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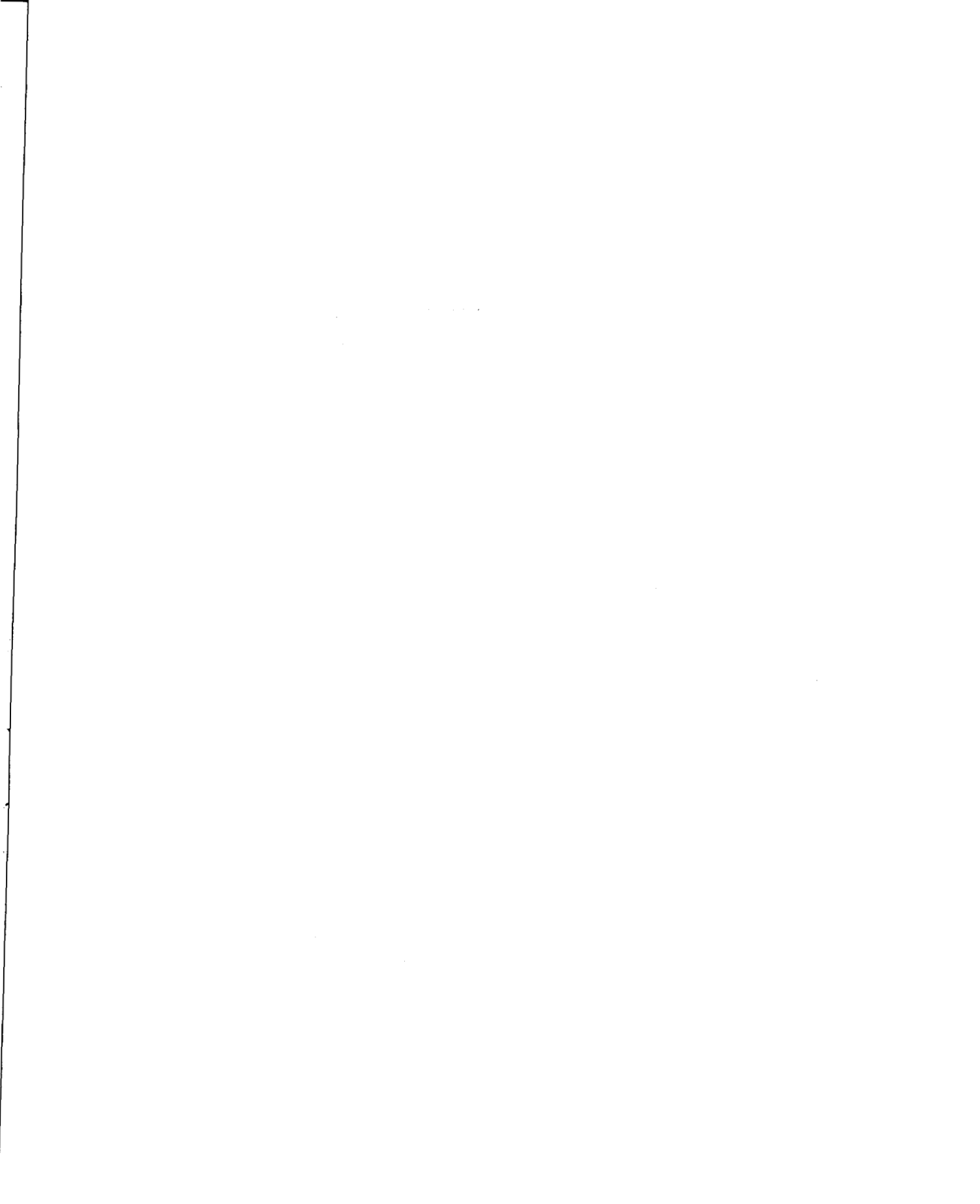
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OF

(U)

CENTRAL INTELLIGENCE AGENCY

TASK FORCE ON INTELLIGENCE ACTIVITIES



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REPORT OF SURVEY

OF

CENTRAL INTELLIGENCE AGENCY

(LESS COVERT OFFICES)

BY

Eugene L. Miller, U.S. Army (Ret.)

and

John L. McGruder

This Report Consists of the Basic Report of ~~70~~^{Ed} Pages and Four Books
of Exhibits, Tabs A through I.

