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10 October 1995

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A Note From the Director (U)

(FOUO) Presidential Decision Directive (PDD) 35, signed earlier this year, represents the President's highest national intelligence priorities and is intended to chart the course of Intelligence Community (IC) actions in programming, collection, analysis, reporting, resource allocation, and other related areas. During his Town Meeting here in August, the DCI, Dr. Deutch, echoed these objectives as he discussed his perception of the post-Cold War priorities of the IC.

(FOUO) It is critical that every member of the NSA work force be familiar with the provisions of PDD-35, and understand its impact on the Agency's mission. Furthermore, every effort should be made to ensure that all overview briefings, background papers, mission statements, etc., are updated to reflect a focus consistent with the Directive.

(FOUO) The following article highlights key provisions of PDD-35. I urge you to review it carefully and contact N5P, 963-3247s, with any related questions.

Very Respectfully, VADM J.M. McConnell

INTELLIGENCE **PRIORITIES** – EXCERPTS FROM PDD-35 **(U)**

(A) As national security takes on a broader definition in the post-Cold War era, intelligence must address a wider range of threats and policy needs. In addition to maintaining its global perspective, the Intelligence Community must refine and focus its collection on information unavailable to the policymaker by other means or from other sources. The Community's tactical and strategic analytic efforts should provide a coherent framework that systematically incorporates intelligence to help senior U.S. officials identify and overcome potential challenges to the nation's military, political, and economic interests. Emphasis should be placed on preserving and enhancing those collection and analytic capabilities that provide unique intelligence.

S. The IC must retain its ability to monitor strategic military threats and support U.S. military operations worldwide. The President's highest priority is to ensure that whenever U.S. forces are deployed, our military commanders receive the timely information required to successfully execute their mission while minimizing the loss of American lives. Additional intelligence challenges which will persist into the next century consist of the following:

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* Assist policy efforts to verify arms control and nonproliferation agreements, to curb the proliferation of weapons of mass destruction and the missiles that deliver them, and to combat international terrorism and narcotics trafficking.

* Identify emerging trends that could decisively alter world politics and the international economy, i.e., the upsurge in organized criminal activity and its relationship with terrorism, narcotics trafficking, and nuclear materials smuggling.

 \star Provide advanced warning of significant economic developments of major U.S. trading partners and, over the longer term, of the emergence of new key players in the global economy.

(S) To provide a focus for the Community's efforts, the Directive organizes the President's highest intelligence priorities into "tiers" by country or functional issue. The "tier" structure is not intended to be all-inclusive, as the U.S. Government has many other important intelligence needs that require both collection and production. PDD-35 directs the DCI to continue to work with all U.S. Government consumers as part of his National Intelligence Needs Process to identify and determine how best to meet and integrate those requirements with the intelligence priorities established in the Directive. Counterintelligence is not identified as a stand-alone requirement because it is integral to and underlies the entire intelligence mission.

<u>Sr</u> Tier 0: This category reflects the President's most immediate foreign policy concerns, including any crisis situation that poses a direct or immediate threat to U.S. interests, where U.S. forces are deployed and at risk, or where their introduction is under consideration. It also includes any other foreign situation requiring urgent decisionmaking where significant U.S. interests are involved.

(S-CCO) **Tier I A:** This category includes "rogue states" whose policies are consistently hostile to the United States. It also encompasses countries that possess strategic nuclear forces, including countries that are parties to strategic arms control agreements, and are major political and economic powers whose long-term orientation will decisively affect American national security. Finally, Tier I A countries are those whose policy objectives may endanger the existing sociopolitical order in the region, destabilize regional power balances, or otherwise pose major threats to U.S. interests. Iran, Iraq, North Korea, Cuba, Russia and China currently constitute these countries. The President has directed the DCI to allocate sufficient collection and analytic assets against these countries in order to evaluate and project their activities, capabilities and intentions, particularly as they may threaten U.S. interests.

