current effort is a pilot test to determine how to meet the Agency's planning needs. It has relied heavily on line personnel with minimal central staff involvement except for overall coordination, and strong DCI/DDCI backing. It has produced characterizations of the spectrum of intelligence areas of interest over the next five-ten years and their impact on our collection and analysis activities. The proposed courses of action often reflect short-term line perspective and do not always uncover real policy issues or alternatives for executive decision. Although this first cycle is not yet completed, and the effort is still in the early development stage, there is already evidence of the utility of long-range planning, i.e., recognition of the need to completely overhaul the overseas communications system, positive feedback from the DCI and DDCI, and use of ideas developed at the session by senior Agency personnel on many of the issues.

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Recommendation:

We should continue this long-range planning effort. The developing process should be evaluated as to focus on policy-oriented proposals, increased top management input, improved cost estimates or proposed alternatives for the budget process, reduced paperwork, and as a mechanism for monitoring future actions and evaluating results.

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