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SURVEY

OF

CENTRAL INTELLIGENCE AGENCY

(Less Clandestine Activities)

AUTHORITY FOR, WHEN AND BY WHOM CONDUCTED, AND PURPOSE OF THE SURVEY

1. Pursuant to instructions of the Commission on the Organization of the Executive Branch of the Government, creating an Intelligence Task Force, a survey of the Central Intelligence Agency (less its clandestine activities) was conducted during the period from November 1, 1954, to March 21, 1955, by Colonel Eugene L. Miller, United States Army, Retired, and Mr. John L. McGruder, both of Washington, D. C. (hereinafter referred to as the Survey Team), for the purpose of assisting the aforementioned Task Force in recommending to the aforementioned Commission ways and means for accomplishing the following, where pertinent, within the field of Government intelligence activities:

- a. Reducing expenditures to the minimum consistent with effective performance of necessary Government functions.
- b. Eliminating unnecessary duplication and overlapping of necessary services, activities, and functions.
- c. Consolidating, where appropriate, services, activities, and functions of similar nature.
- d. Abolishing unnecessary services, activities, and functions.
- e. Eliminating non-essentials competitive with private enterprise.
- f. Defining more accurately the responsibilities of responsible officials.
- g. Relocating, where appropriate, agencies directly responsible to the President.

SCOPE OF SURVEY

2. This survey included in its coverage all of the Central Intelligence Agency - except those elements thereof engaged in cold war, covert, and clandestine operations and activities - plus, where appropriate, the operations and functions of the National Security Council and certain joint committees

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and boards operating in the field of intelligence pertaining to national security. As to the excepted operations and activities, only those phases thereof which impinged on the overt operations and activities of the agency were considered during this survey.

3. The scope of the survey was as indicated in paragraph 3, Memorandum No. 3, Task Force on Intelligence Activities, dated October 27, 1954 (Tab A). (Note: For security reasons, none of the tabs referred to in this report are attached hereto, but are on file in the CIA). In furtherance thereof, visits were made to all headquarters elements and a cross sectional number of field elements of the agency under survey, conferences were held with all responsible key officials and with many individual employees, much written material was procured, compiled and considered during the survey, and searching inquiries were made into all facets of the agency's organization, functions, and operations. The Survey Team has specifically not considered in this report numerous matters coming to its attention which are more appropriate to an internal management survey of the agency.

4. The members of the Survey Team express their appreciation to the Director and other officials and members of the Central Intelligence Agency for the time and effort which they have devoted to the work of the Survey Team; for providing personnel assistance, office space, transportation, and other appropriate services, and for their cooperation in making available all pertinent information within the limits imposed by security restrictions. The members of the Survey Team are especially grateful to Mr. George G. Carey and [redacted] for their outstanding liaison assistance, and to [redacted] for her very superior services as office manager, administrative supervisor, and confidential secretary.

HISTORICAL BACKGROUND, POSITION, RESPONSIBILITY AND AUTHORITY
OF THE CENTRAL INTELLIGENCE AGENCY

5. The Central Intelligence Agency may well attribute its existence to two major experiences in World War II. The first experience was the surprise attack at Pearl Harbor and the postwar investigation into the part intelligence or the lack of intelligence played in the failure to give adequate warning of the impending Japanese attack. The second experience was the establishment of the Office of Strategic Services (OSS) early in World War II and the lessons derived therefrom by its Director, Major General William J. Donovan, and which later (in the fall of 1944) were incorporated into a recommendation for the establishment of a peacetime central intelligence authority. The Pearl Harbor investigation tended to fix in the minds of members of Congress the fact that necessary information to predict the impending attack was actually available in the Government, but that there was no system for assuring that the available information (properly evaluated and its meaning assessed) was brought to the attention of the President and his top advisers so that appropriate decisions could be made and timely instructions sent to the interested military commanders. It also demonstrated that in the prewar Government organization structure, no one official was responsible for whatever failure of intelligence

