

UNCLASSIFIED

Sept 9-10, 1948

Cite

TENTATIVE AND PRELIMINARY DRAFT

(This is a working paper and does not represent any findings or recommendations of the Committee.)

MEMORANDUM FOR Mr. Eberstadt

FROM: Mr. Sutherland and Mr. Bross

SUBJECT: Report on the Central Intelligence Agency

Box #17 840/1 10

Site # 2 General

Foreign Relations NS/P-7

folder 119 September 3, 1948

McGraw-Hill

EX-111 INT 840/

338

SEP 7 REC'D

PP. 458-500

not finished

SUMMARY

CIA is established by statute under the NSC to evaluate intelligence, make recommendations to the NSC for the coordination of intelligence activities of the departments and agencies of the government and to perform such services of common concern as the NSC may direct. The Director CIA may be a civilian or a commissioned officer and is appointed by the President.

CIA consists of four main offices. Two of these offices collect information. One is the Office of Operations (OO) which collects information by monitoring foreign broadcasts; examining foreign documents and by establishing contact with individuals, American and foreign, who are in the United States and who have knowledge of foreign developments of intelligence value.

A second is the Office of Special Operations (OSO) which collects information by clandestine means.

A third office is the Office of Collection and Dissemination (OCD) which maintains a central index and library of intelligence documents and records and acts as a routine channel for distributing reports and collecting material needed by CIA.

The fourth office is the Office of Reports and Estimates (ORE) which

UNCLASSIFIED

UNCLASSIFIED

INT 840/2  
NS/P-7

evaluates information and prepares estimates and reports.

There has been serious criticism of CIA personnel. Despite mistakes in personnel procurement, progress has been made in recruiting and training a competent working staff. Improvement must come as a matter of administrative evolution. A civilian Director is preferable, but the statute should not be amended to preclude appointment of a military man.

CIA is properly located under NSC for the purpose of "evaluating" and "coordinating".

The proper location of the "operational" functions now performed by CIA under NSC directive has long been a subject of debate. They can be performed under CIA and change is disruptive. Change is undesirable in any event unless there is agreement between the State Department and the services as to a more desirable location and unless any transfer can be accomplished without publicity.

The fact that ORE and other agencies, notably the State Department, examine the same basic material for the purpose of preparing reports constitutes a duplication. To some extent duplication is inevitable as ORE must verify conclusions of other departments by reference to basic material. Allocation of primary responsibility for basic research in the economic field is desirable and would result in the elimination of some duplication. This can probably be accomplished as a matter of progressive coordination.

Duplication clearly exists between ORE and the Office of Intelligence Research (OIR) and the State Department in the field of political reporting. This may be justified to some extent on the theory that "two guesses are better than one." Also, the two agencies report for different

UNCLASSIFIED

UNCLASSIFIED

INT 840/3

NS/P-7

purposes (ORE for the guidance of the NSC; OIR for purposes of State Department planning). The priorities which control the work schedules of the respective agencies are different.

Action taken jointly by CIA and the State Department after careful analysis should reduce the amount of duplication.

Evaluation of intelligence by CIA would be improved and be made more responsive to the requirements of those responsible for policy decisions if CIA had a closer working relationship with the Joint Intelligence Group of the JCS and with the NSC staff.

Existing facilities for collecting and evaluating scientific information should be unified and improved. In CIA responsibility for evaluating scientific intelligence is divided between a branch of ORE and a group in OSO concerned with atomic energy. This division was made on the grounds that security necessitated the segregation of persons working with information relating to atomic energy. Other agencies and services of the government evaluate scientific intelligence independently. The need for better evaluation of scientific intelligence and for guidance to stimulate the collection of information in this field suggests the creation of an Office of Scientific Intelligence under a competent Assistant Director.

111

UNCLASSIFIED

152

UNCLASSIFIED

Box 17

Site 2 Council on Foreign  
Relations folder 119  
McClellan, Papers

5:  
INT 840.

September 9, 1948

COMMITTEE ON THE NATIONAL SECURITY ORGANIZATION  
SCHEDULE OF  
COMMITTEE MEETINGS AND ASSIGNMENT OF TASKS

<u>DATE-1948</u>	<u>TOPIC</u>	<u>STAFF MEMBER</u>
June 8-10	Committee Organization General Review of National Security Act of 1947 and of Departments and Agencies con- stituting the National Security Organization	
June 29-30	Additional Witnesses on various agencies and Functions of National Security Organization	
July 13-14	Joint Chiefs of Staff, Joint Staff, and War Council .....	Dr. Fairman
July 27-28	National Security Council .....	Mr. Jenks and Mr. Miles
	Office of Secretary of Defense .....	Dr. Connery and Mr. Miles
Aug. 10-11	Research and Development Board .....	Mr. Seabury
	Departmental Organization Structure, Army - Navy - Air Force .....	Departmental Presentation
Aug. 24-25	National Security Resources Board ....	Dr. Connery and Mr. Miles
	Munitions Board .....	Dr. Connery and Mr. Miles
	Procurement and Logistics .....	Mr. Hurley
Sept. 9-10	Central Intelligence Agency .....	Messrs. Sutherland, Bross and Jenks
	Internal Security, including Civilian Defense and Unconventional Warfare .	Mr. Jenks
	Psychological Warfare .....	Mr. Jenks
Sept. 21-23	Public Relations and Legislation .....	Mr. Strong and Mr. Jenks
	Military Personnel Policies, Manpower and Mobilization .....	Mr. Radom, Col. Sanders and Miss Rice
	Education and Training .....	Dr. Fairman
	Congressional Witnesses .....	Mr. Sears
Oct. 5-7	Medical Services and Hospitalization .	Dr. Rusk and Dr. Mailing
	Military Budget .....	Messrs. Schneider, Cummins, Hollingsworth, Arnstein and Groff
Oct. 18	Relation of our Committee's Work to that of other Committees of the Hoover Commission .....	Mr. Strong
Oct. 18-29	Review of Committee's Work, Formulation of Committee's Recommendations and Completion of its Report .....	Committee and Staff
Unscheduled	Report on Study of Single Chief of Staff	Dr. Salmon

1524

UNCLASSIFIED

UNCLASSIFIED

1004 11/1  
Site #2 Commission  
Foreign Relations  
Folder 119  
McCoy Papers  
NS/A-7  
INT 840/

September 9, 1948

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT

Schedule for the Meetings of the Committee on the  
National Security Organization on September 9 and 10, 1948

Topics - Central Intelligence Agency - Sept. 9 and 10  
Internal Security, including Civilian Defense  
and Unconventional Warfare - Sept. 10  
Psychological Warfare - Sept. 10

Sept. 9 - Morning Meeting - 9:00 A.M.

9:00 Committee Business

9:30 Mr. Arthur J. Sutherland, Staff Member

10:00 Brig. General Edwin Wright - Deputy Director  
Central Intelligence Agency  
Mr. William Harvey - Member, CIA Staff  
Mr. Ronald MacMillan - Member, CIA Staff

11:00 Dr. Theodore Babbitt - Assistant Director, CIA,  
Office of Reports and Estimates  
Capt. Kenneth A. Knowles, USN (Ret.) - Staff Member, CIA, ORE  
Mr. Lewis E. Stevens - Staff Member, CIA, ORE  
Dr. Derwood W. Lockardt - Regional Branch Chief, CIA, ORE

12:15 Dr. James M. Andrews - Assistant Director, CIA, Office of  
Collection and Dissemination

Sept. 9 - Afternoon Meeting - 2:00 P.M.

2:00 Mr. George Carey - Assistant Director, CIA,  
Office of Operations  
Mr. Lyman Kirkpatrick - Branch Chief, CIA, OO  
Col. L. K. White - Branch Chief, CIA, OO  
Mr. John J. Bagnall - Deputy Branch Chief, CIA, OO

UNCLASSIFIED

UNCLASSIFIED

INT 840 / C

NS/A-7

Sept. 9 - (Continued)

3:00 Rear Admiral Thomas B. Inglis - Director, Naval Intelligence  
3:45 Mr. Parke Armstrong - Assistant Secretary of State for  
Intelligence and Research  
4:30 Lt. General Steven J. Chamberlin - Director of Intelligence,  
U. S. Army, General Staff  
Col. Carter Clarke - Intelligence Division,  
U. S. Army, General Staff  
5:15 Major General Charles P. Cabell - Director of Intelligence,  
Air Force

Sept. 9 - Evening Meeting - 7:30 P.M.

7:30 Mr. Ralph Clark - Research and Development Board  
Mr. David Z. Beckler - Research and Development Board  
8:15 Dr. Walter F. Colby - Atomic Energy Commission

UNCLASSIFIED

UNCLASSIFIED

INT 840/7

NS/A-7

Sept. 10 - Morning Meeting - 9:00 A.M.

- 9:00 Mr. George Kennan - Director, Policy Planning Staff,  
Department of State
- 9:45 Lt. General Albert C. Wedemeyer - Director, Operations and  
Plans, U. S. Army,  
General Staff
- 10:15 Major General William J. Donovan - Former Director, Office  
of Strategic Services
- 11:00 Rear Admiral Roscoe H. Hillenkoetter - Director, Central  
Intelligence Agency
- 12:00 Rear Admiral Sidney W. Souers - Executive Secretary,  
National Security Council

Sept. 10 - Afternoon Meeting - 2:00 P.M.

Internal Security

- 2:00 Mr. J. Patrick Coyne - Special Consultant, NSC, on  
Internal Security
- 3:00 Mr. Russell J. Hopley - Director, Office of  
Civil Defense Planning
- Lt. Col. Barnet W. Beers - Executive Assistant, OGD
- Mr. Horace N. Nance - Chief, Technical Division,  
OCDF

Psychological Warfare

- 4:00 Dr. Hans Speier
- 5:00 Mr. Frank G. Wisner

UNCLASSIFIED

1527

UNCLASSIFIED

Box #17  
Site #2 Counsel  
Foreign Relations  
Folder 119  
NS/M-7  
McClay Papers

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT

INT 840/8

COMMITTEE ON NATIONAL SECURITY ORGANIZATION

MORNING MEETING OF SEPTEMBER 9, 1948

Present: Messrs. Eberstadt, Allen, Baldwin, Barnard (10:10),  
Cowles, McCloy (9:30), Middlebush, and Ward; --  
Doollittle, Hobby, Smith, and Towers; -- Bross, Connery,  
Fairman, Jenks, Mailing, Miles, Millis, Radom, Reid,  
Rice, Sanders, Strong, Sutherland, and Willett.

1. (9:00 A.M.) Business Session

Mr. Eberstadt presented matters of Committee business as follows:

1. Mr. Eberstadt stated that, in the absence of any objections, the minutes of the previous meetings would stand approved as written.

2. Mr. Eberstadt stated that his letter of August 25 which had been sent to all Committee members had simply been intended to indicate the general objectives so far as the form of the final report is concerned and that as the report developed there would probably be departures from the layout described in that letter. He indicated that the letter had been approved by all Committee members except Dr. Middlebush who had not yet seen it. (A copy of the letter was given Dr. Middlebush and he indicated on the following morning that it met with his approval.)

3. Mr. Eberstadt stated that it was desirable to send the proposed letter and memorandum to the military advisers and consultants as soon as possible and that he had already received word from Judge Patterson that it met with the latter's approval. Mr. Cowles questioned whether there would be any point to adding to the list of matters on which we sought comment and suggestions the question of a possible exchange of students between Annapolis and West Point. Mr. Baldwin suggested that the letter should be broadened slightly to make it clear that we would welcome expressions of opinion on any matters which the advisers and consultants felt would be important (this change was subsequently embodied in the letter sent out). The other Committee members present had no changes to suggest in the form of the letter and memorandum and the sending of the letter was approved.

4. Mr. Eberstadt commented in brief on certain of the material included in the Committee kits. Among the items mentioned were the change in the date for Congressional witnesses from October 5 to September 23, the work being done by Dr. Salmon and Miss Rice, and the powers on allocation of steel granted to the Secretary of Defense under the Selective Service Act of 1948.

-447-

UNCLASSIFIED



UNCLASSIFIED

INT 840/9

NS/M-7

5. Mr. Eberstadt stated that tentative drafts of the final chapters to appear in the Committee report would be mailed to the members from time to time and that a prompt indication of any suggested modifications would be much appreciated. In this connection he indicated that the chapter on the National Security Council had already been mailed.

6. Mr. Eberstadt stated that in general the staff work was up to schedule and that the Committee ought to be able to meet the November 1 deadline for its report.

7. In connection with a discussion of the witness list for the current meetings, it was suggested that the program relating to psychological warfare might be strengthened by the addition of Elmer Davis and Wallace Carroll. Mr. Eberstadt stated that an effort had been made to obtain the presence of Mr. Davis at a later meeting but that this would be impossible. He indicated that Mr. Bross would see what could be done about arranging for Mr. Davis and Mr. Carroll to be present at the present sessions. (Both of these witnesses appeared on the following day.)

2. (9:25 A.M.) Mr. Arthur Sutherland

Mr. Sutherland presented a brief discussion of the organization chart for the Central Intelligence Agency and the functions and operations of that Agency, with particular reference to the paper prepared by himself and Mr. Bross.

In response to a question from Mr. Baldwin, Mr. Sutherland and Mr. Bross indicated that they were not sure just how the number of personnel in CIA here would compare with that in the British intelligence system. Mr. Bross indicated that differences in structural setups made the comparison somewhat difficult.

In response to a remark by Mr. Ward, Mr. Sutherland agreed that the dispersion of the activities of CIA over twenty-five buildings here in Washington might make the activities of that organization somewhat less vulnerable in time of war.

3. (10:00 A.M.) Brig. General Edwin Wright - Deputy Director  
Central Intelligence Agency

General Wright stressed the fact that his remarks before the Committee were made in the strictest confidence and that he assumed that nothing that was said would be mentioned outside the Committee room. Mr. Eberstadt assured General Wright that his wishes would be complied with and that he could speak with complete frankness and confidence.

General Wright discussed in detail the organization, functions, and operations of the Office of Special Operations of CIA which deals with all of the organized espionage and counter-espionage activities of this country, outside the United States and its possessions. Because of the nature of its activities OSO has a considerable degree of autonomy.

UNCLASSIFIED

UNCLASSIFIED

INT 840/10

NS/M-7

General Wright stated that the work of OSO receives entirely too much publicity, most of it bad. Publicity in connection with the activities of CIA creates the impression that most of the information obtained by it is collected clandestinely. This is not so; at least 75% comes from overt sources which are generally available, about 15% is collected by clandestine or semi-clandestine means, about 5% exists only in the minds of the top men in the target countries, and an additional 5% defies collection. The quality and value of the 15% collected clandestinely averages higher than that of the intelligence collected overtly.

The job of OSO is being conducted under pressure and the activities of the organization were started many years after similar organizations were underway in other countries. The job confronted by it is one which cannot be accomplished overnight. The Office is making good progress but has by no means reached the peak of efficiency as yet; it might take at least five years to do so. For example, it takes fourteen to eighteen months before a man selected for service in OSO can ordinarily become productive. Investigation of the man's loyalty, habits, discretion, personal attributes, academic background, and various other factors, both personal and environmental, may take from four to six months. The period of training usually takes from six to ten months additional, depending upon the nature of the activities to be undertaken. From two to three months are required for preparing the cover arrangements under which he will operate. A few months additional are required to get the man established and to open up his communications.

General Wright stated that at the close of the war OSS was ostensibly liquidated in principle and on paper, one of the purposes of the liquidation being to eliminate from its field of operations the services of any persons who were deemed not well qualified to continue such activities. The ostensible liquidation however was by no means complete in fact and many capable persons were retained to serve as a nucleus for the continued operations of the functions previously conducted by OSS. At the close of the war the services of many persons whom it would have been desirable to retain were lost because of their return to their private positions and professions.

General Wright illustrated the high quality of the personnel occupying the important positions of Station Chiefs by describing one of the men as a former professor of history at a large Eastern university with a famous reputation as an economist who had operated in OSS for six years and was now 42 years old. The personnel is definitely not of the typical spy or police type and is of very high all-round caliber.

So far as its success to date is concerned, General Wright stated that the nation has every reason to be proud of its young clandestine intelligence system. A passion for anonymity is essential. It is impossible for OSO to refute public attacks on it and public stress on its failures, or to point to its successes. It must bow to criticism since answers to criticism or stress upon its successes would involve a large amount of danger to the lives of American citizens and citizens of foreign nations and would jeopardize the future success of its activities. Our successes clearly exceed our failures although the latter receive all of the attention. There must always be some failures connected with activities such as those conducted by OSO.

