

U.S. Intelligence Officials Apprehensive of

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WASHINGTON, Dec. 12—United States intelligence officials, who say they have largely recovered from the demoralizing shocks of Congressional investigation and disclosure of past misdeeds, are facing the accession of President-elect Jimmy Carter with apprehension about the possibility of new organizational shakeups.

The consensus of William E. Colby, former Director of Central Intelligence, his successor, George Bush, and other top-ranking United States intelligence officials interviewed in the last two weeks is that there have been enough changes recently.

They note that the Central Intelligence Agency, under Mr. Carter, will be getting its fifth director in less than five years, that the Defense Intelligence Agency is operating under its third director in the same period and that both agencies have just undergone major reorganizations and personnel cutbacks.

Turnover Called Disruptive

"The turnover has been disruptive," said a National Security Council official who has had extensive experience in the intelligence service—a sentiment widely shared in the field.

The professionals point out, for example, that James R. Schlesinger dismissed 2,000 C.I.A. employees in his nine-month term of office in 1972 and made sharp structural reforms.

Upon succeeding Mr. Schlesinger, Mr. Colby was forced to devote the bulk of his two-year term to appearances on Capitol Hill to testify about the agency's past covert operations, including assassination plots and mail openings. Just as the hearings drew to a close, Mr. Colby was replaced by Mr. Bush.

Each man brought his own men into the top echelons. "We are resilient," a long-time agency officer commented. "But nobody can go through all that without some damage."

Still, there are strong signs that the new President may do just as feared: shake up the 40,000 men and women who constitute the core of the intelligence community.

Separation of Job Proposed

Foremost is a proposal that Mr. Carter separate the job of Director of Central Intelligence from that of the director of the C.I.A., a dual function that dates to the inception of the Agency in 1948.

Under the proposal, the director of the intelligence community—a policy-making official—would be unburdened of the additional task of managing the huge agency establishment in McLean, Va., and would be untainted by institutional loyalties.

The proposal has strong support from Vice President-elect Walter F. Mondale, who was a member of the Senate Select Committee on Intelligence until last summer and is now advising Mr. Carter on intelligence policy.

The Select Committee recommended the division of responsibilities in its final report last spring, and the chairman of the successor committee, Senator Daniel K. Inouye, Democrat of Hawaii, also favors it.

In an interview recently, Senator Inouye said he felt that "one of the weaknesses of the present system is that the Director of Central Intelligence is in charge of C.I.A."

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New Shake-Ups Under Carter

Military-Civilian Balance

The possibility of splitting the functions raises another issue—the balancing of civilian and military espionage operations.

The military branches of the intelligence community receive more than 80 percent of the roughly \$4 billion budgeted annually for all United States intelligence efforts, principally for the photo reconnaissance and radio signals interception technology used to monitor potential adversaries.

This military preponderance (the Central Intelligence Agency is allocated less than \$800 million of the total) has usually been offset by the political influence enjoyed by the Director of Central Intelligence, a civilian.

There has always been rivalry between civilian and military intelligence branches, often fierce and often involving funds.

"In the view of William G. Hyland, President Ford's Deputy Assistant for National Security Affairs, the budget rivalry could become more intense because "the fat days are definitely over" in the intelligence field. "From here on out, it'll be tight budgets," he added.

Implies Rein on C.I.A.

His implication, it appeared, was that the C.I.A. would no longer have a free hand to indulge in such high-priced experiments as the raising of a Soviet submarine hulk from the floor of the Pacific in 1974 at a reported cost of \$500 million.

There is concern throughout the intelligence community, however, that still more reorganization and budget cuts might stifle the creative impulses in what had been a rather free-wheeling group of innovators.

Mr. Ford attempted to cope with the budget allocation issue in his Executive Order 11905 last February, which established a new Committee on Foreign Intelligence, consisting of the heads of the C.I.A. and the Defense Intelligence Agency and the deputy assistant for national security.

The committee is empowered to thrash out resource allocation problems and intelligence target priorities and to forward issues it cannot resolve to the National Security Council. So far, it has worked fairly well, according to all of its members.

'Step in Right Direction'

But critics in the Senate Select Committee who count themselves in Mr. Carter's camp regard the new committee on resources merely as "a step in the right direction," or "a first step" to be followed by more thoroughgoing intelligence budget reviews.

With its enhanced oversight powers,

the Senate committee also intends to have a voice in the intelligence budget discussions and has formed a special subcommittee to deal with resource allocations. Previously, the intelligence budget was routinely approved in great secrecy by a handful of senior Senate and House committee chairmen.

Under Mr. Bush, the C.I.A. has sought to meet the pressure for organizational change, including the threatened split of director functions, with some shifts at the top.

He appointed Daniel Murphy, a four-star admiral, as his deputy for intelligence community affairs to supervise liaison with the Defense Intelligence Services, the National Security Agency, the Federal Bureau of Investigation, and the intelligence operations of the Treasury and State Departments and the Energy Research and Development Administration.

His other deputy, Erno Henry Koche, oversees the daily operations of the intelligence agency, freeing Mr. Bush for appearances before Congressional oversight committees, reports to the President and other aspects of his responsibility.