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was involved, and the blame for the military surprise (justly or unjustly) fell on the military commanders most concerned in the debacle. Therefore, in 1947, when Congress was considering a postwar intelligence organization there was widespread feeling among them that responsibility must be centered at one point so that Congress would not again be unable to determine where failure lay. General Donovan was equally convinced from the lessons learned by him as head of OSS, whose principal shortcomings were its lack of responsibility for overall correlation and evaluation of intelligence and for the coordination of the intelligence activities of the Government, that there was a real need for a central intelligence authority.

6. These shortcomings of the OSS during World War II apparently convinced General Donovan that the postwar intelligence structure should be not only centrally located, but placed under the guidance of a highly qualified director, appointed by the President, and administered under Presidential direction. To this end, General Donovan, in October 1944, submitted a plan for the creation of a central intelligence service. The plan placed the proposed CIS in the Executive Office of the President; called for the appointment by the President of a Director thereof who would discharge and perform his functions and duties under the direction and supervision of the President; it established an Advisory Board consisting of the Secretaries of State, War, and Navy, and such others as the President deemed necessary to advise and assist the director; and it gave the Director the duties of coordinating, collection, evaluating, and disseminating intelligence for national purposes. Subsequently, on August 25, 1945, General Donovan, in a letter to the Director of the Bureau of the Budget, reiterated his previous recommendations concerning the establishment of a centralized intelligence service.

7. Difference of opinion among officials (largely military) of the Government, concerning the Governmental position, authority and responsibility of the central intelligence service and the Director thereof, were resolved by the President by the creation on January 22, 1946, of the National Intelligence Authority, consisting of the Secretaries of State, War, and Navy, and the President's personal representative, to plan, develop, and coordinate Federal foreign intelligence activities so as to assure the most effective accomplishment of the intelligence mission related to the national security. This directive also created a Central Intelligence Group (CIG) under the direction of a Director of Central Intelligence (DCI) designated by the President to assist the National Intelligence Authority (NIA), to be responsible to it and to sit as a non-voting member of the NIA; it created an Intelligence Advisory Board (IAB) to advise the DCI; and it charged the CIG with accomplishing the correlation, evaluation and dissemination of intelligence relating to the national security; for coordinating such of the activities of the intelligence agencies of the State, War and Navy Departments as relate to the national security; and for performing other services of common concern. It will be noted here that, although the Presidential Directive placed the DCI and the CIG under the direct control of the NIA, the position, authority, and functions of the DCI and CIG are substantially