-449-

UNCLASSIFIED

UNCLASSIFIED

INT 840/11

NS/M-7

To illustrate the accomplishments of OSO, General Wright read a number of letters from the Army, foreign governments, the Navy, miscellaneous government agencies, and our own ambassadors, consuls and attaches, indicating appreciation of the services rendered them by OSO. OSO serves all of the departments and agencies of the government, not merely CIA.

In the conduct of its operations during the past three years OSO has been guided by the operations, successes and failures of similar foreign organizations. We have advanced rapidly in the field covered by OSO. In the opinion of General Wright we now have an espionage and counter-espionage system surpassed by no country in the world, (except Russia) even though our system is far from perfect. General Wright pointed out that the freedom with which Russians, particularly on diplomatic missions, enter the United States and the restrictions governing the entrance of United States citizens into Russia clearly simplify Russia's espionage problems as compared with our own. General Wright feels that the personnel of OSO as a group is much more experienced in the field of clandestine operations than is any other group of Americans and that there is no other group which could conduct its activities so successfully. He feels it essential that the clandestine collection of intelligence be centralized.

In the conduct of the operations of OSO a high degree of collaboration with the FBI is called for and it exists in fact. OSO is not engaged in the field of domestic Communistic activities; this is a function of the FBI. General Wright summarized his remarks by stating that the nation has due cause to be proud of its clandestine intelligence system, that more time is needed for its full fruition, that a maximum freedom from publicity is desirable, that the screening of its personnel is extremely thorough, that there will always be failures from time to time, and that successes cannot be publicized in the way that failures unfortunately are.

In response to a question from Dr. Middlebush, General Wright described the sequence of events that would take place in the operations of OSO in a hypothetical case. If the Navy wants knowledge concerning a particular area, it makes a broad request which comes to the Office of Collection and Dissemination in CIA. That Office determines whether the information is already available here. If it is not available, the request is surveyed to see whether the information can be obtained by overt methods. If so, the request is turned over to whoever can best get the overt information. If the information is not forthcoming by overt methods, the request is given to OSO for investigation.

In response to questions from Mr. Baldwin, General Wright stated that as an assistance to it in the conduct of its operations CIA has knowledge of most of the plans of the various government agencies and departments with the exception of top military and diplomatic plans. He regards this situation as desirable although in specific cases CIA may need further information if it is to do its job successfully. CIA feels that it either knows enough, or is able to get enough, to enable it to carry out its work efficiently and effectively. The security problem is an extremely important one, particularly where top military or diplomatic plans are concerned. In response to further questions from Mr. Baldwin, General Wright stated that in time of war much of

-450-

UNCLASSIFIED

UNCLASSIFIED

INT 840/12

NS/M-7

what is done by CIA should probably be turned over to the military departments. He does not regard it as necessary or desirable for the Director of CIA to sit with JCS in time of peace. He regards the organizational framework of our present intelligence system as sound. Changes are being made all the time in the direction of economy and efficiency, although a good deal more time will be needed to perfect the system. The same is true of the intelligence systems of the military departments and other government agencies. The coordination of CIA, Army, Navy, and the State Department on intelligence is good today. A special bill was introduced in Congress which would permit CIA to do certain things by statute which it is now doing in practice. Such matters relate primarily to questions of personnel, administration, and the handling of funds. General Wright hopes that the bill will pass at the next session of Congress and he knows of no important opposition to it.

In response to questions from Dr. Allen, General Wright indicated his belief that CIA should be under NSC rather than under the President. Relationships of CIA with the services are important and, so far as the people in key positions are concerned, are good. There have been difficulties in some cases at the lower working levels largely because of lack of knowledge on the part of those involved of their relative spheres of interest and jurisdiction, and also because of a certain amount of natural jealousy. General Wright does not feel overall working of our intelligence system is handicapped by this minor friction.

In response to further questions from Dr. Allen, General Wright indicated that in the United States the FBI has the chief responsibility for counter-espionage although the military services are concerned with counter-espionage in their particular spheres of activity. The Contact Branch of CIA interrogates certain aliens who come to this country but only after clearance with the FBI; there has always been full cooperation on this matter. In its contacts with other Government departments and agencies CIA has tried to do as much as possible through cooperation since it is a new agency and wishes to avoid arousing jealousies. The Director of CIA is responsible for long range planning of intelligence activities. This planning is handled by the Intelligence Advisory Committee and is one of its most important functions.

In response to questions from Mr. Eberstadt, General Wright indicated that the Intelligence Advisory Committee is a strong, aggressive group which meets frequently and that any statement that it meets rarely would seem to be in error. (It was indicated in subsequent testimony by other witnesses that formal meetings of IAC are not frequent but that its members meet and consult with one another almost daily on matters of importance. Failure to make a sharp distinction between formal and informal meetings of the members seems to be responsible for some confusion on the question of the frequency of meetings.)

In response to a question from Mr. Baldwin, General Wright stated that CIA has responsibility for interrogating foreigners coming here in cases where intelligence information may be forthcoming.

In response to questions from Mr. McCloy, General Wright stated that the activities of CIA do not yet have the coverage which they are ultimately ex-

-451-

UNCLASSIFIED

1532

UNCLASSIFIED

INT 840/13  
NS/H-7

pected to have, although the present coverage is much wider than generally known. The chief limitation is the difficulty of getting the proper people to do the jobs that have to be done. In this respect the chief limitation is one of time, not money. CIA has all the money that it can use effectively. As a matter of fact in the last fiscal year it returned to the Treasury unused \$10 million dollars out of its \$10 million dollar appropriation.

In response to questions from Mr. Ward, General Wright stated that the head of CIA should be the man best qualified for the job regardless of whether he is in uniform or not. There should be continuity in the administration of CIA, however, rather than rotation. With the world situation as it is today, General Wright sees certain advantages in having a military man at the head of CIA since such a man has closer ties with the needs of the military services. A military head would also be less susceptible to political influence. The head of CIA does not have to be an intelligence expert, "whatever that is," but must be an organizer and an executive and have the necessary contacts. The dispersion of the operations of CIA in Washington is desirable.

In response to questions from Mr. Cowles, General Wright stated that SANACC decides, from the standpoint of general policy, what intelligence information should be given to friendly foreign powers. In particular practical instances CIA frequently decides what information should thus be made available and it is frequently a matter of trade. CIA does not find it desirable to make much use of foreign newspaper correspondents in connection with the conduct of its operations.

4. (11:20 A.M.) Dr. Theodore Babbitt - Assistant Director, CIA  
Office of Reports and Estimates

Dr. Babbitt described the organization and work of the Office of Reports and Estimates of CIA. This Office deals not only with facts and figures but also with the projection of trends into the future. A major function of the Office is the evaluation of reports sent in, from the standpoint of their adequacy and accuracy. It is also concerned with the coordination of the activities of CIA with the intelligence activities of other departments and agencies of the Government.

Dr. Babbitt presented and discussed an organization chart of ORE. The core of the organization is six Regional Branches which cover the entire world geographically. There is also a Scientific Branch, and a Map Branch, the latter having been taken over last year from the State Department.

The Regional Branches produce intelligence on their individual areas while functional groups within CIA are responsible for tying together on a functional basis the facts regionally collected. The Global Survey Group ties together the regional reports on an overall basis and prepares a monthly analysis of the world situation. It also works on specified tasks assigned by NSC.

In closing Dr. Babbitt referred briefly to the work of the administrative staff which has under it the Information Control Unit; the latter handles thousands of secret documents each month. Dr. Babbitt then introduced in

-452-

UNCLASSIFIED

15-23

UNCLASSIFIED

INT 890/14  
WS/11-7

succession three individuals who discussed in further detail certain phases of the operations of the Office of Reports and Estimates.

5. (11:35 A.M.) Mr. Lewis E. Stevens - Staff Member, CIA  
Office of Reports and Estimates

Mr. Stevens stated that in the conduct of the work of the Office of Reports and Estimates, intelligence is broken down into the following three categories:

1. Basic intelligence - factual and encyclopedic information of a long range character needed by all departments and agencies of government.
2. Current intelligence - a highly perishable commodity which depends for its effectiveness on rapid processing and is based largely on cable traffic. It is reported on a daily, weekly, and monthly basis. The daily reports are concerned with up-to-the-minute facts only, the weekly reports with both facts and the analysis of trends mostly on a piecemeal basis, and the monthly reports with an analysis of facts and trends on a global basis.
3. Staff intelligence - the most precise and exacting form of intelligence. It takes several forms, among them being a comprehensive analysis of foreign situations on an overall basis and studies of specific problems.

Basic intelligence is the foundation upon which staff intelligence is built; current intelligence presents matters calling for immediate attention. ORE has a flow of from 1500 to 1800 documents per day and it deals with them as a basis for the three types of intelligence mentioned above. The production of intelligence is in accord with plans developed by the Plans and Policy staff of ORE in cooperation with its area branches.

Staff intelligence is produced by ORE in cooperation and coordination with other governmental intelligence groups. Drafts of final papers are circulated among the departments and agencies concerned in order to get agreement among them, if possible. If no agreement can be reached, dissents are published, rather than reaching a possibly ineffective or undesirable compromise.

6. (11:45 A.M.) Dr. Derwood W. Lockard - Regional Branch Chief, CIA  
Office of Reports and Estimates

Dr. Lockard discussed the operations of the Near East-Africa Branch of ORE, as typical of one of its six Regional Branch operations. The Branch was established just two years ago. The area covered includes practically all of Africa (with the exception of an area of Northwest Africa), the Near East, and Southern Asia as far East as the sub-continent of India. For administrative purposes the area is broken down into four divisions. Thirty-six people in ORE are concerned with handling intelligence for that area, including twenty-seven professional analysts and a clerical force of nine.

The senior analysts for the area must have spent many years in the area before the war and must have had intelligence experience during the war. They must be college graduates, preferably with higher degrees in the fields in which they are particularly concerned.

-453-

UNCLASSIFIED

UNCLASSIFIED

INT 840/15  
NS/M-7

The junior personnel is selected largely on the basis of academic background and interest in a government career, particularly in the intelligence service.

The Branch in theory receives all intelligence related to its area collected by all United States listening posts. It receives about 5000 documents in a typical month, approximately 75% of which come from the State Department. The overall adequacy of the intelligence on the Near East-Africa area is fair to good. The lack of personnel and money to expand listening posts is the explanation of why the material is not more completely adequate. A daily log is maintained on all incoming material. Both current and staff intelligence is produced by the Branch and, particularly in the case of current intelligence, definite deadlines have to be met in its preparation. Daily and weekly summaries are prepared, the former consist of events and the latter of interpretations and trends, particularly where there are any changes in basic trends. The Branch has a working paper of its own covering matters which may not be of sufficient importance to be included in the overall weekly summaries.

Non-routine production is the most significant work done by the Branch. This work includes intelligence estimates on important trends and developments within the area. The subject of the estimates may be suggested by the Branch itself, by other agencies or individuals within CIA, or by an outside agency. This non-routine production is of the following several types:

1. Special evaluation - a personal letter from the Director of the Branch to the President. There have been only three special evaluations in the Near East-Africa Branch in the past two years.
2. Situation reports - studies of individual countries or areas, the most important chapters relating to strategic considerations affecting United States security. These reports are kept up to date following the original issuance; eight have been issued in two years.
3. Special estimates - an ORE series on specific situations, prepared by analysts of the Branch, although certain sections may be contributed by other groups either within or outside CIA. These estimates are reviewed by all four CIA agencies before being sent to the Estimates Group.
4. Intelligence memoranda - papers of all sorts, particularly those not of overall general interest.

Dr. Lockard then illustrated by reference to two specific papers on the Palestine situation the ordinary course of events connected with a special evaluation.

UNCLASSIFIED

UNCLASSIFIED

INT 840/16  
NS/M-7

7. (12:10 P.M.) Captain Kenneth A. Knowles, USN (Ret.) - Staff Member, CIA  
Office of Reports  
and Estimates

Captain Knowles read a paper on the salient aspects of the National Intelligence Survey Program which is concerned with the collection and integration of information and the production and maintenance of basic intelligence required by the Government (attached hereto as Exhibit A). These surveys are produced by the Basic Intelligence Group and are principally significant for their contribution to the realization of a long range intelligence program meeting the needs of the Government. After reading his paper, Captain Knowles presented a chart showing how the National Intelligence Survey operates in coordination and cooperation with other Government services and agencies.

In response to questions from Mr. Ward, Captain Knowles stated that the Basic Intelligence Group first publishes the information that is readily available and then fills in the gaps as they become apparent. The information is published in a loose leaf format which is kept currently up to date. The JCS has given priority to the work of this Group and we are cooperating with the British in carrying it out although the main burden of the work falls on us.

In answer to questions from Mr. Baldwin, Dr. Babbitt stated that in his opinion the overall setup of CIA is practical and will work out satisfactorily. It is a new agency which must have time to make its way. Many details need improvement but the overall organization is satisfactory for the job to be done. Dr. Babbitt sees little needed in the way of significant legislative changes.

In answer to questions from Mr. Baldwin, Mr. Stevens stated that the Plans and Policy staff is responsible for arranging the program which controls the collection of data. The Plans and Policy staff maintains liaison with JCS through the Joint Intelligence Group.

In answer to questions from Mr. Baldwin, Dr. Babbitt stated that the Reference Section was originally in ORE but that it is a purely physical function which can be performed satisfactorily anywhere in CIA. The Map Section involves an element of evaluation and this Section seems to be well placed in CIA where it now is.

In answer to questions from Dr. Allen, Dr. Babbitt stated that the Scientific Branch of ORE has not reached final production as yet, although work has been started on the evaluation of foreign scientific documents and the scientific activities of other government agencies have also been studied. The Scientific Branch is not fully staffed and not really in effective operation. The psychological warfare program is just getting under way and CIA is aiding the State Department with intelligence in this connection. According to Dr. Babbitt, CIA fully appreciates the value of and necessity for scientific intelligence. Failure to have made greater progress in this direction is not the result of overlooking the field but rather of particularly complex personnel problems in developing it.

In response to a question from Dr. Meiling, Dr. Babbitt stated that a biological warfare section is concerned with certain phases of medical intelligence and that the general field of medical intelligence is now being surveyed.

-455-

UNCLASSIFIED

153



UNCLASSIFIED

INT 840/r  
NS/M-7

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT  
COMMITTEE ON NATIONAL SECURITY ORGANIZATION

AFTERNOON MEETING OF SEPTEMBER 9, 1948

Present: Messrs. Eberstadt, Allen, Baldwin, Barnard, Cowles, McCloy (2:40), Middlebush, and Ward; -- Doolittle, Hobby, Smith, and Towers; -- Bross, Fairman, Jenks, Meiling, Miles, Willis, Sanders, Seabury, Strong, Sutherland, and Willett.

1. (2:00 P.M.) Mr. George Carey - Assistant Director, CIA  
Office of Operations

Mr. Carey stated that the Office of Operations is concerned with the collection and dissemination of overt intelligence, not with its evaluation. The Office is divided into three branches, namely, Foreign Broadcast Information, Foreign Documents, and Contact. The first two of these Branches were in existence long before the organization of CIA and were turned over to it upon its formation. The Contact Branch was formed since the establishment of CIA and Mr. Carey requested that we should maintain secrecy with respect to the information given us concerning the Contact Branch.

2. (2:07 P.M.) Mr. John J. Bagnall - Chief, Foreign Documents Branch  
Office of Operations, CIA

Mr. Bagnall discussed in some detail the operation of the Foreign Documents Branch of OO. The functions of the Branch include the translation and screening of foreign documents. Its divisions are established on both a territorial and functional basis.

The procurement of qualified personnel for the conduct of the operations of the Branch is a difficult task. A vast mass of foreign documents are translated and abstracts are furnished where required.

3. (2:14 P.M.) Colonel L. K. White - Chief, Foreign Broadcast Information Branch, Office of Operations, CIA

Colonel White discussed the work of the Foreign Broadcast Information Branch of OO. He stated that about 2000 foreign radio stations are now on the air transmitting approximately ten million words a day. FBIB monitors, translates and transcribes selected portions of this material for distribution. We monitor about two million words daily. Speed in operation is essential. The Branch has three types of employees: first, radio technicians; second, monitors who listen, translate and type transcript summaries (code operators perform the same functions for the material transmitted in Morse code); third, editors who receive copy from the monitors and decide what to send to Washing-

UNCLASSIFIED

153

UNCLASSIFIED

INT 840/18  
NS/M-7

ton. Target lists are prepared to indicate to the monitors and editors our chief fields of interest.

