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## United States Senate

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88-4219

December 20, 1988

The Honorable George P. Shultz  
Secretary of State  
Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520

Dear Secretary Shultz:

As you know, the Senate Intelligence Committee recommended in April 1987 that the new Moscow embassy building (NOB) should be demolished and a secure facility constructed. President Reagan reached the same conclusion in October 1988.

To review the situation, Committee staff has been consulting with State Department and intelligence community experts and made a visit to Moscow earlier this month to assess the prospects for construction of a secure NOB at the existing location or elsewhere. Indeed, we appreciate the cooperation our staff has received from policy coordinator Joe Hulings and other Department officials. A full report will be submitted to the Department in the near future for comment; however, we believe certain issues deserve your immediate attention.

The principal finding is that a secure NOB can and should be rebuilt, but that extraordinary fiscal and administrative measures must be taken to achieve this objective. The State Department has put in place the initial elements of a secure construction system at the working level, but has not formed an organization to develop and implement a coherent plan which provides timely and authoritative decisionmaking at a senior level. Symptomatic of this weakness in the current system is the absence of final decisions on key aspects of the renovation of the existing Moscow office building (EOB).

In 1987, the Committee recommended structural and security modifications in the EOB to allow long-term occupancy pending NOB reconstruction. Congress provided funds for this purpose in FY 88-89. As of December 1988, however, plans for

The Honorable George P. Shultz  
December 20, 1988  
Page Two

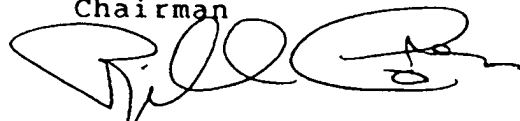
the EOB renovation remain incomplete. Even at this date, decisions have not been made on such issues as certain security features of the EOB, the secure transportation and storage of building materials to be used in renovation, the housing of construction workers, and the feasibility of simultaneous large-scale EOB renovation and NOB dismantlement. Disputes among State Department elements have not been resolved, and the decision process appears to foster conflict among parochial viewpoints rather than development of a comprehensive and balanced strategy. Indeed, we are concerned that such decisions may take the form of compromises between competing bureaucratic elements, rather than reflecting a comprehensive strategy for carrying out this task in a secure and effective manner. The transition between Administrations seems likely to increase the risk of such compromises being made while the new political leadership takes charge.

The EOB renovation is nearing a critical stage. The decisions made by State will affect the security and functions of the Moscow embassy well into the 1990s, before a new building can be completed. Therefore, we urge you to take action before you leave office to make absolutely certain that those crucial decisions are made in a timely manner and at a sufficiently senior level to ensure accountability and serve the national interest, pending creation of a strong Moscow project organization.

Sincerely,



David L. Boren  
Chairman

  
William S. Cohen  
Vice Chairman

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