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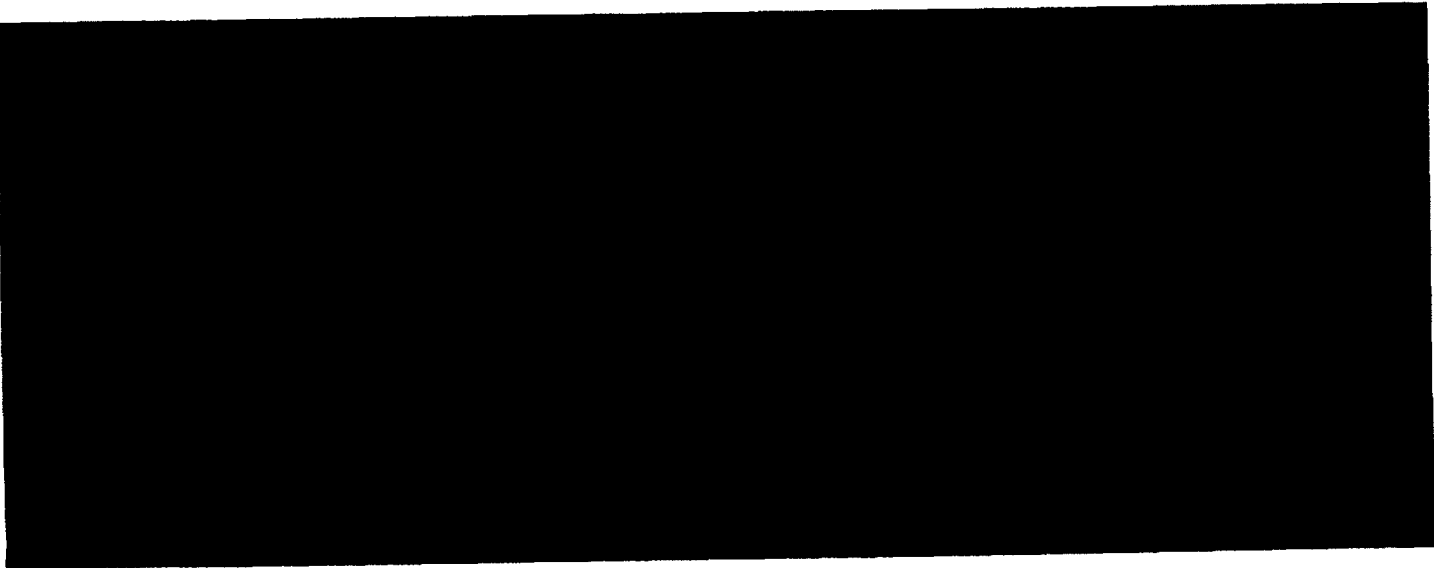
Note.

Dr. Omar Pancoast brings to our attention the NSC was composed as follows:

President of the U.S.
Secretary of State
Secretary of Defense
Secretary of Army
Secretary of Navy
Secretary of Air
Chairman of the NSRB

and such of the following as he desires:

Secretaries of Executive Departments
Chairman of the Munitions Board
Chairman of the Research and Development Board



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the same as those recommended by General Donovan; that is, it put the basic responsibility in the National Intelligence Authority and gave the coordinating, evaluating and dissemination functions to the DCI. In general, it may be stated that the concept of a centralized coordinating authority was accepted and the main debates on the subject as a whole thereafter centered around the position of this function in the Government structure and its responsiveness to departmental controls. As the drafts of the impending National Security Act of 1947 were in their formative stages, there were many persons in the Government at various levels of authority who still objected strenuously to the central intelligence concept and to a separate, independent agency to perform those functions; however, every review of those objections and proposed alternative solutions by the top-level officials of the Government confirmed the earlier conclusions of the Chief Executive that the DCI should not be subordinate to any agency or board lower than the Secretaries of Departments. Also, at this time a struggle was going on concerning the question as to whether the DCI had any supervision or authority over the members of the Intelligence Advisory Board and the agencies which they represented, or whether he was one among equals who would proceed by majority decision of the Board. Succeeding DCI's (Admiral Souers, General Vandenberg, Admiral Hillenkoetter) seemingly believed that, since the President had made them responsible for the functions of the CIG and had set up the IAB to advise them, they must exercise the functions of that office even if the entire Advisory Board disagreed with the DCI's decision. However, the heads of the intelligence agencies (members of the IAB) held that the established command channels could not be impaired, and consequently the DCI could in no way interfere in their departmental responsibilities and the conduct of the activities of their agencies. The controversy grew so strong that in the spring of 1947 the DCI (then General Vandenberg) presented to the NIA a request that the NIA constitute him the executive agent of the NIA for all matters in the field of intelligence. This was approved by the NIA, but because of the relief of General Vandenberg on May 1, 1947, by Admiral Hillenkoetter as DCI, and the imminent passage of the National Security Act of 1947, this approved directive was never promulgated by Admiral Hillenkoetter as a directive to the IAB.