The second phase of the activities of the Branch is conducted in its office in Washington where the information supplied by monitors and editors is processed and disseminated. Daily reports are issued and a weekly report is published on the subject of Soviet broadcasts; it is factual rather than interpretive in approach.

A third phase of the operations of FBIB is its dissemination of reports. The two million words that are monitored are boiled down to about 115 thousand words a day in four categories. Approximately 65 thousand words are disseminated in the daily reports.

A major objective of FBIB is to reduce to a minimum the time between the interception of information and the delivery of reports based thereon. There is a constant necessity to meet deadlines, somewhat similar to that in a newspaper office.

4. (2:30 P.M.) Mr. Lyman Kirkpatrick - Chief, Contact Branch  
Office of Operations, CIA

Mr. Kirkpatrick discussed the work of the Contact Branch of OO stressing the imperative necessity for secrecy concerning its activities in order to protect those who are giving it assistance and thus to insure their continued cooperation in its activities, without which it would be quite ineffective. Commercial, academic, religious, and a wide variety of other miscellaneous contacts are used. The Branch has its headquarters in Washington and fifteen field offices located in the major industrial and trading centers of the country.

The work of the Branch is performed in two divisions: first, Source, is concerned with the gathering of information and is divided into four sections, operations, index, alien, and specialist; the second, Reports, consists of the editorial and clerical staff which deals with the raw material gathered by the Source Division.

In opening a field office an effort is made to find someone to head it who is well known to the trading and business circles in the city where the Branch is to be opened. Top industrialists, publishers, and bank presidents are approached and complete cooperation has almost invariably been forthcoming. The volume of intelligence received from this activity is large and its importance is substantial. Checks are made with the FBI before any organization is approached concerning cooperation with the work of this Branch. Approaches are always made to the top executive of any organization concerned and every assurance is given that any information received will be kept secret to the degree desired by the contact which develops it. Complete protection as to the participation of any contact in the program of this Branch is assured, and very serious responsibilities thus rest upon the Contact Branch.

In response to a question from Mr. Barnard, Mr. Kirkpatrick stated that much of the contact information now being gathered could not be gathered in

-457-

UNCLASSIFIED

1532

UNCLASSIFIED

157 840/19  
NS/4-7

the event of an emergency since access of the contacts to the ultimate sources of information would obviously be much restricted.

In response to a question from Mr. Barnard, Colonel White stated that it was difficult to get the translators needed with proper security precautions. He feels that the risks of omission or misrepresentations by translators are minor; spot check-ups on their work are conducted and the original broadcasts are recorded.

In response to a remark by Dr. Middlebush that there would seem to be risk that this contact work might endanger international goodwill, Mr. Kirkpatrick stressed the fact that so far as individuals are concerned, most of the contacts are approached after their return from foreign countries to see what they have observed rather than being briefed in advance as to what to look for. What is involved is more a matter of general observation than a mission of collection and this would seem to lessen the possible danger to international goodwill.

In response to questions from Mr. Baldwin, Mr. Kirkpatrick stated that while there has been every apparent indication of complete cooperation of the contacts with CIA, it is of course impossible for CIA to tell how completely and thoroughly matters observed are reported to it. The FBI has the function of internal security in this country and therefore so far as contacts with aliens here are concerned the CIA checks with the FBI to see that the latter has no objections. Contacts with political refugees on political matters are usually handled by the State Department.

In response to a question from Mr. Baldwin, Mr. Bagnall stated that the custody of foreign documents is mixed but that CIA has the responsibility of translating them for intelligence purposes. Those who have possession of the documents frequently use them for other purposes.

In response to a question from Mr. Baldwin, Mr. Carey said that he sees little to recommend in the way of changes in the conduct of the operations of CIA although some elimination of duplication might result from a merger of the evaluation activities of the State Department and ORE. Mr. Kirkpatrick remarked that it might be simpler if OSO and OO were together.

In answer to a question from Dr. Allen, Colonel White stated that unclassified foreign broadcast summaries are furnished to college libraries upon request, although no effort is made to stimulate such requests.

In answer to a question from Colonel Smith, Mr. Bagnall stated that the Foreign Document Branch has great difficulty in procuring competent and reliable translating personnel. Close checks are made on the work of the translators.

Mr. McCloy commented that in his opinion the contact work might be by no means as sinister as it looks. It can be used for a variety of purposes other than military and might even contribute to international goodwill rather than endanger it.

-458-

UNCLASSIFIED

157 840/19

UNCLASSIFIED

INT 840/20  
NA 24-7

In answer to questions from Mr. Cowles, Admiral Inglis stated that ONI had discontinued its foreign espionage work although it was never very active in that field. It is important that intelligence should not be distorted by departmental policies or objectives; there may be some unwitting bias but every effort should be made to keep it objective.

In response to questions from Mr. Ward, Admiral Inglis recommended that nothing be done at the moment with respect to the Intelligence Advisory Committee but that changes might prove to be needed later. He knows of no jealousies between CIA and ONI and would very much like to be informed of them if they exist since it would be his duty to eliminate the cause of them. Most liaison between CIA and ONI is here in Washington but there may be contacts in the field if circumstances warrant it. Possibly the activities of CIA abroad are too closely tied to our foreign embassies; CIA should probably have a greater degree of independence abroad but this matter is gradually working itself out.

In answer to questions from Mr. McCloy, Admiral Inglis stated that in his opinion the immediate objective of the Kremlin is the security of Russia; the ultimate objective is world Communism which, in the absence of a mistake, she will probably seek through non-military means such as infiltration or supported revolution. The stronger we are the less the chance that Russia will run the risk of war. Admiral Inglis doubts that Russia would intentionally resort to force even if her infiltration policy is not succeeding. Any threat to the security of the regime in Russia or any effort to split off one of her satellite states, might lead to war.

In answer to a question from Mr. Baldwin, Admiral Inglis stated that so far as collection is concerned, a directive has been issued to assign responsibility and eliminate duplication; this directive has not been fully implemented as yet; it is operating efficiently in Moscow, Bucharest, and Nanking.

So far as administration is concerned, some duplication exists and there is need for uniformity of procedure in such matters as dispersing, etc. among various intelligence groups.

So far as production and evaluation are concerned, there is a good deal of duplication in filing and cross references and in recording of facts.

With respect to dissemination, there is little room for elimination of duplication; each service must decide for itself who in the service is entitled to get what information.

In response to questions from Dr. Middlebush, Admiral Inglis stated that the overall picture so far as intelligence is concerned is good and that it would seem advisable to leave well enough alone for the time being, at least until we see more clearly what it can accomplish and what improvements, if any, seem desirable. CIA is doing a good job considering its youth and the handicaps which are being overcome.

In response to questions from Mr. Barnard, Admiral Inglis stated that it is extremely difficult to prevent undesirable publicity. Legislation seeking

-461-

UNCLASSIFIED

1040

UNCLASSIFIED

IN 7840/21  
NS/M-7

this objective did not make much progress during the past session of Congress. The passage of the Act which was introduced in this connection would probably be of assistance.

In response to a question from Mr. Baldwin, Admiral Inglis stated that in his opinion the FBI is an excellent agency, somewhat troubled by handicaps. Its professional competence is excellent but it is over-sensitive about its empire.

6. (4:05 P.M.) Mr. Parke Armstrong - Assistant to Secretary of State for Intelligence and Research

Mr. Armstrong stated that the intelligence organization of the State Department is thoroughly in favor of the idea of central intelligence as established in the Security Act of 1947. An acceptable modus operandi between CIA and the State Department has been found in most fields although a few matters still require clarification. The intelligence activities of the State Department are not confined strictly to the political but include the economic and social.

The obligation of the Intelligence Section of the State Department is first to the Secretary of State, and secondarily to CIA, JCS, and other Governmental departments and agencies. So far as the collection of information is concerned, various echelons in the State Department deal directly with their opposite numbers in CIA and the services without going through channels. In the processing of information channels are adhered to more strictly.

The recent recommendations of Messrs. Dulles, Jackson and Correa concerning relations between CIA and the State Department on representation overseas have been approved by both. Admittedly there is some duplication between the State Department and CIA but it seems doubtful that this situation can be completely remedied for the time being since each has responsibilities which must be met. Duplication can be and is being minimized. The department and agency organizations, rather than the personnel of CIA, are doing a major part of the work on intelligence. The State Department and other Governmental departments and agencies are working in close cooperation with CIA on the national intelligence surveys which will ultimately cover 51 countries and funds for the purpose are being put up jointly.

In response to a question from Dr. Middlebush, Mr. Armstrong stated that he could see no need for further legislation at present. There is not enough experience to warrant making any significant changes in the handling of intelligence; we might lose more than we would gain.

In response to a question from Dr. Allen, Mr. Armstrong stated that it is intended that the Intelligence Advisory Committee should concern itself with long range planning for intelligence but that it has done little on this yet.

In response to a question from Mr. Ward, Mr. Armstrong stated that the directorship of CIA should be a long term career job.

-462-

UNCLASSIFIED

UNCLASSIFIED

INT 890/  
NS/M-7

In response to a question from Dr. Allen, Mr. Armstrong stated that a CIA agent abroad was free to send back any intelligence information that he wished, regardless of the opinions of diplomats through whose facilities the information was being transmitted.

In response to remarks of Mr. Eberstadt, Mr. Armstrong re-emphasized the fact that the Director of CIA should be a career man expecting to remain for a long term and that whether or not he wears a uniform is not important; it is the permanence of the career that is significant. Mr. Armstrong stated further that in his opinion CIA is well located where it is; reporting to NSC is better than reporting to the President. The State Department thinks that CIA is doing a good job and becoming better. Its greatest needs are a career Director, greater emphasis on quality of personnel, and freedom from publicity. A good intelligence service can flourish only in the dark.

In response to questions from Dr. Middlebush, Mr. Armstrong pointed out that it is just as essential for the State Department to have a maximum amount of information and evaluation on political matters to avoid being "caught asleep at the switch" as it is for a military department to receive military information. CIA is an aid to the more effective conduct of foreign affairs on a high level of cooperation and CIA has definitely contributed to the maintenance of our world position.

In response to a question from Mr. McCloy concerning Russian objectives, Mr. Armstrong stated that Mr. Kennan, who will be here tomorrow, is better qualified to give the views of the State Department on this subject.

7. (4:30 P.M.) Lt. General Steven J. Chamberlin - Director of Intelligence  
U. S. Army, General Staff

General Chamberlin stated that the CIA has three main purposes; first, coordination of intelligence; second, evaluation of intelligence; third, performance of common services in order to avoid duplication.

In the field of coordination there has been some progress and some difficulties; the latter arise primarily from the crossing of command chains; the authority of CIA is not clear cut. CIA does not have the command authority necessary to enable it to coordinate properly the intelligence activities of the three military services and the assignment to it of such command authority would not be desirable. It is very difficult to see how this problem can be satisfactorily solved.

Probably more than 50% of intelligence is used by the armed services so in the event of war responsibility for coordination should probably be assigned to the armed services. This would result in a mix up in command relationships between the armed services and the State Department quite similar to the mix up in command relationships that now exists between the services and CIA. It is difficult to say just where the Central Intelligence Agency should be placed in the Government structure. The answer to this question has an important relationship to the problem of coordination of intelligence. If the Office of the Secretary of Defense were strengthened by the addition of a military

-463-

UNCLASSIFIED

72

UNCLASSIFIED

NS/M-7 840/

adviser or staff, coordination of the intelligence activities of the military services should probably be done under that group and CIA should deal with it rather than with the three services individually. If he does not have such an adviser or staff, it is probably best to leave CIA where it is now located although in time of war it should probably be placed under JCS owing to the predominant interest of the military departments under those circumstances.

So far as evaluation is concerned, it must be kept in mind that the bigger the organization the more time its head must give to administrative matters. Possibly the Director of CIA has too many administrative duties and a smaller group of experts might be more effective from the standpoint of evaluation. In other words, it might be more effective to have the feeding agencies deliver processed intelligence to CIA rather than raw information. There is a huge mass of the latter, as well as much duplication in its evaluation since the services evaluate for their own individual purposes in addition to the evaluation done by CIA.

In CIA a highly select group should put together the finished intelligence in order to see what it means from the national viewpoint. The handling of intelligence is inseparable from command if we are to get intelligence of the character and scope needed for the performance of departmental and military service missions. For this reason General Chamberlin expressed opposition to evaluation by one agency.

As far as the performance of common services for all interested agencies is concerned, the principal matter which has been handled in this way is the conduct of espionage and counter-espionage activities by OSO; lesser examples are document translation and broadcast monitoring. The Army has not objected publicly to the placing of OSO in CIA. (The best thing an intelligence agency can do is to keep quiet.) Generally speaking, espionage should be controlled under one head but the actual carrying out of the activities could be allocated to separate agencies. The Army intelligence group, for example, could have continued to conduct espionage under orders from CIA; the latter operates the only foreign espionage system for the United States at the present time.

General Chamberlin does not think that Governmental cover should be used for an espionage system since Governmental offices and agencies fold up when emergencies arise and are closed out. Duplication is bad, but a certain degree of overlap as a means of check-up is necessary. We must be careful to avoid the elimination of that desirable degree of overlap.

8. (4:50 P.M.) Colonel Carter Clarke - Intelligence Division  
U. S. Army, General Staff

Colonel Clarke thinks that CIA should stay where it is in the Government organizational structure but that it should stay out of operational functions. The latter should remain with the military services or other Governmental departments and agencies previously conducting them. Responsibility for counter-espionage should be with the CIA or wherever delegated by it. Espionage and counter-espionage are intertwined and cannot be separated. The FBI should restrict its activities to law enforcement in the United States and its territories.

-464-

UNCLASSIFIED

1542

UNCLASSIFIED

INT 840/24  
NS/M-7

In response to a question from Mr. Eberstadt, Colonel Clarke stated that the monitoring of broadcasts should be conducted by the State Department since it is closely linked to the "Voice of America" and to foreign policy. General Chamberlin commented that when planning and operation are in the hands of the same group there is hardly ever time for adequate planning since operations require too much time. A proper balance between planning and operations is essential.

Mr. Baldwin commented that if certain activities of CIA are to be placed under JCS in time of war then it would seem that they should be placed there in time of peace in order to avoid the difficulties of transfer in the event of an emergency and he raised the question as to how political and non-military national interests could be assured of proper attention if this were done. General Chamberlin said that this was a hard problem to solve and that the answer might lie in a reorganization of the Office of the Secretary of Defense; the lack of one Chief of Staff is a serious weakness.

In answer to a question from Dr. Allen, General Chamberlin stated that much evaluation of intelligence is done by the Army for its own use and that the entire production of raw material as well as Army evaluations of it is sent to CIA.

In answer to questions from Mr. McGloy, General Chamberlin stated that in his opinion the existing CIA structure would function reasonably well in time of war as well as in time of peace. Most of the information that the military needs is furnished by the Joint Intelligence Group and is presented to the JCS. Very little in the way of intelligence activities would have to be pulled back into the JCS in the event of war since not much has been given up by the military.

In response to further questions from Mr. McGloy, General Chamberlin stated that United States counter-espionage is not as effective as it should be. We lack an effective offensive counter-espionage agency. CIA is charged with counter-espionage activities outside the United States but so far as he knows little is being done in this field. The law needs strengthening if counter-espionage is to be effectively conducted. Colonel Clarke again stressed the fact that espionage and counter-espionage should be under the same head.

In response to questions from Mr. Ward, General Chamberlin stated that the Director of CIA should be a career man with a long term tenure. He feels that psychological warfare in time of war should be in the hands of whoever is conducting military operations. In time of peace it should be conducted by the State Department. Placing it in CIA overloads that agency. It might be conducted by a separate agency under NSC in time of peace and transferred to JCS in time of war. A representative of the State Department could be placed on whatever agency is responsible for running psychological warfare and coordination of the program might take place in the Office of the Secretary of Defense.

-465-

UNCLASSIFIED

1844



UNCLASSIFIED

INT 840/2  
NS/M-7

9. (5:20 P.M.) Major General Charles P. Cabell - Director of Intelligence  
Air Force

General Cabell read a paper setting forth the views of the Air Force on the Central Intelligence Agency. (Attached hereto as Exhibit B.)

In answer to a question from Mr. Ward, General Cabell stated that in his opinion it did not make a great deal of difference whether the directorship of CIA was a career job or a rotation job - it depends on the individual. He indicated that CIA seemed to be the right place to head psychological warfare although he had not thought the matter through thoroughly.

