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DCI Addresses National Press Club (U) (U) On 13 September 1995, DCI John Deutch spoke to the National Press Club on "The Future of US Intelligence — Charting a Course for Change." Following are key excerpts from the text of that address.

(U) There are two major challenges facing the Intelligence Community today:

• First, we must be effective. We must deploy our considerable resources against the most pressing security threats of the post-Cold War era.

• Second, we must be accountable. We must carry out intelligence operations in an efficient and responsible manner. At the same time we must maintain an effective espionage service.

(U) Today I will outline five broad changes underway to make the (Intelligence Community) more effective and more accountable. These are measures that lay a foundation for the way we do business. There are many things that the Intelligence Community does well. We intend to build on these strengths, but we are determined to address the problems that have damaged the reputation and diminished the effectiveness of the Intelligence Community.

Customer Focus (U)

(U) Our primary mission in intelligence is to provide the President and other senior leaders with the information they need to make and implement foreign policy.

(U) Interagency intelligence teams have been particularly effective in providing critical, round-the-clock support, from detailed maps of remote areas to human intelligence and amazingly vivid pictures taken from space. For example, both policymakers and military commanders give high marks to Intelligence Community support to humanitarian and peacekeeping operations in Bosnia, Haiti, and Somalia.

(U) Making sure that our information is the most thorough, most objective available on a day-to-day basis requires discipline on our part, and it requires close and continuous contact with intelligence customers.

(U) At a time of tight budgets and a proliferation of intelligence challenges, the Intelligence Community cannot afford to collect for the sake of collection or pursue every promising technology. Guided by customer needs, the Intelligence Community must exercise discipline in pursuing only those systems that offer significant promise for meeting customer needs better and more cheaply.

Human Intelligence: Assuring Integrity (U)

(U) Since the public controversies of the eighties over Iran-Contra and activities in Central America, we have greatly reduced our capability to engage



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Printed on Recycled Paper in covert action. I believe that the US needs to maintain, and perhaps even expand, covert action as a policy tool. But here again, we will not undertake covert action to support policy objectives unless it is approved at the highest level of government and only if the President authorizes such action after a scrupulous review process, including timely notification of the appropriate Congressional oversight bodies.

Law Enforcement and Intelligence (U)

(U) Cooperation between intelligence and law enforcement can produce fantastic success — the arrest of the leaders of the Cali drug cartel in recent months is a tremendous example — but this cooperation has yet to be as effective, extensive, and routine as it needs to be.

(U) It's time for a fresh approach: a new division of responsibility that realistically reflects the pattern of international activity that exists today in terrorism, crime and drugs. The Intelligence Community must learn that in these areas, the law enforcement community — the FBI, the Drug Enforcement Agency, and US Customs — is the customer for intelligence, just as the Departments of State and Defense are the customers for intelligence in the national security arena.

(U) Intelligence and law enforcement professionals need to develop new procedures that will result in more effective cooperation. For example, intelligence and law enforcement must modify some of their most strongly held beliefs about not sharing information about their sources with each other.

(U) This does not mean that intelligence agencies will spy on US citizens. Our collection activities will not infringe on the rights of US citizens. Nor will CIA or other intelligence agencies take on any law enforcement duties. Attorney General Reno and I are simply seeking to build a new relationship between intelligence and law enforcement that will improve the country's performance in curbing international crime, drugs, and terrorism.

Carrying out Intelligence Operations in an Efficient Fashion (U)

(U) Up to the present, the Intelligence Community has been relatively free from the systematic planning, programming, and budgeting process that is the hallmark of efficient government.

(U) The reason for this absence of management scrutiny is not because the intelligence budget is "secret." The reason is that intelligence activities are carried out by different agencies — NSA, DIA, CIA — and are carried out under separate budgets. There is no mechanism to compare the separate budgets of the various intelligence agencies and assess how they contribute to the missions of US intelligence.

(U) It is the responsibility of the Director of Central Intelligence to review the nation's intelligence budget as a whole and justify it to Congress. As the system now stands, the DCI does not have the tools to do this job properly.

(U) In preparing the FY97 budget, I am insisting that all agencies present their intelligence budgets in a manner that will allow us to make more informed hard decisions on resource allocation.

(U) Simply put, the problem is to make a "symphony" from the diverse instruments represented by the various agencies. We need to ensure that all

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elements of the community work in harmony. A mission-oriented Intelligence Community multi-year program period will identify the resources needed to carry out our activities and assess the value of individual programs. An added benefit of this approach is that it will provide a clear description of what the Intelligence Community is doing and what is the value to both President Clinton and to the Congress.