8. Subsequently, the National Security Act of 1947 (Public Law 253, 80th Congress, July 26, 1947) (61 Stat. 495) (Tab B) by Section 101 (as amended), established a National Security Council (which took the place of the old National Intelligence Authority), composed of:

- The President, or his representative
- The Vice President
- The Secretary of Defense
- The Director, Foreign Operations Administration
- The Director, Office of Defense Mobilization

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The Secretary of the Treasury

Certain others as appointed - but none to date.

9. The legally prescribed functions of the National Security Council are:

a. To advise the President with respect to the integration of domestic, foreign and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

b. To assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith.

c. To consider policies on matters of common interest in the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

d. To perform such other functions as the President may direct, for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to national security.

10. By Section 102 (as amended) of the National Security Act of 1947 (Tab B), there was established, under the National Security Council, a Central Intelligence Agency with a Director of Central Intelligence, who is the head thereof; and the Central Intelligence Authority as established in 1946 ceased to exist. Paragraphs (d) and (e) of Section 102 of the Act set forth the statutory duties and responsibilities of the Central Intelligence Agency and the director thereof, regarding intelligence relating to national security, as follows:

"(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council -

"(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

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"(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

"(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities; Provided, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: Provided further, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: And provided further, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

"(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

"(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

"(e) To the extent recommended by the National Security Council and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: Provided, however, That upon the written request of the Director of Central Intelligence, the Director of the Federal Bureau of Investigation shall make available to the Director of Central Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security."

11. Other agencies and means have been created from time to time to strengthen the National Security Council, and to advise and assist it in the performance of its prescribed duties and functions. The following is its current organizational structure:

The President

Special Assistant to the President for the National Security Affairs

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The National Security Council (NSC)

The NSC Staff (small)

The NSC Planning Board, chaired by the Special Assistant to the President, and comprised of members, on an Assistant Secretary level, from State, Defense and Treasury Departments, the FOA and ODM; and with an advisor from the Defense Department and the CIA.

Certain Advisory committees

Agencies of advice and report as follows:

Central Intelligence Agency

Joint Chiefs of Staff

U.S. Information Agency

Operations Coordinating Board, chaired by the Under Secretary of State, and comprised of a special representative of the President, the Under Secretary of Defense, the Director of Foreign Operations Administration, the Director of the U.S. Information Agency, and the Director of Central Intelligence.

12. Thus, it is noted that the Central Intelligence Agency occupies an independent organizational position in the Government structure, directly under the National Security Council, of which the President is chairman. Such a Governmental position is substantially in accord with the recommendations of General Donovan in October 1944.

13. Consideration of the foregoing position of the Central Intelligence Agency in the Government's organizational structure is necessary for a fair and impartial assessment of the performance of CIA's functions as the Government's coordinator of intelligence affecting the national security. Therefore, its history and day-to-day activities and functions in carrying out its coordination responsibilities are inevitably and irrevocably interwoven with those intelligence activities and functions of other Government departments and agencies which relate to the production of national intelligence. However, in carrying out its coordination responsibilities, the CIA may not prevent the departments and other agencies of the Government from continuing to collect, evaluate, coordinate, produce and disseminate departmental intelligence.

14. In furtherance of the production of coordinated national intelligence it has been considered by all responsible Government officials, since General

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Donovan's original proposals which culminated in the creation of the CIG in 1946, that a committee composed of the heads of the several important intelligence agencies should be an essential element in any plan for such coordination efforts. Therefore, one of the first acts of the National Intelligence Authority and its successor in this field, the National Security Council, was to appoint such an intelligence advisory board or committee. Today, the Intelligence Advisory Committee is comprised of:

The Director of Central Intelligence, Chairman

The Special Assistant for Intelligence, Department of State

The Assistant Chief of Staff, G-2, Department of the Army

The Director of Naval Intelligence

The Director of Intelligence, Headquarters, United States Air Force

The Deputy Director for Intelligence, the Joint Staff

The Atomic Energy Commission Representative to the IAC

The Assistant to the Director, Federal Bureau of Investigation

Such others as may from time to time be invited by the DCI to participate.