In response to a question from Mr. McCloy, General Cabell indicated that he saw no need for legislative changes. The problems faced by CIA are operative and administrative. In the Air Force, counter-espionage is under the Inspector General, not under the Director of Intelligence.

In response to a question from Dr. Allen, General Cabell stated that the Air Force acquired some personnel from G-2 and is in the process of building up its own intelligence organization.

In answer to questions from Mr. Baldwin, General Cabell stated that he could see no need for any change in the basic organizational structure of CIA in the event of war. He does not see any need for a transfer of its functions to JCS under such conditions. General Cabell indicated that responsibility for economic and scientific intelligence had not been assigned by directive to any particular agency; each agency now produces what it wants for its own needs.

In response to questions from Mr. Eberstadt, General Cabell stated that the Intelligence Advisory Committee is satisfactory organizationally but not operationally. It is not used to the extent that it should have been. It has been used in the past largely for jurisdictional and administrative matters and has not concerned itself much with matters of operation. CIA is in a position to make a quick analysis when called upon, but the profundity of such analyses is another question. This situation is probably largely a matter of personnel. CIA is properly located under NSC.

General Cabell believes that CIA is organizationally sound, that its machinery fills a long existing gap, and that it results in confidence in a central agency. The thing to do is to make the machinery operate at a faster pace and cover a broader field. Progress in that direction is being made. At the moment General Cabell has no suggestions for improving its operations but he will send us any recommendations that may occur to him.

10. (5:40 P.M.) Business Session

Mr. Eberstadt presented matters of Committee business as follows:

1. The addition of Wallace Carroll and Elmer Davis to the witness list for the following day was mentioned.

-466-

UNCLASSIFIED

154

UNCLASSIFIED

INT 840/26  
KS/M-7

2. Mr. Eberstadt read to the Committee a letter from Allon Dulles indicating that the conclusions of his Committee were not yet definitive and that he did not believe that there would be much point to a second appearance by him before our Committee at this time but suggesting that the two groups should keep contact with each other.

3. Mr. Eberstadt read to the Committee his letter to Mr. Ladd concerning the attitude of the FBI towards appearing before our Committee, and indicated that thought must be given to what would be said on this point in the final report of the Committee.

4. In response to remarks by Dr. Allen, Mr. Eberstadt pointed out that apparently the only opportunity that our Committee would have to consider the operations of MATS would be in connection with its discussion of the budget and that certain aspects of the relation of Commercial Air Transport to military aviation would be covered in a limited way by the Brookings Task Force study of transportation. We will not have an opportunity to go into this subject. Both Admiral Towers and General Doolittle commented on the serious effect of the present air lift program on our military transport situation and stated that this was a matter which should not be overlooked.

Mr. Ward stressed the fact that there is no adequate body to handle the question of wartime relationship of commercial aviation to military aviation. Possibly there should be a Commission similar to the Maritime Commission to handle this matter and Mr. Ward urged that it be called to the attention of the Brookings group.

5. Admiral Towers referred to an important bill on aviation matters, known as the Prototype Bill, which had been sponsored by the Secretary of Defense but failed of enactment in the closing adjournment rush of Congress last June. He suggested that the Committee might wish to examine the Bill and possibly make recommendations concerning it.

6. Mr. Eberstadt pointed out again that the secret CIA reports should be returned by Committee members.

E. F. Willott

-467-

UNCLASSIFIED

1516

UNCLASSIFIED

INT 840/27  
NS/M-7

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT  
COMMITTEE ON NATIONAL SECURITY ORGANIZATION

EVENING MEETING OF SEPTEMBER 9, 1948

Present: Messrs. Eberstadt, Baldwin, Barnard, Cowles, McCloy (8:10), Middlebush, and Ward; -- Doolittle, Hobby, Smith, and Towers; -- Arnstein, Bross, Fairman, Groff, Jenks, Mailing, Reid, Sanders, Strong, Sutherland, and Willett.

1. (7:40 P.M.) Mr. Ralph Clark - Director, Programs Division  
Research and Development Board

Mr. Clark read a paper on the importance and status of scientific intelligence, particularly in relation to the Research and Development Board (attached hereto as Exhibit C).

Mr. Clark summed up his presentation with the statement that one year after the creation of the Science Branch of CIA, the Research and Development Board had received substantially no scientific intelligence from CIA of the type wanted.

In response to questions from Mr. Ward, Mr. Clark stated that in his opinion the fault for the situation lies fundamentally with the lack of determination of the precise mission of CIA and also with the organization of CIA. The delineation of the functions between the four divisions of CIA is not entirely clear. Not enough emphasis is put on evaluation by ORE. Mr. Beckler stated that Mr. Brode, Director of the Scientific Branch of CIA, (see attached Exhibit C) has never yet received any precise statement of what he is supposed to be doing. He has no direct formal contact with his opposites in the military services at the working level. The Air Force indicated its inability to document the scientific intelligence which it made available to RDB. The Scientific Branch in CIA is hamstrung every time it tries to turn around. It does not get satisfactory cooperation. CIA has furnished no positive support on information requested for scientific intelligence and has not assumed the needed responsibility in this field.

In response to questions from Dr. Allen, Mr. Beckler stated that the Scientific Branch had not received the backing it needs from CIA. He feels that the Branch has possibly not been as aggressive as it might have been. RDB has received some scientific intelligence directly from the military services, particularly in the translation of scientific periodicals and documents. The translation work has given valuable leads. The Navy has only one person concerned with scientific intelligence and the Air Force has none. Much more emphasis is needed in this field and at present there is frequently very little to coordinate.

-468-

UNCLASSIFIED

154

UNCLASSIFIED

INT 840/28  
NS/14-7

In response to questions from Mr. Baldwin, Mr. Clark stated that the real management of CIA is not at the top but at the second or third echelon levels. Persons at these levels seem to be concerned more with matters of form and function than with matters of substance. This situation results from the fact that there have been three heads of our central intelligence system in three years.

In response to further questions from Mr. Baldwin, Mr. Beckler stated that in the aggregate only a small number of professional scientists were engaged on matters of scientific intelligence. There are a number of scientific people overseas, most of whom are gathering overt information. There are several attractive openings in this field for which it seems impossible to get qualified personnel. There have been startling inconsistencies at times in CIA policy. Admiral Hillenkoetter has not consulted his own Scientific Branch as he should. Directives to the Scientific Branch have been inconsistent, its duties have been whittled away until it is quite ineffective.

In response to questions from Mr. Cowles, Mr. Beckler stated that the Air Force had made information and intelligence available to CIA but not the basis for its intelligence; reconciliations are very difficult. RDB has frequently approached the Air Force intelligence directly rather than through CIA. Mr. Clark indicated that Mr. Forrestal is aware of this situation.

In response to questions from Mr. Eberstadt, Mr. Beckler indicated that nowhere in government is there a sound evaluation of scientific intelligence except to some extent in RDB, but it is not their proper function. The situation is largely static and showing little improvement. RDB has liaison officers with the CIA Scientific Branch and the latter has liaison officers with RDB. This liaison is not completely satisfactory because of an unnecessary amount of red tape. RDB is not represented on the Intelligence Advisory Committee.

Mr. Clark stated that one reason why RDB was not represented on IAC was because Dr. Bush opposed such representation. His opposition was based on the belief that IAC is a handicap to CIA in that the effectiveness of the latter's operations has been limited by NSC directives to it drawn up largely on the recommendation of IAC.

Further in response to questions from Mr. Eberstadt, Mr. Beckler agreed that the military services might be at an advantage over RDB in their relationships with CIA on intelligence because the military services have their own intelligence departments whereas RDB does not. Mr. Clark indicated that the situation might be improved if CIA were headed by a civilian director with long term tenure; the system of rotation is unsatisfactory since it leaves responsibility at the second or third levels of command rather than at the top, as mentioned above. NSC directives to CIA are confusing and hamstringing its operations. They should be replaced by authoritative directives. The directives issued to date have frequently been "least common denominator compromises" emanating from IAC.

UNCLASSIFIED

INT

UNCLASSIFIED

INT 840/29  
NS/M-7

Mr. Clark continued that scientific intelligence is very inadequate and that such as is available comes from the services and the State Department rather than from CIA. Serious deficiencies exist in the field of scientific intelligence; either CIA or RDB must set up an adequate scientific intelligence unit.

Mr. Beckler pointed out that certain of the limitations of scientific intelligence are simply the result of the lack of inside information in this field. Mr. Clark stressed the need for clear, impartial and objective coordination of intelligence activities. The scientific, industrial and economic fields are all weak from the intelligence standpoint.

In response to a question from Mr. Ward, Mr. Clark agreed that certain of the difficulties in scientific intelligence unquestionably arise from the fact that the field of science is a new one to intelligence activities and that the handling of intelligence on a national basis is likewise new. Mr. Beckler stated that the British have a Joint Scientific Intelligence Committee and that the problems of scientific intelligence are recognized as distinctly different from those of other intelligence activities.

Mr. Eberstadt indicated that the Committee would like to receive any specific recommendations that Mr. Clark or Mr. Beckler wish to make with respect to the field of scientific intelligence after they had had an opportunity to discuss the matter more fully with Dr. Bush.

In response to a question from Mr. Sutherland, Mr. Clark stated that in his opinion nothing much would be gained by raising the Scientific Branch of CIA to a higher level in the organizational structure of that organization. He feels that it is properly included under ORE at the present time. He agreed that something might be gained if CIA were to have a small top overall evaluation Board operating under the Director and including representatives of industry, science, economics, etc.

In answer to a question from Dr. Meiling, Mr. Beckler indicated that recently an increasing degree of interest had been developing in the field of medical intelligence.

2. (8:45 P.M.) Dr. Walter F. Colby - Atomic Energy Commission

Dr. Colby stated that since the Committee had already had before it as a witness one of the members of the Atomic Energy Commission and since the details of the operations of CIA had already been presented to it, he had not come prepared to make any statement and thought that it would be more productive if he were to answer any questions that might have arisen.

In response to questions from Mr. Eberstadt, Dr. Colby stated that the relations of AEC with CIA are conducted with a small group (Nuclear Energy Group) in OSO and are very cordial. AEC has had complete access to CIA files and has found them both useful and important. It would be helpful if the collecting agency of CIA were improved but Dr. Colby is not in a position to suggest how it might be improved. He feels that some progress in that direction is now being made.

-470-

UNCLASSIFIED

1.4

UNCLASSIFIED

INT 840/3  
NS/H-7

The Nuclear Energy Group is fully aware of the importance and significance of scientific intelligence. The Group has a considerable degree of autonomy and prestige and AEC has collaborated with it on matters of evaluation in its field. A Nuclear Energy Committee consisting of representatives of AEC, CIA and the military services meets regularly and is concerned with matters of evaluation. AEC is fully aware of the difficulties of intelligence in the field of atomic energy, it wishes that it could get more information from CIA but feels that the cooperation of the latter is satisfactory.

In response to questions from Mr. Baldwin, Dr. Colby indicated that formerly the relations between AEC and CIA were unhappy. They are now quite satisfactory, however, and no concealment exists. One of the reasons for the inadequacy of the available information may be the difficulty of getting experts in that highly technical subject actually out in the field of collection.

In response to questions from Dr. Allen, Dr. Colby said that scientists can readily be used for the overt collection of intelligence information but not for covert collection. He agreed that the presence of scientific attaches in foreign embassies who could supervise the collection of scientific intelligence might be of some value.

In answer to questions from Mr. McCloy, Dr. Colby indicated that the procedure for getting vital atomic information might be improved. He feels that British intelligence in this connection is superior to ours, probably as the result of longer experience with consequently better trained personnel. The personnel of the Nuclear Energy Group could be improved from the technical standpoint; however, it is not a collection agency. Dr. Colby feels that the product of OSC could be improved but he does not know how since he does not know how they operate. Dr. Colby is convinced that Russia is having difficulty with atomic processes. It has the scientists at the top level but lacks engineering and operating ability.

In response to questions from Mr. Eberstadt, Dr. Colby stated that there are other sources of atomic intelligence than CIA. The latter is dependent on such sources for raw information; it has no collection agency of its own. AEC has access to all secret materials and information on the subject of atomic energy. The relationship between AEC and CIA is adequate. The question is no longer whether AEC gets whatever is available to CIA in its field (it does) but rather how much CIA has available.

In answer to questions from Mr. Ward, Dr. Colby stated that AEC has a library world-wide in its coverage, on atomic matters and it also maintains continuing contacts with scientists. In general interrogation is a responsibility of CIA but on matters relating to atomic energy, AEC does the interrogating by agreement with CIA.

Russian purchases are carefully reviewed and are a valuable source of information as to the rate of its progress in atomic matters.

-471-

UNCLASSIFIED

UNCLASSIFIED

INT 840 / 31  
NS/M-7

3. (9:10 P.M.) Dr. James M. Andrews - Assistant Director, CIA  
Office of Collection and Dissemination

Dr. Andrews discussed the organization, functions and operations of the Office of Collection and Dissemination of CIA. This Office has certain liaison functions with the other Offices of CIA which were taken over from its predecessor and it also has liaison with other Government departments and agencies outside of CIA. It gets much valuable information from these sources and makes it available to ORE and others who need it. The liaison personnel are trained experts in their fields.

One of the functions of OCD is to watch the records of CIA closely to see that the information which is supposed to be received is actually forthcoming. The Office also determines where the information collected by CIA shall go. The library and machine operations are additional important functions of OCD. Since the books in the Congressional and other libraries are readily available to it, OCD has not attempted to build up an extensive collection of books except in the specific field of intelligence. It does maintain, however, complete files of cables, dispatches, reports, etc.

OCD also maintains photographic and film files on intelligence subjects. The biggest job of the library is that of preparing abstracts of intelligence for reference purposes.

OCD maintains a large industrial register on industrial plans and industrial matters throughout the world. It also maintains a large biographic register which is a "Who's Who" of persons throughout the world who are of interest and significance from the standpoint of intelligence. The responsibility for maintenance of the biographical register is divided up among the various departments and agencies of Government. CIA has the responsibility for foreign scientists, the State Department for political persons, the military departments for military personages in their respective fields, etc. A special small section of OCD is responsible for developing and coordinating the use of IBM machines and the controlling of intelligence information is one of the most important jobs of OCD.

In response to questions from Mr. Ward, Dr. Andrews indicated that there are special problems connected with the field of scientific information. The task of sifting out the source material is a difficult one. Raw information is frequently available but it is hard to convert it into the form of usable intelligence.

In response to questions from Mr. Baldwin, Dr. Andrews stated that internally good changes had been made in CIA in the past year. Changes are made from time to time as needed and Dr. Andrews sees no need for legislative modifications. There is some need for firmer directives to CIA but that is a matter which is up to NSC. Its directives in the past have not been sufficiently precise.

E. F. Willett

-472-

UNCLASSIFIED

INT 840 / 31

UNCLASSIFIED

INT 840/  
NS/M-7

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT  
COMMITTEE ON NATIONAL SECURITY ORGANIZATION

MORNING MEETING OF SEPTEMBER 10, 1948

Present: Messrs. Eberstadt, Baldwin, Barnard, Cowles, McCloy, Middlebush, and Ward; -- Doolittle, Hobby, Smith, and Towers; -- Bross, Fairman, Jenks, Meiling, Miles, Radom, Reid, Rice, Sanders, Seabury, Strong, Sutherland, and Willett.

1. (9:00 A.M.) Mr. George Kennan - Director, Policy Planning Staff  
Department of State

Mr. Kennan is the Director of the Policy Planning Staff of the Department of State and his job is the development of long term policy for the Secretary and the Under Secretary of State. His staff was organized a little over a year ago and it was kept small intentionally. It serves in an advisory capacity only. During the past year it has developed from forty to fifty papers on what had previously been somewhat confused areas of foreign policy, the objective being to bring them into some sort of order and coordination. Mr. Kennan expressed himself as satisfied with the work of the last fifteen months and thinks it has been a successful experiment.

The National Security Council and its staff were created about three months after the creation of the Policy Planning Staff of the State Department. The latter became the liaison agency in the State Department with NSC. Only four persons in the State Department have general overall cognizance of its affairs; the others are limited to certain specific fields. (The four are Marshall, Lovett, Bohlen, and Kennan.) Admiral Souers has been very considerate of the State Department in his administration of NSC and has encouraged the State Department to play a major part in the work that is done. Mr. Kennan stated that there was absolutely nothing to press rumors that NSC has tried to squeeze the State Department out. A deputy of Mr. Kennan sits on the NSC Staff.