The arrangement is apparently functioning to the satisfaction of all the intelligence agencies, to judge from interviews across the community. In addition, despite their short tenure, Mr. Bush, Admiral Murphy and Mr. Knoche have received plaudits from current and retired intelligence officers and from Mr. Carter.

However, nobody in Washington, including David Aaron, the President-elect's own transition team chief for national security, knows at this point exactly how Mr. Carter intends to align the intelligence community in his administration.

Briefed on Covert Operations

The President-elect was described by C.I.A. officials who briefed him last month as "fascinated on covert action" operations of the agency—the agency's sorest flank during 18 months of Senate and House investigations in 1975 and 1976.

His agency briefers told Mr. Carter, however, that covert operations now cost "only 1.7 percent" of the agency's total budget, as opposed to "over 50 percent" at the height of the cold war.

Despite public excoriations of past covert action programs by Mr. Mondale, the intelligence community is proceeding on the assumption that the Carter administration will want to retain paramilitary and clandestine capabilities, Mr. Knoche said in an interview.

Talking to newsmen Friday, Gregg Schneiders, who handles appointments for Mr. Carter, said it was his understanding of his chief's views that covert operations were "a necessary part" of the agency's work. He added, however, that "there will not be any covert military operations."

Mr. Schneiders hinted, furthermore, that Mr. Carter opposed proposals from outside the intelligence community that the C.I.A. be divided up and re-established under a different name.

Proposal of Ex-C.I.A. Aide

The latest version of the proposal was made by Ray S. Cline, a former deputy director of the agency, in his book, "Secrets, Spies and Scholars." Mr. Cline recommended peeling off the agency's clandestine services and "secreting" them in other Government departments. He would then reconstitute the analytical and intelligence branches into a "Central Institute for Foreign Affairs Research."

Asked to address this proposal, Mr. Schneiders said that he "would not think" this was in the works.

The idea of splitting up the agency is abhorrent to most of intelligence specialists who were interviewed.

"Separation from the clandestine branches further isolates the analysts, and the farther away they are from the smell of a problem the more artificial their judgment," said Mr. Colby.

Improvement of intelligence analysis is a top concern at the Central Intelligence Agency, the Defense Intelligence Agency, the Senate Select Committee and the Carter transition team.

'Warehouses of Information'

At Defense Intelligence Agency it is a problem described by Mr. Knoche as "warehouses of information to digest" resulting from the prodigious flow of signals and photo reconnaissance data picked up by the new spy satellites and electronic monitoring devices targeted on the Soviet Union and other potential adversaries.

The agency's new Director, Lieut. Gen. Samuel Wilson, and Robert Ellsworth, Deputy Secretary of Defense, have introduced a fortnightly meeting at the Pentagon of "consumers and producers" of intelligence to sharpen the focus of analytical work.

They have also attempted to improve analysis by making intelligence careers more rewarding for the 1,800 military men and the 2,700 civilians of the defense agency.

General Wilson said recently that he felt that "the drama" of intelligence work had shifted from the point of collection to the headquarters where data are subjected to the "study of synergisms"—the discovery of pieces of information that enhance each other when brought together.

Science and Weapons Study Moved

At Central Intelligence, Mr. Bush and Mr. Knoche have also restructured some of the 15,000-member agency's analysis work, moving the science and weapons analysis sections out of the Science and Technology Directorate and into the Directorate of Intelligence.

Mr. Bush said in an interview that he had also begun a process of "centralization of the C.I.A." through closer integration of "the four fiefdoms"—the directorates of intelligence, of operations, of science and of technology and of administration.

At the Senate Select Committee there is also an effort to monitor the quality of intelligence analysis on a regular basis through a new subcommittee.

According to James Angleton, a veteran of the clandestine services who retired in 1975, quality control by the Congress was tentatively begun and then abandoned by the House Select Committee on Intelligence under Representative Otis G. Pike, Democrat of Suffolk.

Seven Congressional Panels

Congressional handling of intelligence policies may also come to plague Mr. Carter's administration as it did Mr. Ford's, for there are still seven committees of the Congress empowered to investigate intelligence operations and receive intelligence briefings.

Senator Inouye would like to consolidate the Congressional committees, perhaps even explore the efficiency of a joint Senate-House select committee. But jealousies and a sense of traditional prerogatives may prevail, leaving the plethora of investigators.

As for Mr. Carter's own intentions regarding the intelligence community,...

briefed him came away with the impression that "there would be no bombshelling or lightning-like thrust—and only a reorganization after consultation of the professionals."

What kind of intelligence director will Mr. Carter pick, a professional or someone who is not but whom he knows personally?

George Bush said he pleaded with Mr. Carter last month in Plains, Ga., to choose a man he knows well and trusts, ruling himself out on the first count, and thus paving the way for his resignation. Mr. Carter apparently accepted that counsel.

Mr. Carter said in a television interview that the Director of Central Intelligence should be changed with each new administration because a "continuing hierarchy" in the intelligence community could create "some danger."

His administration will thus become the first, it appears, to remove the directorship of the agency from the career intelligence track it has been on since its inception. It is a change that some professionals view with considerable misgivings because it would seem to introduce a tinge of partisan politics into a branch of the Government they feel should be separated from partisanship.