15. Currently, the prescribed function of the IAC is to advise and assist the Director of Central Intelligence in the discharge of his statutory responsibilities. As previously referred to herein, from the days of the OSS, through the days of the CIG, and almost continually to date, there has been considerable controversy regarding two opposing concepts (individual vs. collective responsibility) concerning the proper relationship between such a committee and the Director of Central Intelligence; that is, whether the committee function should be to advise and assist a director of intelligence individually responsible to higher authority, or whether the committee itself should function as a collectively responsible board of directors, the Director of Central Intelligence himself being merely an executive officer responsible to the committee.

16. At the close of World War II several plans were proposed for a postwar organization for the coordination of the national effort. Those plans involved not only the concepts of individual vs. collective responsibility, but also the organizational position of the Central Intelligence Group or Agency within the governmental structure. The plan finally adopted and placed in effect by the President substantially was in accord with the one originally proposed by General Donovan, and as carried forward into the National Security Act of 1947 and the National Security Council's implementing directive. Proponents of the concept of collective responsibility and of the theory of placing the Central

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Intelligence Agency under the jurisdiction of the Secretary of Defense or the Joint Chiefs of Staff all had the opportunity to and did present their views in 1946 prior and subsequent to the establishment of the CIG, and later during Congressional hearings on the National Security Act of 1947; but in each instance, after careful consideration, the theories were rejected. Nevertheless, these same theories have had strong advocates almost continuously to date, and the Director of Central Intelligence has been, and is being, periodically subjected to efforts to reduce him and his agency to a status subordinate to that of a national intelligence collectively.

17. As will be shown hereinafter in this report of survey, great strides have been made in the evolution of the organization and functions of the CIA and the participation of the Intelligence Advisory Committee in the production of national intelligence which has been useful in the establishment and implementation of national policies. Nevertheless, the history of the CIA has been largely a history of distrust and discord among the several intelligence agencies. On the one hand, the three military intelligence services in the past have believed that the CIA was invading their areas of responsibility and was in fact largely a competitor of theirs in the intelligence field; on the other hand, the CIA has believed that at times the other agencies were not as cooperative as they should have been in producing national intelligence. This distrust has resulted in certain working personnel of almost all agencies taking advantage of every opportunity to air the shortcomings of other agencies, to the detriment of the intelligence community as a whole. The Survey Team is of the opinion that the IAC should take cognizance of the great harm this internal discord, distrust and jealousy is doing to the accomplishment of the IAC's very important intelligence mission; that the intelligence chiefs of each agency see to it that these harmful tactics and acts are discontinued within his own agency; and that any and all unresolved differences between the members of his agency and those of other agencies are brought before the IAC for final solution. Admiral Souers, the first Director of Central Intelligence, from January 22, 1946, to June 10, 1946, fully understood the now generally current concept of relationship between the DCI and an Intelligence Advisory Committee. General Vandenberg, who succeeded Admiral Souers on June 10, 1946, seemingly did not possess that understanding, because through his apparent determination to make of the CIG an independent, self-sufficient agency, competitive with the departmental intelligence agencies, he brought himself into open conflict with the then members of the Intelligence Advisory Board (IAB). General Vandenberg in turn was succeeded by Admiral Hillenkoetter on May 1, 1947, who adopted a more conciliatory attitude toward the IAB and the IAC, but some of the IAB and IAC members by that time were again advocating the establishment of the principle of collective responsibility in the drafting of NSC Directive No. 1. However, they were overruled by the then Secretary of Defense, and a directive was issued substantially as indicated in the current NSCID No. 1 (Tab B). In consonance with the provisions of the National Security Act of 1947, NSCID No. 1 makes the DCI solely responsible for the advice, recommendations and intelligence which he submits to the NSC, and for other services which he performs; but it requires that he consult with members of the IAC with respect to his recommendations and estimates in order to obtain their concurrences or to report to the NSC any substantial dissents.