Mr. Kennan expressed himself as not entirely happy about the way the NSC staff and Council are set up and work. The aspect of it which he regards as undesirable is the fact that it is set up on a committee basis. Someone should have power of decision. If not there is too much compromise which may result in a lack of vigor in policy.

The position of the staff in NSC is somewhat ambiguous. It consists of four or five representatives of the armed services and several representatives of the State Department. The task placed upon the staff, that of advising the President with respect to overall national policy, is a very profound task to

-473-

UNCLASSIFIED

155



UNCLASSIFIED

INT 840/  
NS/M-7

place upon a small number of ordinary human beings, no matter how conscientious and patriotic they may be.

The staff members take policy back to their own departments for approval which involves the danger of argument concerning language and phrases before proper consideration is given to the substance of the matter under consideration. The staff has become too little a deliberative body and too much a group of departmental envoys. It has done much valuable work and there has been no friction among its members. It might be preferable if the staff were to act more as a secretariat with top consultants in the departments concerned (such as Wedemeyer, Kennan, etc.) getting together on matters of policy. Mr. Kennan feels that NSC has accomplished wonders in the way of collaboration between the State Department and the military services.

Mr. Kennan stated that he had had very little relationship with CIA although he has had considerable experience in the field of intelligence in the past, particularly in Lisbon during World War II. He stated that he therefore gives his impression of CIA with a certain diffidence. He believes that by and large CIA has worked hard but from the critical standpoint he has two main impressions concerning it.

In the first place, not all of the people connected with CIA seem to appreciate the real nature of intelligence work in modern times. Their views seem to be in some respects too superficial and they fail to realize adequately that most intelligence work today is by and large a matter of sheer scholarship and much of it is of a dull and boring character. The material already published (in Russia, for example) is much more informative if adequately pulled together than that which is obtainable by covert means. Mr. Kennan is suspicious of the value of information picked up by secret means in comparison to what is generally available publicly. CIA still seems to fail to realize fully how much real intelligence on Russia already exists in this country in colleges, libraries, scientific centers, scholars, etc. There is a wealth of information in displaced person camps which is not being utilized and CIA does not seem much interested in this approach. People in such camps are not being properly handled to get the information that they have; CIA recognizes this to some extent but probably not enough.

In the second place, CIA suffers as do most government organizations, from the disease of over-specialization of approach. Their approach to problems is machinelike rather than personal. CIA has the tendency to feel that organization will be adequate to like the jobs to be done; it does not place enough reliance on persons. It is possible that part of this emphasis results from serious difficulties in getting personnel to handle the work to be done.

Mr. Kennan feels that CIA has done the best it can and that it should not be expected to produce much more effectively in such a short time. It takes time and persistence to build up a successful intelligence organization. Possibly the best thing that we can do is to give CIA five or ten years to get results and reach the peak of efficiency. Our major difficulty is that we got started too late in the field of central intelligence. Continuity is a prime necessity for successful intelligence work.

-474-

UNCLASSIFIED

1552

UNCLASSIFIED

INT 840/3  
NS/M-7

In response to questions from Mr. Eberstadt, Mr. Kennan stated that if the three secretaries of the military services were to be dropped from NSC, the staff of NSC would have to be substantially expanded since it would have to take over important work which is now done by the three military departments. He feels that we should get more experience with NSC before suggesting any major changes. Mr. Kennan is not happy about the position of JCS in peacetime. Their views on matters of national policy are never presented until the final stage of policy planning is reached and they then come in with a finality which is sometimes undesirable. This situation might be largely cured if JCS had a representative on the working staff of NSC. This would seem to be a desirable provision.

It would probably be well if more use had been made of NSC during the past year. The matter of the handling of occupied areas, for example, might well have been much more satisfactorily dealt with if matters of policy in this connection had been originally considered by NSC. The present unsatisfactory status of our handling of occupied areas is as much the fault of the State Department as it is of anyone else since the State Department has acquiesced in a situation which is not right. NSC should try to pull together and coordinate our occupation policies. The State Department has worked more fully on occupation problems relating to Japan than on those of Germany.

In response to questions from Mr. Cowles, Mr. Kennan stated that in his opinion it is unsound to have rotation of the directorship of CIA. Continuity is needed. Sagacity as well as system is needed. The State Department has entire confidence in the security precautions of CIA.

In response to questions from Mr. Baldwin, Mr. Kennan stated that a member of the State Department should sit as an adviser or a member on the JCS. It would not be sound to transfer CIA to JCS in event of war. National policy is a continuing matter, war or not, and CIA is properly placed under NSC. Logically, the estimate work of State intelligence should be in CIA but in practice it is very convenient to the State Department to have this function in its own jurisdiction. There is room for improvement in liaison between CIA and the intelligence activities of the State Department.

In response to questions from Mr. Cowles, Mr. Kennan stated that our present systems shows enormous progress in bringing the political and the military together (with the outstanding exception of occupation policy). The National War College has been a big factor in bringing about a resolution of civilian-military difficulties. The NSC setup has been at least four-fifths successful and is very promising. There should be closer association of political officers with JCS.

Further in response to questions from Mr. Cowles, Mr. Kennan stated that in his opinion the Russians have not intended or expected to have a war in the current decade and they have not intended to launch a military campaign. The question is whether they have already done things which will make war inevitable. Thus far they have used force as a threat without intending actually to use it. Mr. Kennan is less confident today than he was in 1946 that the Russians can be maneuvered back without causing the outbreak of war. The Russians are today so

-475-

UNCLASSIFIED

179

UNCLASSIFIED

INT 840/3  
NS/M-7

seriously over-extended and weak that they are afraid to let go anywhere. This constitutes the most serious danger of war, in addition to the danger of unplanned incidents. Mr. Kennan doubts that the problem of Germany will ever be solved by ordinary processes and feels that the use of elemental force may well be the only solution.

Failure of the infiltration methods being used by Russia might also result in her resort to the use of force. The failure or weakening of Communism anywhere in the world has its repercussions in Moscow; it may be interpreted as a threat to internal security in Russia and may thus lead to military nervousness on her part and consequently to the danger of war.

In response to a question from Mr. Barnard, Mr. Kennan indicated that in his opinion the educational institutions of the country could make a greater contribution than they are doing to an understanding of the Russian problem. He mentioned that the Russian Institute at Columbia, which is the only college activity on Russia of significance, is a pedagogical rather than a research body.

In answer to questions from Mr. Ward, Mr. Kennan stated that economic and psychological warfare are operational functions which should be in one of the regular Government departments or agencies instead of under NSC which is concerned more with matters of policy than with operations. The question of the use of psychological warfare in a foreign country is a matter of policy which would normally come before NSC. The United States got a very late start in World War II on such matters as economic and psychological warfare.

2. (10:15 A.M.) Lt. General Albert C. Wedemeyer - Director, Operations and Plans  
U. S. Army, General Staff

General Wedemeyer stressed the fact that in evolving military strategy in World War II the planners lacked definitive information of our national objectives. The national objectives of Britain and then Russia became clear. Our only objective was the military crushing of the enemy regardless of results. If war is to come again on a national scale, it will be essential that we have a more precise statement of our wartime and postwar objectives.

The attainment of desired goals without the actual use of force (intimidation) might be much more readily accomplished if the military knew what the goals were. Our European invasion policy might have been quite different if we had known that we would get into Europe first; that is, we could easily have planned that Anglo-Saxon forces should occupy areas which are causing embarrassment today.

Our position of world leadership today makes the necessity for firm policy on our part even more pronounced than in the past. There is a serious dearth of national policy now, although the military services and the State Department are getting much closer together than they have been. The military services are not asking to determine national policy but only to be told what it is so that they may more effectively support it. State Department representation at all levels of JCS is desirable.

-476-

UNCLASSIFIED

NSC

UNCLASSIFIED

INT 840/36  
NS/M-7

In response to remarks by Dr. Middlebush, General Wedemeyer agreed that psychologically the United States may not be ready to assume its rightful position of world leadership. We are still adolescents in international affairs although we are quite rapidly becoming more conscious of their implications and of our own responsibilities in relation thereto.

General Wedemeyer feels that there are serious gaps in the job being done by CIA. The head of CIA is doing a good job but it is a new organization which has not yet had time to get settled down. The great blank in our present intelligence system is the lack of any directives to CIA as to the specific fields of intelligence where information is needed. It simply does not get enough direction. The military heads indicate to their own intelligence agencies the type of information that is desired; no similar assistance is given to CIA.

In response to questions from Mr. Ward, General Wedemeyer stated that the State Department should give CIA the directives as to the information that is wanted, both for our peacetime economy and our wartime economy. Strategy is the employment of our nation's resources to accomplish national objectives (political, economic, psychological, cultural, military, etc.).

The concept of strategy has implications much broader than military; the latter should be used only as a last recourse.

In response to questions from Mr. Baldwin, General Wedemeyer stated that CIA should not be placed under JCS in event of war; it is working satisfactorily now and this should not be necessary. There is need for representatives of the State Department in JCS both on the working and planning levels.

3. (10:35 A.M.) Major General William J. Donovan - Former Director, Office of Strategic Services

General Donovan stated that we can appraise today's conditions in the field of intelligence in the United States only in the light of the situation that existed in this country in 1940-41. Our intelligence efforts at that time were uncoordinated and de-centralized. Many departments and agencies were trying individually to get the same information and the need for coordinated and unified action became clear. General Donovan's first efforts along these lines were concerned with coordinating the activities of various American agencies in London which were concerned with gathering information on German fifth column activities and Germany's prospects in the war.

The essential thing seemed to be first to make adequate use of material already in America and scattered over the country. Experts were used in every field where possible, particularly in matters of research and analysis. We had always had the tendency to over-emphasize the concept of "spot news" as telling the whole story, without adequate appreciation of the importance of gathering together and utilizing background information that was widely and publicly available.

UNCLASSIFIED

UNCLASSIFIED

INT 846/3  
NS/M-7

As General Donovan's work continued the necessity for a top-side evaluation Board to appraise the information gathered, both military and civilian, became clear. One of the great difficulties was the tendency of each service or agency to try to become overall authorities in fields outside their particular areas of expertise and it became necessary to limit each of such agencies to its own field of expert knowledge.

As the production of intelligence continued, many gaps were found to exist and they had to be filled by the gathering of strategic information necessary for planning long range national foreign policy. Central secret intelligence to fill many of these gaps was not set up until it had been approved by ONI and G-2, by the Chiefs of Staff of the military services, and by the Secretary of War and the Secretary of the Navy. The entire setup of central intelligence had to be carried out in the face of the absence of adequate schools and training grounds.

The plans for central intelligence should be based on the following principles:

1. Military considerations are only one element in national strategy, and the same is true of political or economic considerations; intelligence therefore should not be in any one department but should be located in one place, outside any single department. General Donovan's plans for central intelligence called for a planning group made up of two Admirals, two Generals, and representatives of the State Department and other agencies.
2. There should not be any relation between police power and intelligence activities; this would place too much power in the hands of one man.
3. The essential thing is to give importance and status to intelligence - impartiality is needed. Central intelligence activities need a civilian head in order to avoid over-emphasis on the needs of any service or department, whether Military or State. A basic fallacy in our present intelligence setup is the military head of CIA.
4. It was felt desirable that our central intelligence activities should continue after the war, particularly in the field of counter-espionage activities. We are in a subversive war today, and our prestige is being lowered. The winner of a subversive war has a big edge in any shooting war which may follow it.
5. It is absurd for CIA to report to a Committee. It should report to either the President or the Secretary of Defense.
6. It is essential that secret activities be centralized in one place. It is hard to get enough good men for even one such organization and they will get into each other's way if our activities are not centralized.
7. There is need for one central place where all information that is gathered should go.

-478-

UNCLASSIFIED

1557

UNCLASSIFIED

INT 840/38  
NS/M-7

In response to a question from Mrs. Hobby, General Donovan stated that if CIA were under the administrative control of the Secretary of Defense he should be assisted by an advisory board which would include representatives of the State Department.

In response to a question from Colonel Smith, General Donovan stated that CIA needs more adequate machinery for the assessment and evaluation of the information gathered.

In response to a question from Dr. Middlebush, General Donovan stated that the head of CIA should not be a man in active service with his military career involved. If he is a military man, he should be retired.

In response to questions from Mr. Ward, General Donovan stated that the control of economic and psychological warfare should lie in CIA. It is permissible and even desirable for CIA to include members from the military services at all levels since they are best familiar with the needs of their services. Such military personnel, however, should be employees of CIA, not the services. During World War II OSS had an ultimate personnel of approximately 31,000 of whom about 18,000 were in uniform.

In response to a question from Mr. McCloy, General Donovan stated that in his opinion the FBI should be regarded as a police agency and not an intelligence agency; the distinction is that an intelligence agency anticipates events whereas a police agency acts after they occur. It would be desirable if all counter-espionage were handled in CIA even within the United States. The FBI, and not CIA, has the power of arrest.

In answer to questions from Dr. Cowles, General Donovan stated that it is highly essential that we engage in counter-subversive activities to meet what Russia is doing. We are failing to make use of the machinery available to us in this connection. (Such, for example, as letting the French criticize policies and actions of Russia rather than expressing such criticism ourselves.)

4. (11:25 A.M.) Rear Admiral Roscoe H. Hillenkoetter - Director, Central Intelligence Agency

Admiral Hillenkoetter stated that since we had already had the activities of CIA presented to us in detail and since he had already appeared before the Committee, it would probably be most productive if he were to answer questions without any preliminary remarks on his part.

In response to questions from Mr. Eberstadt, Admiral Hillenkoetter stated that in his opinion whether the head of CIA is a commissioned officer or a civilian is not important; the important question is who is the best man for the job. If there is any slight preference in either direction, it should probably be in favor of a commissioned officer since he is more familiar with the intelligence needs of the military services and since the activities of CIA are closely related to the military security and to the Joint Chiefs of Staff.

UNCLASSIFIED

UNCLASSIFIED

INT 840/3  
NS/M-7

The important consideration so far as the directorship of intelligence is concerned is continuity. Only the President can remove the director of CIA, whether civilian or military. There is the same danger that a civilian head might have loyalties, political or other, that there is that a military director might have service loyalties. Continuity is the important thing, as exemplified by J. Edgar Hoover and the FBI.

It might be desirable if a military director of CIA were to retire from military service but this should occur only if he has some assurance that he will have a career in CIA; he might otherwise be left with no career in any field. Admiral Hillenkoetter at this point read excerpts from a letter from the British intelligence system stressing the importance of military service representation in the field of intelligence.

Admiral Hillenkoetter believes that CIA is properly placed where it now is.

In response to questions from Dr. Middlebush, Admiral Hillenkoetter stated that CIA receives directives as to what it is to do from NSC and it sometimes suggests to NSC things that should be done. Scientific intelligence has been a difficult problem. It is particularly hard to get personnel in this field since scientists find it almost impossible to keep up in the scientific world if they are on CIA and lose their usual scientific connections. CIA fully appreciates the importance of scientific intelligence but can't get the men to handle it properly.

In response to a question from Mr. Eberstadt, Admiral Hillenkoetter stated that he did not think the problem would be solved if the scientists were allowed to maintain their university connections since they would then not have sufficient time for their CIA activities. Dr. Middlebush expressed certain reservations as to the possibility of scientists maintaining their academic connections and at the same time doing responsible work in CIA.

In response to questions from Mr. Ward, Admiral Hillenkoetter stated that he did not believe that raising the level of the Science Branch in the organizational setup of CIA would improve the situation. He indicated further that CIA is fully alive to the importance of evaluation of intelligence and that it has a good staff which has not been hampered by administrative restrictions. He feels that the personnel of CIA in the field of evaluation is both good and adequate.

In response to questions from Mr. McCloy, Admiral Hillenkoetter indicated that there was not very much overlap between the intelligence work of the State Department and that of CIA. State Department estimates are usually primarily political and not joined up with military considerations.

There is little undue duplication. Scientific intelligence in the field of atomic energy is excellent whereas other scientific intelligence is not. It might be desirable to handle scientific intelligence in some other way if adequate security provisions were assured. It might help if RDB had its own scientific intelligence group analogous to the intelligence group in the military services and the State Department.

-480-

UNCLASSIFIED

59

UNCLASSIFIED

INT 840/40  
RS/M-7

Further in response to questions from Mr. McCloy, Admiral Hillenkoetter stated that formal meetings of the Intelligence Advisory Committee had been infrequent and had usually been concerned with administrative matters. The same persons, however, frequently see each other informally (almost day to day) on major problems. Entirely too much time of the director is spent on administrative and organizational matters and not enough on problems concerned directly with intelligence. The Plans and Policy Group of ORE serves as a top evaluation group.