Improving the Quality of the People (U)

(U) The most important element of success in the Intelligence Community is the quality of its people. Historically, we have attracted outstanding and highly motivated individuals. Unfortunately, some parts of the Intelligence Community are in danger of losing the ability to attract and retain the best people.

(U) All agencies need to recruit top people; all need career development programs; and all need to welcome diversity in the workplace. We need healthy promotion opportunities that are comparable across the Intelligence Community, and we need a retirement system that upholds the contract we have made with the good people who have dedicated their careers to our national security.

(U) We will need to seek new authority to allow more flexible management of the very special Intelligence Community work force to assure, in a time of downsizing, that there is a reasonable prospect for advancement and provisions for early retirement within the Community.

Concluding Remarks (U)

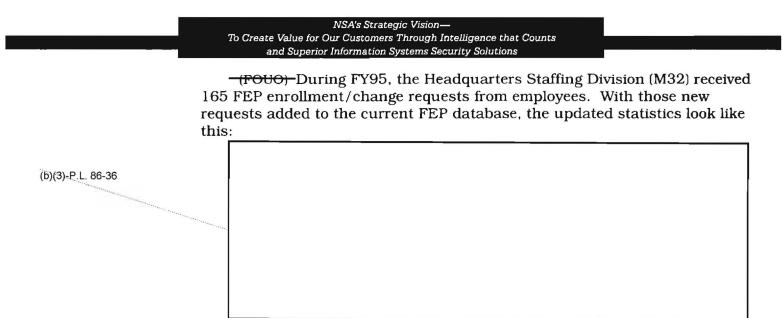
(U) I hope that the media, Congress, and public opinion will give the Intelligence Community a chance to demonstrate what it can do. In a democracy, all the failures become public, the successes do not. It takes goodwill along with vigilant skepticism to give the intelligence enterprise a fair shake — to balance accounts about past excesses with reporting that assesses current accomplishments.

THE LATEST ON THE FEP (U) Earlier this year (see Vol. III, #5) we told you about the establishment of the FEP Task Force and provided you with the CY94 FEP Statistics. The Task Force briefed its recommendations to the Human Resources Review Group and some of its short-term recommendations have been adopted. In this article we'll outline some important changes to the program and update you on the latest statistics.

(U) Perhaps the most notable change is that the FEP Open Seasons have been eliminated. This means that employees may now submit enrollment applications and change requests at any time during the year. Personnel Management Letter 25-1993 is being revised to delete all references to open seasons. Those of you who'd like to enroll in the FEP or change your authorized hours of duty should complete the FEP Enrollment/Change Request package (forms P6737 and P6737A). The forms are now available in FrameMaker and they'll soon be available in MOSAIC. They can also be obtained from the M3 Integrated Personnel Activities (IPAs), the Key Component FEP Coordinators, or the Program Administrators in M32 (982-7893s).

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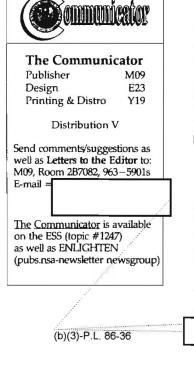
(U) As you can see, many employee requests have been granted but many others have not. This year there are fewer people waiting for conversions than there were last year. Although the FEP goes a long way towards balancing the needs of the Agency with those of its employees, it cannot solve all of the problems associated with part-time employment. A large number of part-time employees who've requested conversion to full-time will not achieve their goals because of a lack of additional hours in the FEP pool. There are no quick and easy answers. Given the current downsizing efforts and the severe fiscal environment, the FEP, although not a perfect solution, is a good tool to balance mission requirements with employee needs.

(U) Employees who have a FEP request on file are reminded that it is their responsibility to notify M32 if they wish to change, update, or cancel their requests. This information is critical to the success of the program. FEP Key Component representatives are responsible for notifying employees who are awaiting decisions about their requests. Other questions about the program should be referred to IPAs or to M32 FEP representatives on 982-7893s.

Postscript File (U)

(U) Mr. William P. Crowell will deliver the keynote address for the third annual *Computer-to-Computer Communications Conference* to be held 30, 31 October and 1 November in the Friedman Auditorium. The theme is "The Analysts' Perspectives." Attendance is open to all GREEN and GOLD badged personnel.

(FOUO) The conference will be telecast live via GIGSTER. A schedule will be available on the WEB at http://bardolph.p.nsa/ccwg.html. For additional information contact Conference Chair, or



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