(9) **Tier I B:** Comprising the Tier I B category are transnational issues that threaten U.S. security. These issues require highly focused and end-to-end analysis on selective problems of concern to the policymaking and military-operational communities. Examples are proliferation; terrorism; narcotics; nuclear command and control; international economic developments; regional conflicts/negotiations; and international organized crime.

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(S) An Interagency Working Group (IWG) will meet at least quarterly to identify and make recommendations regarding foreign policy issues or crisis situations which should be afforded Tier 0 status. The IWG will also review on an annual basis Tiers I A and I B and recommend changes as appropriate to the National Security Advisor.

SECOND VENONA RELEASE SCHEDULED FOR 12 OCTOBER (U) (U) On 12 October 1995 the second release of declassified VENONA documents will be available to the public. This release, consisting of over 250 translations of KGB-GRU communications, focuses on messages between the New York KGB Residency and Moscow Center (KGB Headquarters) during 1942 to 1943.

(U) The VENONA project was initiated in 1943 by the Army Signals Intelligence Service, a forerunner of the National Security Agency. Painstaking analysis by U.S. cryptologists led to the breaking and reading of communications exchanged by the KGB and GRU with their stations in the western hemisphere. The VENONA messages revealed extensive detail about Soviet espionage activities in the U.S. and other countries, providing insight into Soviet spycraft.

(U) Highlights of the second release include a September 1943 message providing KGB Residencies instructions on how to handle intelligence sources within the Communist Party after the disestablishment of the COMINTERN (Communist International — a Soviet-controlled organization that conducted liaison with the national Communist parties of various countries). There is a message from the head of Soviet state security, L.P. Beria, admonishing the KGB Residencies to improve their security practices. Also included are several messages dealing with Soviet subversive activity in Latin American countries.

(U) On 11 July 1995, the first VENONA release was announced in a ceremony hosted by DCI Deutch. That release covered 49 messages primarily relating to Soviet espionage activities directed at the U.S. Atomic Bomb Program (see Vol. III, #28). The remaining 1800 of the approximately 2200 VENONA translations will be released over the coming year. The third release is scheduled for early 1996.

(U) The VENONA collection, including all released documents and the two accompanying monographs, can be accessed via the Internet's World Wide Web at http://www.gov.nsa:8080/ as of 12 October 1995. Also on that day the VENONA display at the National Cryptologic Museum, updated to include the two messages cited in this release, will be opened. In addition to the museum staff, Agency historians will be available at the museum on 12 October to answer questions about the VENONA project. The museum is open to the public weekdays (except holidays) from 0900-1500 hours and Saturdays from 1000 to 1400 hours.

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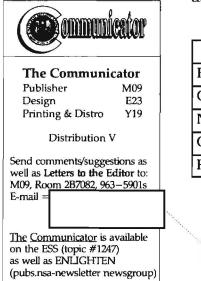
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NSA's Strategic Vision— To Create Value for Our Customers Through Intelligence that Counts and Superior Information Systems Security Solutions

Postscript File (U)

(FOUO) **1. Reminder:** On Thursday, 19 October from 1000-1100 hours, Deputy Director William Crowell will visit TALK NSA for a discussion of current issues facing NSA and the Intelligence Community. Channels 35 (OPS) and 21 (FANX) will broadcast the show. Be sure to watch and phone in your questions for the Deputy Director by dialing 968-TALK!

(FOUO) **2. Field Recruitment Days:** If you've ever considered a field assignment, plan to attend one of the open houses which has been scheduled to coincide with the Fall 1996 field vacancy application period. During these open houses employees will have the opportunity to meet representatives from the Field Support Division, M31, and to review the Field Vacancy Announcement Book. Individuals from M31 will be available to answer your questions about staffing, housing, and other matters relating to a PCS assignment. Don't miss this opportunity! Mark your calendars now.



FIELD RECRUITMENT OPEN HOUSES		
FANX2 Auditorium	12 October	0900-1130 hours
OPS2B Room 4118-6	16 October	0900-1130 hours
National Business Park Room 1A61	18 October	0900-1130 hours
CANX Room CX1572	25 October	0900-1130 hours
R&E Symposium Center	27 October	0900-1130 hours

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