In response to questions from Mr. Baldwin, Admiral Hillenkoetter stated that the Office of Special Operations should probably go under JCS in event of war but not the entire CIA organization. OSO ties in closely with the work of the theater commanders. If the Secretary of State sat in as a member of JCS then there would be no serious reason why the entire CIA organization might not be placed under JCS.

Counter-espionage work inside the United States is handled by the FBI and the relations of CIA with the FBI in this field are close and there would seem to be no need for change in the present setup. It would be difficult to strengthen the espionage legislation in this country without infringing on the civil rights of its citizens. (Admiral Hillenkoetter will furnish the Committee with his opinions concerning any legislation in this connection that may seem desirable.)

Admiral Hillenkoetter regards the Intelligence Advisory Committee as a helpful adjunct to CIA as it is now run. It provides a readily available mechanism for an interchange of views among those with a primary interest in intelligence activities. Admiral Hillenkoetter does not feel that the directives of NSC hamper the activities of CIA. Liaison relations between JCs and CIA are good but they might be improved if CIA had a representative sitting with JCS and it is possible that such a representative could serve as liaison for the State Department on JCS in the field of intelligence.

In response to a question from Mr. Cowles, Admiral Hillenkoetter stated that the funds available for counter-subversive activities of CIA are adequate.

In response to questions from Mr. Barnard, Admiral Hillenkoetter repeated what he had said to Mr. Baldwin (above) as to what should be done with intelligence in time of war. In normal times the State Department both furnishes more intelligence to CIA and receives more intelligence from it than anyone else.

In response to questions from Mr. Eberstadt, Admiral Hillenkoetter stated that relations between CIA and FBI are now close and not strained although this has not always been true in past years. FBI now makes security checks for CIA. CIA recognizes the importance of scientific intelligence, it recognizes that present scientific intelligence is inadequate, and it would like to see it improved. The structure of CIA is adequate to handle the problem of intelligence if war were to break out; it would need mainly an expansion in personnel.

-481-

UNCLASSIFIED

1866



UNCLASSIFIED

INT 840/41  
NS/M-7

In response to questions from Mr. Barnard, Admiral Hillenkoetter stated that the maximum pay in CIA for scientific personnel is \$10,000 per year. He does not regard financial considerations as the major difficulty in acquiring scientific personnel but rather the fact that their inability to publish scientific articles, present scientific papers and generally maintain their position and prestige in the world of science is the explanation.

5. (12:15 P.M.) Rear Admiral Sidney W. Souers - Executive Secretary  
National Security Council

Admiral Souers stated that one of the chief considerations in the decision to place CIA under NSC rather than under the President was because experience with OSS under the latter setup had shown the difficulty of securing the cooperation of the military services in the field of intelligence. The military services did not feel that they got the full information they needed; instead it came in a rather piecemeal and inadequate form. Moreover, the President is too busy to give the attention to intelligence matters that they should receive and such matters relate much more closely to the State Department and the military services than to the executive branch of the Government as a whole. Moreover, placing CIA under NSC has definite advantages in that the Secretaries of State and the military departments are able to issue instructions to their own intelligence units on such matters as cooperation, etc.

Admiral Souers thinks that in the long run we will have a good intelligence organization. We are moving in the right direction but more time is required.

In response to a question from Mr. Eberstadt, Admiral Souers stated that NSC is fully aware of the importance of scientific intelligence and of the present deficiencies in that field. He indicated that the Dulles, Jackson, Correa report will have recommendations to make in this connection.

In response to questions from Mr. Baldwin, Admiral Souers stated that in time of war JCS should direct OSO but not the rest of CIA. NSC is making a study of the coordination of counter-espionage activities and is continually assessing the situation. Admiral Souers sees no reason for changing the relationship between FBI and CIA and says that salary is definitely not a major difficulty in getting personnel for CIA.

In response to a question from Mr. Ward, Admiral Souers stated that NSC is fully alive to the significance of psychological warfare and is planning for it. NSRB is concerning itself with economic matters.

6. (12:35 P.M.) Mr. Elmer Davis

Mr. Davis stated that the question of the adequacy of our organization for the purposes of propaganda is largely academic. The matter is in the hands of the State Department which doesn't say much about how it is organized for the purpose. A propaganda agency is most effective if it is carefully and deliberately used by the head of Government to carry out national policy. This implies a close and personal relationship between the President and the head of the propaganda agency. The Wilson-Creel relationship in World War I is

UNCLASSIFIED

UNCLASSIFIED

INT 840/4-  
NS/M-7

possibly the best illustration of what can be done. The White House press secretary is the logical person to head public relations in time of war.

It is difficult to get satisfactory public relations. It must be assumed that propaganda will be in the State Department in time of war and that the President will make adequate use of it.

In response to questions from Mr. Ward, Mr. Davis indicated that there are a wide variety of methods of psychological warfare, including among others, leaflets, papers, radio, publications, etc. OWI and OSS worked together well in Switzerland on propaganda matters. The activities of OSO and our propaganda agency should be closely correlated in the event of any future war and we should be fully prepared to use "black" propaganda in such an event.

In response to questions from Mr. McCloy, Mr. Davis stated that relations between the State Department and the military have to be very close in propaganda matters in time of war. Strategic considerations may sometimes call for a local use of propaganda which might be entirely opposed to overall long run propaganda policy. Much expansion of our propaganda activities would of course be needed if war were to come.

E. F. Willett

-483-

UNCLASSIFIED

1162

UNCLASSIFIED

INT 840/43  
NS/M-7

COMMISSION ON ORGANIZATION  
OF THE  
EXECUTIVE BRANCH OF THE GOVERNMENT  
COMMITTEE ON NATIONAL SECURITY ORGANIZATION

AFTERNOON MEETING OF SEPTEMBER 10, 1948

Present: Messrs. Eberstadt, Baldwin, Barnard, McCloy (4:10),  
Middlebush, and Ward; -- Doolittle, Hobby, Smith,  
and Towers; -- Connery, Fairman, Jenks, Meiling,  
Miles, Millis, Rice, Sanders, Strong, and Willett.

1. (2:10 P.M.) Mr. J. Patrick Coyne - Special Consultant, NSC, on  
Internal Security

Mr. Coyne stated that study of the problem of internal security was a recent development in this country. In March 1948, Secretary Forrestal, as a member of NSC, asked that the question of the internal security of the United States be put on the NSC agenda. This was done and subsequently NSC retained Mr. Coyne to conduct a survey on the adequacy of internal security in this country. Mr. Coyne submitted his report on the subject to NSC at the end of June.

Mr. Coyne's problem was to see whether there is properly coordinated effort in the field of internal security in the United States. This involved contacts with many agencies, organizations, etc., having varying degrees of interest and responsibility in this connection. In general Mr. Coyne's survey showed that there is considerable room for improvement in both coverage and readiness as far as our internal security is concerned. It was necessary to examine the subject both as it exists at present and as it would exist in time of war, whether unconventional or conventional.

In general the various agencies are handling their own problems reasonably well but in the inter-agency field (that requiring combined action by two or more agencies) there is much room for improvement. (Mr. Coyne cited the case of ten Russian engineers who, two years ago, were permitted to make a detailed study of the water supply systems of a number of our large Eastern cities and to take to Russia with them complete information concerning them.)

It is possible that additional legislation will be needed to get more effective internal security in the event of an emergency. More control may be needed over the entrance and departure of individuals, over border controls, and over censorship and communications. Many administrative measures must also be prepared to improve our security. The report concludes that we are not adequately secure internally even under normal conditions and that we would be less secure in event of war. There is no easy solution to the problem which lies mainly in the field of inter-departmental relationships.

-484-

UNCLASSIFIED

103

UNCLASSIFIED

INT 840/44  
NS/M-7

In answer to questions from Mr. Ward, Mr. Coyne stated that machinery is being made ready which would permit the taking out of circulation of dangerous persons in the event of emergency. This would involve temporary suspension of the Writ of Habeas Corpus. The time element is extremely serious since we might have to act almost overnight in the event of war. Mr. Coyne feels that there is no doubt that the sympathies of the 64,000 registered Communists in the United States and of many of their fellow travelers would lie with Russia in the event of war and that they would do all in their power to insure a Russian victory.

There was practically no enemy inspired sabotage in the United States in World War II. This will not be true if we go to war with Russia. In spite of the publicity in certain well known cases, there are not very many people in this country who have abandoned Communism; use can of course be made of such persons in some ways in preparing to fight Communistic sabotage.

The Army and Navy cooperated in assisting in plant security in World War II in plants handling military contracts. No effective steps have yet been taken in the direction of improving the power of manufacturers to get rid of undesirable workers in the event of war. Mr. Ward stressed the fact that the identity of many such workers was known and that even in the Brooklyn Navy Yard it seemed to have been impossible to get rid of known dangerous personnel. Mr. Coyne indicated that this situation is appreciated and that an inter-departmental committee on industrial security was formed under S.N.A.C.C. in June 1948 to look into the problem. Mr. Ward stated that much more than a look was needed and that direct assurances and directives to industry would be required if serious sabotage is to be prevented.

In response to questions from Mr. Barnard, Mr. Coyne stated that of the 64,000 registered Communists in the United States only a few are not United States citizens - none such are supposed to be in the country and extradition proceedings are being conducted where they are known. A great many Communists are naturalized and the rest are native born. We should assume that every party member, with few exceptions, would fight for the cause of Russia in the event of war. The FBI has for years been interested in the infiltration of Communism into the Government.

It is extremely difficult to find a solution to the problem of preserving America without seriously impairing civil liberties. We don't know how far we can go in impairing such liberties without losing the support of the people and endangering the system of Government which we are seeking to preserve. It is quite possible, however, that the civil liberties of a small group may have to go overboard to protect the civil liberties of the other 140 million citizens. The Attorney General will have to answer this question.

In response to questions from Mr. Baldwin, Mr. Coyne stressed the fact that the problem of civil liberties is one of top level importance. Mr. Eberstadt commented that other measures short of suspension of the Writ should be tried first. Confidence in the waiving of the Writ in the event of an emergency may be a weak reed to lean upon since it may meet with strong public opposition.

-485-

UNCLASSIFIED

1-64

UNCLASSIFIED

INT 840/45  
NS/M-7

Mr. Coyne feels that the coordination of internal security responsibilities should be in the hands of existing agencies and that it might be dangerous to civil liberties to put all such powers in the hands of one agency. (Mr. Coyne will inquire as to whether he can furnish the Committee with a copy of his report.)

With respect to the question of relations between FBI and CIA, Mr. Coyne stated that he did not know whether they were satisfactory or not since he has no contact with this problem. He feels that the FBI should handle counter-espionage in the United States since it has proved it is competent in this field for many years. He does not know whether it would be wise for the FBI to try to handle counter-espionage throughout the world.

In response to a question from Colonel Smith, Mr. Coyne indicated that suggested emergency measures which he had referred to would take any dangerous person out of circulation whether a Communist or not and that such measures would become effective only after the outbreak of war, convention or unconventional.

Mr. Coyne agreed with Mrs. Hobby that it is extremely difficult to define certain types of sabotage and that the administration of the emergency measures contemplated would involve many difficult problems.

3. (3:10 P.M.) Mr. Russell J. Hopley - Director, Office of Civil Defense Planning, OSD

Mr. Hopley discussed in detail the work of the Office of Civil Defense Planning of which he is Director. Its primary function is to set up a permanent organization to provide for civil defense in the United States in the event of need. The Office is also concerned with planning and drafting the necessary legislation and the directives to implement such legislation.

Mr. Hopley discussed in some detail both the setup and organization of his Office of Civil Defense Planning and the recommendations which that Office is making for permanent provision for civil defense. He expects the final report to be off the press in a few weeks. The plan tries to avoid gaps, duplication and confusion and to get the best out of previous experience both in this country and elsewhere. Many foreign countries are today engaged in civil defense planning.

The following is a summary of some of the recommendations of the program for national civil defense, copy of which has been furnished Mr. Eberstadt by Mr. Hopley as agreed. Responsibility for permanent civil defense organization is divided among the Federal Government, State Governments, and local civil Governments, with provision being made for cooperation and coordination in the activities of these various agencies. The organizational setup and the functions of the various agencies are set forth in detail in the proposed plan. Cooperation among them is facilitated by the establishment of regional civil defense coordinators.

-486-

UNCLASSIFIED

1565

UNCLASSIFIED

INT 840/46  
NS/M-7

Civil defense plans for the activities of the above agencies must provide for the performance of a number of important functions such as: medical and public health, engineering and public works, communications, police, chemical defense, fire, transportation, emergency welfare, warden service, mutual aid and mobile reserve, heavy rescue, evacuation and population relocation, plant protection, control centers and incident control, radiological defense, other special weapons defense, manpower, and civil defense training.

Organization charts for the proposed Federal, State and local civil defense organizations are included in Mr. Hopley's report.

In response to questions from Mr. Eberstadt, Mr. Hopley stressed the fact that civil defense is palliative rather than preventive in character. Special provisions are being made for plant protection. In general responsibility should be assigned to different agencies now having statutory responsibility in specific fields, the remainder being left to Civil Defense. There should be a central plant protection panel to draw up measures of defense applicable to the great majority of plants. Each industry and each plant will have local responsibilities for implementing such plans. The plans drawn up have been reviewed in consultation with the Executive Committee of the Council of Governors and top officials of the American Mutual Association. Both of those organizations are in accord with the proposals. The plans have also been reviewed with various other groups concerned therewith and further such reviews are in prospect.

In response to a question from Mr. Ward, Mr. Hopley stated that rural communities are covered in the municipal setup.

In response to a question from Mr. Barnard, Mr. Hopley stated that his group had had full information available to it and full cooperation in the development of its plans.

In response to a question from Mr. Baldwin concerning the placing of the proposed organization in the office of the Secretary of Defense, Mr. Hopley stated that the problem of possibly too much power in the hands of the military in the proposed planning for civil defense had received full consideration. The task is closely related to many techniques of the military and there is the possibility that martial law will be required.

Mr. Eberstadt commented that he was much impressed by Mr. Baldwin's point that possibly too much power was being placed in the military establishment and that he felt that Congress would be very sensitive to any such danger. Mr. Hopley indicated that he is planning to take the matter up with certain Congressmen before Congress convenes. (In his letter of September 11, forwarding a summary of the plan to Mr. Eberstadt, Mr. Hopley indicated that he had reviewed with Secretary Forrestal, and, at his request, with Secretaries Royall, Symington, and General McIntyre, the basic policy question of whether the Federal civil defense agency should be placed in the Office of the Secretary of Defense. The result of such discussions has been to proceed for the time being on the basis of merely recommending the establishment of a Federal civil defense agency but not specifying the location of this agency. The summary of the plan has been modified along these lines.)

-487-

UNCLASSIFIED

156

UNCLASSIFIED

IN 840/4  
NS/M-7

In response to a question from Dr. Meiling, Mr. Hopley stated that his group had not been concerned with the field of morale as such since he did not believe that that was a proper function for civil defense.

In response to a question from Colonel Smith, Mr. Hopley stated that precautions had been taken to prevent civil defense from pulling off too much essential manpower from other phases of the war effort, either military or economic.

3. (4:10 P.M.) Dr. Hans Speier

Dr. Speier opened his remarks on psychological warfare by stating that the term itself is somewhat of a misnomer since it is much broader than mere psychology and since it is used in time of peace as well as in time of war. He defined psychological warfare as "any kind of non-violent Governmental action (including statements) meant to, or likely to, influence the political attitudes and actions of other nations in the interest of United States policy." Almost any Government action which has a psychological effect on the world at large would be included in this definition. Both actions and words are important although the former are much more significant.

In the opinion of Dr. Speier much of the distinction which is commonly made between information and propaganda is spurious. The mere act of selecting information blurs the distinction between the two and the distinction is one which is of little practical significance.

In time of war a distinction is made between tactical or combat propaganda which is used against enemy forces in the field and strategic propaganda which is long range in nature. "White" propaganda is that which is conducted openly by Government; in the case of "black" propaganda the source is either concealed or a false source is indicated. The importance of the distinction between the two is waning today since close coordination between them is essential if effective propaganda is to be conducted. It would be dangerous to have the responsibility divided between two groups.

Psychological warfare is used in wartime as a supplement to force in order to reduce the cost of war in terms of human life and money; in time of peace it may be an even more important factor since, in the absence of violence, it may be the only effective means by which a nation can gain international objectives. It is both a means of avoiding violence and a substitute for violence.

The term "cold war" as applied to conditions today, is in a sense deceptive since we do not really have war but rather only a long continued diplomatic crisis.

The use of psychological warfare today is only an urgent example of its normal peacetime utilization. In the conduct of international affairs today, particularly in democratic nations, it is important to influence the masses of people as well as the diplomats; formerly it was usually important to bring influence to bear on the diplomats alone.

-488-

UNCLASSIFIED

15.67

UNCLASSIFIED

INT 840/4  
NS/14-7

It is not really adequate, however, to say that psychological warfare is used to undermine the morale of the enemy population, particularly if the masses of population in enemy countries have no influence on governmental action. What is sought by psychological warfare is influence on the responsible action of foreign governments and there are many avenues for exploration in this field to determine how such influence can most effectively be achieved. The chief objective of psychological warfare directed against totalitarian countries should not be to undermine the morale of the masses in these countries since this might well lead to despair or senselessly prolonged resistance instead of to disobedience or surrender. It should be stressed again that the primary purpose of psychological warfare is to influence the action of a government through affecting its leaders. The aims of psychological warfare are different in peacetime and in wartime. In peacetime our supreme aim is to convince others that we want peace but that we are strong enough to win a war if others force it upon us. In wartime the supreme aim is to shorten the war without sacrificing political principles. The statement that psychological warfare is used against an enemy is inadequate and incomplete. Even in time of war, the instrument of psychological warfare is used against neutrals, allies, occupied countries (whether enemy or our own) and actual or potential satellites, as well as against the enemy nation.

Dr. Spcier stressed again the need for coordination not only between "black" and "white" propaganda, but also between propaganda and other Government activities and policies. It is hard to achieve this coordination since we are dealing with people, some of whom fail to see the implications and repercussions of what they are doing. The need for coordination is less easily understood in time of peace than in time of war. Psychological warfare and intelligence should be closely coordinated but this is sometimes difficult to accomplish because of the latter's stress on security; that is, it is hard for the propagandists to get all the intelligence they need.

There is a great need for research in the field of psychological warfare and there is much to be discovered about the effectiveness of various devices for propaganda. Frequently we do not know whether propaganda is worth what it costs but the answer could be sifted out of available data if the necessary research were conducted. We are still very much in the guessing stage.

There is also room for a forward-looking research in the field of what propaganda devices might work best under varied assumptions as to the character of future war. For example, in the case of a possible conflict with Russia, would an economic or a political psychological attack against it be more fruitful or should efforts be made to split off its satellites by propaganda means. We should also consider the propaganda effects of certain policies with respect to peace aims. There are many such fields of investigation for the furnishing of leads as to desirable types of psychological warfare. This kind of political planning should be both inexpensive and fruitful. It should not be necessary to improvise psychological warfare when war breaks out any more than we expect to improvise military warfare under such circumstances.

-489-

UNCLASSIFIED

1760



UNCLASSIFIED

INT 240/  
NS/M-7

4. (4:45 P.M.) Mr. Wallace Carroll

Mr. Carroll stated that psychological weapons might be decisive either in preventing a war with Russia or in winning it if it should come. Germany might quite possibly have won its war in Russia if a twenty-seven page memorandum by Mr. Goebbels on how to deal with Russia had been followed by the German high command.

In answer to questions from Mr. Baldwin, Dr. Speier stated that it was difficult to see just how to get the desired degree of coordination in the conduct of psychological warfare. "Black" propaganda has to be conducted secretly by an agency of high standards of secrecy. "White" propaganda can be conducted openly by an open Governmental agency. Both should operate under uniform centralized instructions. "Black" propaganda should probably be conducted by the CIA. The coordinating agency would probably have to be in the State Department or possibly the NSC. There is the danger that the State Department might be so busy with other matters that it would not give proper attention to propaganda. The State Department can well continue with "white" propaganda in any event.

Mr. Carroll stressed the fact that "black" propaganda must be tightly controlled if we decide to engage in it at all. In time of war "black" propaganda must be tied closely to military operations; it should be kept local and applied primarily to military ends. Mr. Carroll doubts that we should engage in "black" propaganda in time of peace.

In response to a question from Mr. McCloy, Mr. Carroll said that it would probably be advisable to take the conduct of propaganda out of the State Department in time of war but that it must be tied in closely with both the State Department and the Chiefs of Staff. The British had this tie-in well worked out.

Mr. Barnard stated that he had been somewhat surprised at Dr. Speier's remarks concerning the ineffectiveness of propaganda addressed to the masses in totalitarian countries. Dr. Speier replied that he had not intended to convey the impression that there was no point in addressing propaganda to the masses in totalitarian countries but rather that it was more effective to confuse the leaders than to address the powerless masses. We should do both.

In response to questions from Mr. Ward, Dr. Speier stated that so far as he is aware we do not have any efficient research in psychological warfare at the present time and something should be done in this connection. There is an increasing awareness both in the military services and in the State Department that action should be taken along these lines. It might be desirable to have the research done privately in cooperation with the Government. The Research and Development Board has recommended the allocation of funds for this purpose; it is desirable that a definite agency be designated to do the work.

Combat propaganda is peculiar to each service and each should conduct its own, with proper coordination of their efforts. RDB could do the necessary coordination through its committees and panels and decisions on policy might be made by SANACC.

-490-

UNCLASSIFIED

NS

UNCLASSIFIED

INT 840/50  
NS/M-7

Dr. Speier again stressed the fact that it is important to undermine the will of the masses of the enemy to produce and that recognition of the need for broad research in psychological warfare is increasing.

In response to a question from Dr. Middlebush, Dr. Speier stated that the usefulness of the "Voice of America" program varies widely in different countries. Mr. Carroll stated that even if the influence of the program were small it should be continued since it is one of the few means to tell our story to the world.

5. (5:10 P.M.) Mr. Frank G. Wisner

Mr. Wisner stated that he had just undertaken his duties of planning for psychological warfare five days ago, after receiving assurance that he would have complete support in his work from top Government agencies and authorities. His primary function is concerned with determining policy in the field of psychological warfare rather than with building up extensive operating functions. His group will guide, sponsor, and coordinate operations in the field of psychological warfare by other Government departments and agencies. The importance of the problem is fully appreciated in every quarter among high circles of Government. Mr. Wisner will have to rely to a considerable extent for his staff on people already in Government service since the security clearance on outsiders might take as long as six months and it is impossible to wait that long.

In answer to questions from Mr. Ward, Mr. Wisner stated that his approach to the subject is overall and is concerned with covert activity in the fields of economic and political as well as psychological warfare. He will have a working level tie-in [REDACTED] and with the intelligence agencies of other Government departments and branches. Much coordination is needed and Mr. Wisner has an immediate and direct access to NSC if their aid is required.

In answer to a question from Mr. McCloy, Mr. Wisner stated that it was his personal feeling that it would not be necessary to create another new agency in this field in the event of war but that his agency might swing over under the direction of JCS.

In answer to questions from Mr. Baldwin, Mr. Wisner stated that he is part of CIA, and that his title is Assistant Director of CIA. He gets his policy directions directly from the State Department and the Secretary of Defense but keeps Admiral Hillenkoetter informed concerning them. His group will have operating functions if NSC should deem it necessary in an emergency. He will have close relations with OSO, calling upon them for information when needed and also furnishing them with any information gained. The name of his group is "Office of Policy Coordination."

E. F. Willott

-491-

UNCLASSIFIED

1569 A

UNCLASSIFIED

INT 840/5  
NS/M-7 A

Exhibit A

THE NATIONAL INTELLIGENCE SURVEYS PROGRAM

Presentation before the Eberstadt Committee - September 9, 1948  
by  
Captain Kenneth A. Knowles, USN (ret)

I propose to present in summary fashion the salient aspects of the National Intelligence Surveys Program, which is concerned with the collection and integration of information, and the production and maintenance of basic intelligence required by this Government.

The NIS Program developed out of the situation prevailing at the end of World War II. During that war, the urgent need for basic intelligence by the Armed Forces, both for planning and operational uses, resulted in creation of the Joint Intelligence Study Publishing Board, under the Joint Staff, which directed the publication of basic intelligence handbooks, known as Joint Army-Navy Intelligence Studies (JANIS). These were concerned primarily with topographic intelligence. The experience with JANIS stressed the fact that production of basic intelligence should be on a much broader scale and should most certainly be done during peacetime, in order to provide for the requirements so urgently needed by the Joint Staff, and other high level activities of the Government, before the actual commencement of hostilities. There would also be much greater opportunity during time of peace to gain access into foreign areas for intelligence collection purposes. All of these reasons emphasized the need for developing a comprehensive basic intelligence program at an early date.

Following World War II, several of the intelligence agencies began to withdraw their support from the JANIS Program and to set up new basic intelligence programs which would more nearly meet their own particular requirements. The result was several independent programs which in varying degrees were duplicative and competitive: JANIS was supported by Navy Strategic Intelligence Digest by Army, and Air Intelligence Reports by the Air Force.

The Intelligence Agencies soon realized that there were not sufficient funds nor enough competent intelligence analysts to support these several basic intelligence programs, nor under them was the fullest use being made of the specialized capabilities of the various government agencies.

To insure coordination of intelligence production, the National Security Council issued on 13 January of this year, NSC Intelligence Directive No. 3, which defined the different phases of intelligence and drew up a general outline for the development of the NIS Program. An ad hoc committee, representing the Director of Central Intelligence and the Chiefs of the Intelligence Agencies of State, Army, Navy, and Air Force, was appointed to study the problem and to formulate a complete program of basic intelligence.

-492-

UNCLASSIFIED

UNCLASSIFIED

INT 840/52  
NS/M-7 A

Utilizing the best elements of previous programs, this ad hoc committee set about developing a well-rounded, comprehensive program in terms of three basic concepts:

First, the NIS requires an "across the board" collection program covering all important foreign countries and areas of the world simultaneously.

Second, the NIS is a production and maintenance program, based upon the above premise and JCS priorities, and in accordance with Intelligence Agency capabilities.

Third, the NIS is a concise digest of basic intelligence required for strategic planning and as a basis for initial highest level operational planning.

In support of the first concept, each of the Intelligence Agencies agreed to survey the intelligence information relating to its responsibilities under the NIS Program to determine what major gaps exist, and to take active steps to fill these gaps by early collection effort.

In respect to the second concept, initial emphasis would be given to production of the NIS. However, the maintenance of the published NIS will progressively attain increasing importance. It is this maintenance aspect of the Program which will insure accurate, up-to-date basic intelligence.

The third concept defined in broad terms the degree of detail that would be included in the general NIS. While the NIS may satisfy many operational requirements, there is a limit to the amount of detail which can be published and kept on a maintenance basis. An experience of the British in developing their basic intelligence illustrates this point. General Strong, Director of the Joint Intelligence Bureau, told me that they started their basic intelligence program by doing a British Intelligence Survey on Norway, which appeared to be an ideal country for initiating their first study, since it was of reasonable size, it contained a modicum of the basic intelligence elements, and the British had a wealth of information on Norway as a result of their wartime operations there. However, in examining their data, it was found necessary to spend 8 additional months in an intensive collection effort, following which another 12 months were spent in collating and writing the final Survey in draft form. The end product filled a large size room to the rafters. As General Strong stated it: "We most assuredly had satisfied full requirements on both the strategic and operational levels but we had neither the funds to publish it nor could we imagine anyone with the patience or temerity to read it after it was published."

Our own solution to this vexing problem was to assign to each of the Intelligence Agencies the responsibility for maintaining the detailed intelligence in its files so as to permit its ready publication should there be a sudden need for it. It should be made clear, however, that these details are needed in the first instance in developing the broader

UNCLASSIFIED

UNCLASSIFIED

INT 840/53  
NS/M-7 A

aspects of intelligence contained in the published NIS. Also, many of these details are constantly needed to satisfy departmental requirements. Consequently, we are interested in the collection and file maintenance of this material even though it may never actually be published in the NIS.

After five month's work, the ad hoc committee, with the assistance of 8 sub-committees of functional specialists, completed the Standard Instructions for the National Intelligence Surveys, which contain provisions for intelligence outlines and requirements, allocation of production responsibilities, production schedules, and the inter-agency organization to carry out the program.

The NIS outlines and requirements are broken down into 10 categories or chapters:

Chapter I - Brief (a succinct presentation of the basic intelligence aspects of the NIS area as a whole). This chapter should be of considerable value to such groups as the Joint Chiefs of Staff who wish to obtain a broad view of an entire NIS area without going into the more specialized subject matter contained in the other chapters.

Chapter II - Military Geography, including Oceanography, Coasts and Landing Beaches, Topography, weather, and Towns

Chapter III - Transportation and Telecommunications

Chapter IV - Sociological, including Health and Sanitation

Chapter V - Political

Chapter VI - Economic

Chapter VII - Scientific

Chapter VIII- Armed Forces

Chapter IX - Map and Chart appraisal

Gazetteer - Which contains all of the officially approved geographic names for an NIS area together with their geographic coordinates.

Certain topics involving numerous details are given a general treatment in the NIS itself and a fuller treatment in NIS Supplements. It is proposed to have four such supplements initially, although additional supplements will be provided when required. For production purposes, 103 NIS Areas were set up, which cover the world except for the United States and Antarctica.

-494-

UNCLASSIFIED

1872

UNCLASSIFIED

INT 840/54  
NS/M-7 A

The Committee decided to undertake production of the NIS on a large number of these areas simultaneously in order to utilize the full capabilities of the contributing agencies, which are organized generally along regional lines. This procedure will permit a degree of flexibility unrealized in previous programs. Instead of publishing a single NIS before undertaking a new one, chapters and even sections relating to a number of NIS areas will be published as soon as they are produced, so that it may be a year or two before any single NIS is finally completed. To provide for this procedure, the NIS will be issued in loose-leaf form with each section being so designed as to permit its publication, or its replacement under the maintenance program, without affecting the remainder of the Survey.

The organization to implement the NIS Program has as its principal unit the NIS Committee, which is a coordinating committee representing the Director of Central Intelligence and the Chiefs of the Intelligence Agencies of State, Army, Navy, and Air Force. In addition, there is provided an advisory member from the Joint Staff to keep the NIS Committee fully informed of Joint Staff requirements.

The NIS Committee is responsible for developing the policies and requirements respecting the NIS Program as a whole, subject to Intelligence Agency approval. Likewise, it establishes the production and maintenance schedules and the scope and treatment of each NIS to be produced, based on JCS requirements and priorities, in accordance with agency capabilities.

To implement the NIS Committee policies within each agency, there are set up NIS Control and Coordination Staffs. These staffs control their own agencies' production effort and inter-agency working-level coordination. They also insure a proper integration of the NIS production with the internal production requirements of their own agencies.

Turning now to CIA's part in the NIS Program, the NSC Intelligence Directive No. 3 states that: "The Director of Central Intelligence shall be responsible for coordinating production and maintenance and for accomplishing the editing, publication, and dissemination of these National Intelligence Surveys, and shall make such requests on the agencies as are necessary for their proper development and maintenance."

To discharge these responsibilities, there was organized under the Assistant Director for Reports and Estimates, CIA, the Basic Intelligence Groups. The Chief of this Group was designated as Chairman of the ad hoc committee which formulated the NIS Program, and is now serving as the permanent Chairman of the NIS Committee. The Basic Intelligence Group has an editorial staff and a production staff to supervise these respective functions of the NIS Program. These staffs work directly with the Coordinating Staffs of the several agencies in all matters relating to the NIS production, and are thus able to effect direct working-level liaison with all producing components of the Program.

The Basic Intelligence Group leans heavily upon the Regional Branches and Functional Groups within ORE for advice respecting adequacy of the

-495-

UNCLASSIFIED

1473

UNCLASSIFIED

INT 840/5  
NS/A-7A

intelligence produced under the NIS Program. A copy of each contribution from the Intelligence Agencies is routed to the interested Regional Branch for substantive review as soon as it is received by the staff editor. By this means, CIA can at all times determine the general nature of basic intelligence being produced by the Intelligence Agencies, the quality of the intelligence, and the existence of any serious gaps in this intelligence. At the same time, this procedure insures that all components of ORE are in receipt of the latest basic intelligence being produced by the Intelligence Agencies to assist them in the development of National Intelligence Estimates.

Two necessary requirements in the production of the National Intelligence Surveys are uniform base maps and standardized geographic names. The fulfillment of these requirements permits all contributors to utilize the same base map of any specific NIS area for applying graphic data peculiar to their needs, such as topographic features, transportation networks, or political subdivisions. The base map is thus a standard reference medium of uniform scale and projection which serves to integrate the graphic data of the entire NIS. Likewise, the use by all contributors of standard geographic name spelling will eliminate ambiguity and confusion in the resulting intelligence. It can thus be seen that these two requirements are of considerable importance in the production of basic intelligence of superior quality, which the NIS Program must contain if it is to serve its fundamental purpose.

The CIA is undertaking the fulfillment of these two requirements by using the Map Branch/ORE for production of base maps for all contributing agencies and by financially supporting the U. S. Board on Geographic Names for an extensive program to develop NIS gazetteers containing officially approved geographic names. No such gazetteers exist at the present time and we anticipate that this pioneering work will have highly beneficial results extending far beyond the field of basic intelligence. The mapping agencies of the government will be among the first to profit from these NIS gazetteers, which should enable them to completely standardize geographic names on the future maps they produce.

The last step in the production process is the publication of the individual National Intelligence Surveys. The CIA is underwriting the cost of this work which will be done by a special unit of the Government Printing Office located in the CIA area and operating in accordance with CIA security requirements. The finished NIS are distributed by the Office of Collection and Dissemination/CIA to the various government activities in accordance with their particular requirements.

This chart beside me shows the general NIS Production Plan and indicates how the primary capabilities of each agency have been integrated into the NIS Program as a whole without duplication or deficiency, under the coordination of the CIA, which contributes in those aspects that either transcend the capabilities of individual agencies or can best be performed by a central organization.

-496-

UNCLASSIFIED

UNCLASSIFIED

INT 240/5  
NS/M-7 A

The principal significance of the MIS is the realization of a single comprehensive, long-range program which meets the primary basic intelligence requirements of this Government and which utilizes most effectively those capabilities peculiar to the various agencies. It is a program which is wholeheartedly subscribed to by all of the Intelligence Agencies and from which each should derive considerable benefit. It is a coordinated and cooperative intelligence effort in full accord with the primary mission of CIA.

The MIS Program will do much to strengthen the National Intelligence Plan by stimulating an "across the board" collection effort, by developing a comprehensive file maintenance program within each contributing agency, and by insuring the production and maintenance of National Intelligence Surveys in accordance with the requirements of the Joint Staff.

The relation of basic intelligence to the other fields of intelligence might be portrayed graphically by a pyramid. The lower segment of this pyramid represents basic intelligence. A layer on top of this would represent the current intelligence, most of which is of an ephemeral nature. The apex of this pyramid then indicates the relative position occupied by staff intelligence estimates, or, in the case of CIA, national intelligence estimates, which are built up from a foundation of basic intelligence to which the current intelligence situation has been applied.

Thus, in the last analysis, the quality of our National Intelligence is dependent upon the accuracy and completeness of the basic intelligence from which it must draw much of its substance. For this reason the MIS Program is of fundamental importance in the development of a sound, well-integrated National Intelligence Plan.

UNCLASSIFIED



UNCLASSIFIED

INT 840/5-  
Exhibit B  
NS/M-7B

Statement of Major General Charles B. Cabell before the Committee on the National Security Organization September 9, 1948.

1. The Directorate of Intelligence in the Air Force enthusiastically assisted in the drafting of the Executive Order setting up the original National Intelligence Agency and Central Intelligence Group. This enthusiasm was generated by the realization that there were many opportunities on the governmental level for the collection and production of intelligence which were beyond the capabilities of the service departments, the Joint Chiefs of Staff, the Federal Bureau of Investigation and the State Department; or could better be accomplished by a central agency. Increasing the flow of intelligence information was and still is to us the greatest air intelligence requirement. This can be done by the Central Intelligence Agency collecting (and disseminating to us) more foreign air intelligence and arranging for all other governmental agencies to do the same.

2. There was originally considerable confusion which seemed to be caused by the fact that the relationship of the Central Intelligence Agency to the other intelligence agencies of the government was something of a mystery. Some people within the Central Intelligence Agency seemed to be of the opinion that the establishment of that Agency constituted a directive requiring that all of the intelligence activities of the government be centralized. On the other hand, there were some few individuals who were unwilling to concede that this agency could contribute anything to the national security and believed that the then existing agencies were adequate. A circumstance which further contributed to this latter point of view was the fact that the Central Intelligence Agency, of necessity, started calling on the existing agencies for information and intelligence prior to starting any flow from the Central Intelligence Agency to the existing agencies. However, as the result of the experience particularly of the past year, a course has been charted, which in my view, properly sets forth the responsibilities of the Central Intelligence Agency and clarifies its relationship to the other intelligence agencies.

3. Let me deal first with the general question of whether there are any changes required in that portion of the National Security Act which deals with the Central Intelligence Agency. An examination of the Act reveals that the Central Intelligence Agency may engage in any intelligence activity which is authorized by the National Security Council. This general statement is qualified by the stipulation that the agency shall have no police, subpoena, law enforcement powers, or internal security functions; that the Departments and other agencies of the government shall continue to collect, evaluate, correlate and disseminate departmental intelligence. Accordingly, subject to the reasonable provision that expansion beyond its basic functions shall be with the approval of the National Security Council, the Central Intelligence Agency may, in cooperation with the existing agencies, engage in any intelligence activity affecting the national security. I consider this provision sound.

4. In connection with the functions of the Central Intelligence Agency, it was of course necessary to determine the means by which coordination was

-498-

UNCLASSIFIED

UNCLASSIFIED

INT 840/58  
NS/M-7B

to be achieved. Accordingly, representatives of the military intelligence agencies, of the State Department and the Central Intelligence Agency cooperated in the drafting of what have now been published as National Security Council Intelligence Directives and Director of Central Intelligence Implementing Directives. The first of these NSCIDs, as they are commonly called, provided that there should be an Intelligence Advisory Committee consisting of the respective intelligence chiefs from the Departments of State, Army, Navy and Air Force and from the Joint Chiefs of Staff and the Atomic Energy Commission. It was provided in that directive, that the Director of Central Intelligence should, in making recommendations or giving advice to the National Security Council pertaining to the intelligence activities of the various Departments and Agencies, transmit a statement indicating the concurrence or non-concurrence of the members of this Intelligence Advisory Committee. This does not, of course, preclude the Director from making any recommendations which he may desire, but it does give the views of the Intelligence Chiefs to the National Security Council and assures thereby that they have their day in court on recommendations and advice pertaining to their own departments. It was further provided that the Director of Central Intelligence could issue directives implementing National Security Council Directives when the Intelligence Advisory Committee unanimously concurred in the proposed implementation. In the case of estimates, it was provided that those issued by the Director of Central Intelligence should have the official concurrence of the Intelligence Agencies or carry an agreed statement of substantial dissent. These practices are sound.

5. To avoid nonessential meetings of the Intelligence Advisory Committee, and delay in the implementation of important projects, a standing subcommittee is provided for.

6. Now, you will note that this Intelligence Advisory Committee is not statutory at all. It is not required by law. The law simply authorizes the Director of Central Intelligence to have the advice of the other Intelligence Agencies. The first Director of Central Intelligence has established the precedent of choosing to seek that advice and of formulating that advice by creating the Intelligence Advisory Committee. This arrangement was agreed to by all the Intelligence Agencies concerned. I still feel that this committee function and its relationship to the Central Intelligence Agency are sound and I see no practical need to make them statutory.

7. The method of achieving coordination between the several governmental intelligence agencies in their collection activities abroad through NSCID-2, provides that there shall be an allocation within certain broad categories of agency responsibility for collection. These allocations reflected recognition that there was at least one field in which each particular agency had a dominant interest. Under this concept, responsibility for the collection of air information as a dominant interest, was allocated to the Department of the Air Force; responsibility for the collection of military information to the Department of the Army; naval information to the Department of the Navy; and of the political information

-499-

UNCLASSIFIED

1777

UNCLASSIFIED

INT 840/59  
NS/M-7B

to the Department of State. These arrangements are, I believe, sound and practical as are the similar arrangements for intelligence production.

8. The concept is sound too for the Central Intelligence Agency to further process intelligence produced by the other departments and agencies of the Government and integrate it into what we have chosen to call "national intelligence." In this manner the President, the National Security Council and other high level bodies are provided with the overall picture of foreign developments, intentions and capabilities prepared by experts in each field.

9. The Central Intelligence Agency is also the proper instrumentality to gather together that overall current intelligence which is of immediate interest and value to the President and to operating and policy staffs. This is disseminated daily through the Central Intelligence Agency Blue Book.

10. Aside from National and Current intelligence, the Central Intelligence Agency is of course required to produce Staff intelligence to meet its specific requirements and responsibilities which are not satisfied by the contributions of other agencies or departments.

11. The other directives approved by the National Security Council are designed to more efficiently discharge the responsibilities of intelligence by having the Central Intelligence Agency perform services of common concern, and to definitively ascertain our requirements and how we may satisfy them. That seems practical and sound.

12. In summary, my remarks have pointed out my views that the machinery is available to the Central Intelligence Agency for eliminating duplication, increasing efficiency, producing more information and better intelligence and for making an increasingly substantial contribution to the national security. The problem now as it seems to me, is to insure that the machinery provided is properly exploited and operated.

-500-

UNCLASSIFIED

1878

UNCLASSIFIED

INT 840 / 60  
Exhibit  
NS/A-79

STATEMENT

by

Mr. Ralph L. Clark, Director of  
Programs Division, Research and  
Development Board, on the Subject  
of Scientific Intelligence

Prepared for the Eberstadt Committee

Mr. Bross of your staff has reviewed our detailed comments and recommendations relating to the current scientific and technical intelligence effort. These were prepared by Mr. Beckler and myself for Dr. Bush, Chairman, and Dr. Hafstad, Executive Secretary of the RDB. At this time I shall briefly highlight our concern over the present state of scientific and technical intelligence, adding such historical background as will show the development of RDB's intelligence interest.

I am sure that it is not necessary to emphasize the important role that scientific intelligence plays in formulating an integrated military research and development program. The possession of reliable information on the types of weapons that a potential enemy is most likely to employ will enable us to plan a balanced research program with vastly increased economy and effectiveness.

The Board recently approved a policy for support of actions presented to it. It requires that the proposals presented to it for action be accompanied by evidence of need for action. Need for action has been described in terms of military necessity and technical leadership. Under military necessity, justification for a specific activity may be the need to maintain a safe margin of technical weapon performance relative to specific measures or countermeasures of an enemy. Justification on the grounds of technical leadership lies in the necessity of maintaining a safe margin in the general skill, knowledge, and practice in those fields of technology which contribute in a major way to the quality of weapons and techniques of warfare. If the United States is lagging behind a potential enemy, extraordinary measures may be necessary to establish a lead. This policy for support of actions presented to the Board emphasizes the relativistic approach to military research. We have limited scientific personnel. We can't go in every direction at once. We can economize in money and manpower through accurate and reliable knowledge of foreign potentialities, accomplishments, and intentions.

The supreme importance of scientific intelligence to the Board's deliberations was recognized at an early date by the Scientific Advisors to the RDB Policy Council. This group of outstanding scientists was set up to examine the major potentialities of science for solution of military problems. Their very first meeting during December 1946 comprised a three-day discussion on foreign intelligence with General Hoyt Vandenberg, then head of CIG; and Mr. Allan Dulles and Mr. William S. Donovan, formerly of OSS.

-501-

UNCLASSIFIED

1879

UNCLASSIFIED

INT 840/6  
NS/M-7C

As a result of this discussion it was agreed to establish a formal relationship between CIG and JRDB permitting the most effective mutual interchange of scientific and technical information. The resulting agreement entitled "Program for JRDB-CIG Cooperation in the Field of Scientific Intelligence" was signed by Dr. Bush and General Vandenberg, and approved by the Board on January 8, 1947. The agreement provided in part that a Scientific Branch be established within CIA's Office of Reports and Estimates, and that it be headed by an individual acceptable to JRDB and the Director of CIG. This Branch was to assume responsibility for:

- a. The development of scientific intelligence on a national basis
- b. The preparation of estimates of scientific capabilities and intentions of foreign nations
- c. The correlation of scientific estimates with those in other fields in the formulation of intelligence estimates of the over-all strategic situation

After expending considerable effort we succeeded in securing the services of Dr. Wallace Brode as head of CIA's Scientific Branch. Dr. Brode is an internationally known scientist in the field of infrared spectroscopy and by virtue of his wartime experience as head of the OSRD Paris Office is well qualified for this position.

The RDB has made every possible effort to abide by both the spirit and the express provisions of the JRDB-CIG agreement. We have supplied CIG with copies of papers prepared by the fifteen RDB technical committees and their panels. Members of CIA's Scientific Branch have been appointed to associate memberships on our committees and panels. RDB intelligence requirements have been drawn up in considerable detail and transmitted to CIA after thorough study of the committees' intelligence needs. In general, the closest possible working relationship between CIA and RDB has been encouraged. Yet despite our considerable effort--after more than a year of operation under the JRDB-CIG Agreement--we have received substantially no CIA originated intelligence of the types enumerated in the interagency agreement. With respect to the JRDB-CIA Agreement, on March 24 of this year Admiral Hillenkoetter on his own initiative wrote to Dr. Bush stating that in view of the passage of the National Security Act of 1947 he did not feel that a written agreement for mutual cooperation was necessary. Dr. Bush replied, agreeing that the original JRDB-CIG Agreement was obsolete. In commenting on the intelligence service that CIA has rendered RDB, Dr. Bush stated, and I quote:

"RDB is in fact one of your clients, probably your principal client in the field of scientific intelligence. I believe you will not misunderstand me if I state that thus far I do not feel that the Board has been supplied with adequate scientific intelligence for its guidance. In fact some of this may indeed have been due to a lack of full accomplishment in aiding you on

UNCLASSIFIED

1576

UNCLASSIFIED

INT 840/62  
NS/M-7C

our part, so that I make the statement with confidence that I will not be misunderstood. It is, however, essential for our affairs that we have adequate scientific intelligence in which we can place full confidence.

"I trust that the organizational changes which you are now making and other steps under consideration may result in all of your clients being completely served in connection with their needs so that they can act on your information with full confidence. Quite frankly, this matter of confidence in my opinion presents a problem which is also yours. I will, of course, not attempt to advise how it might be solved. However, I hope very much indeed that you are giving very close attention to the subject."

I would like to cite specific examples of how CIA has failed to satisfy RDB's critical intelligence needs:

The Research and Development Board has had before it proposals for the Aeronautical Engineering Development Center of the Air Force and the Unitary Wind Tunnel Program of the NACA and the Armed Services. The programs involve an expenditure for research and development facilities of more than a billion dollars over a period of years. These proposals are closely linked to the future aeronautical program of the United States. Before acting upon the merits of the proposals it was essential that the Board have before it the most complete information possible in foreign aircraft and aeronautical developments. Accordingly, Dr. Bush wrote to Admiral Hillenkoetter requesting that a critical evaluation of the present status of aeronautical research and development in the U.S.S.R. be made available to the RDB by March 1, 1948. On March 26, 1948, RDB received a memorandum from the Scientific Branch, CIA, stating that it was not practical for CIA to prepare the kind of report we suggested and that the number of persons available in the Scientific Branch did not permit even one or two of them to concentrate on such a program. Consequently, on one of the most pressing national problems in the field of military research and development the Board has been left without adequate intelligence guidance.

The second example concerns intelligence needs in the field of guided missiles research and development. The Panel on Test Range Procedures and Instrumentation of the RDB Committee on Guided Missiles recently prepared extensive requirements in its field. These were transmitted to CIA in routine fashion. CIA, in turn, dispatched the requirements to Army, Navy, and Air intelligence with a request for comment. The individual service comments were then sent directly to RDB without any attempt at coordination or evaluation. Conflicting statements were not reconciled and the true coordinating responsibilities of CIA were not discharged.

The real causes of CIA's failure in the field of scientific intelligence are not to be found in CIA's Scientific Branch. I am familiar with the internal handicaps and difficulties under which this Branch has had to operate and feel that the root of the difficulty resides at higher levels in the CIA organization. The obstacles which have been placed in the way of

-503-

UNCLASSIFIED

UNCLASSIFIED

INT 840/63  
NS/M-7C

efforts to make worthwhile contributions in the field of scientific intelligence have been so numerous and so discouraging that Dr. Brode is on the verge of submitting his resignation to return to scientific pursuits.

My remarks have been very brief. Other examples of RDB intelligence needs could be cited—as well as other disappointments with production of intelligence. I shall be pleased to answer questions or further amplify my remarks should the Committee so desire.

-504-

UNCLASSIFIED

22