18. Despite Secretary Forrestal's authoritative decision on the issue of individual vs. collective responsibility, Admiral Hillenkoetter's relations

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with the IAC remained strained, and as a result he gradually came to make no more use of the IAC than was absolutely required. Meetings were infrequent, and most business was conducted in writing. This unsatisfactory state of affairs continued until Admiral Hillenkoetter was replaced as DCI by General Walter Bedell Smith on October 7, 1950. Throughout the latter's tenure of office and continuing through that of Mr. Allen W. Dulles, who relieved General Smith as DCI on February 26, 1953, the DCI and the IAC have worked together reasonably harmoniously and in accord with the principles enunciated in NSCID No. 1. The current differences between the members of the IAC and the DCI are more apparent than real, since in actual practice the IAC passes judgment on all DCI coordinating actions before they are published as directives to the intelligence community. For this very reason it often takes much time and effort to produce a mutually agreeable directive. Therefore, it is obvious that the success or failure of a collective intelligence effort by the entire intelligence community will stand or fall on the degree to which there is a real cooperative spirit among the members of the Intelligence Advisory Committee. Hence, each member of the IAC should constantly keep in mind the fact that while he is sitting as a member of the IAC, he is not there ^{merely} as an advocate and defender of his own department's views; but is, in fact, sitting on that committee as a representative of the national interests who was selected for and appointed to that position because of his specialized knowledge in a particular field of intelligence activity. Therefore he should express his views on any and all subjects which may be brought before the committee; and should never abstain from consideration of any subject because of any alleged lack of departmental interest therein. Also, their views on any and all subjects before the committee have a certain official privileged status based on NSC directives which require that they must be stated; that they must be listened to by the DCI; and that they must be presented to the National Security Council in the event of a major dissent. The IAC now meets regularly once a week and occasionally in additional special sessions. About 40% of its actions concern the review and final adoption of national intelligence estimates; 37% of its actions are related to estimates production; and about 23% are related to inter-departmental coordination of other intelligence activities. In point of time, about 75% of the IAC's meeting time is devoted to the discussion of the substance of national intelligence estimates.

19. For the continuing coordination of most of the important intelligence activities of the intelligence community the DCI and the IAC have established the following ten permanent working committees of the IAC, composed of representatives of the IAC and of other agencies, as appropriate:

- Joint Atomic Energy Intelligence Committee (JAEIC)
- Interdepartmental Committee for the Implementation and Coordination of NSCID No. 7
- National Intelligence Surveys Committee (NISC)
- Interagency Defector Committee
- Watch Committee
- Economic Intelligence Committee (EIC)
- Interagency Priorities Committee (IPC)
- Economic Defense Intelligence Committee (EDIC) for EDAC
- Scientific Estimates Committee (SEC)

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NSCID No. 16 Advisory Committee

The composition and functions of these committees are described in detail in Tab D. Also, there is a United States Communications Intelligence Board (USCIB), established by NSCID No. 9 (Tab B).

20. There are currently sixteen National Security Council Intelligence Directives numbered 1 through 16 (Tab B), which have been produced by the collective efforts of the Intelligence Advisory Committee and issued by the NSC for the guidance of the DCI, the CIA, and the intelligence community. These NSC directives in turn have been supplemented by other types of NSC directives, where appropriate, by Director of Central Intelligence Directives 1/1, 1/2, 2/1, 3/4, 3/5, ~~4/1~~, ~~4/2~~, 4/3, 4/4, 5/1, 7/1, 11/1, 14/1, and 15/1 (Tab C), and in some instances by IAC directives.

(-) 21. In addition to its normal statutory functions and intelligence types of functions assigned to it by the NSC, the CIA, early in its existence, was assigned a cold-war function which was materially increased during the tenure of office of General Smith as DCI. This added function not only has approximately doubled the strength of the CIA, but it has had considerable adverse impact on the Agency's intelligence producing functions, in that under present conditions it deprives such intelligence activities of an inordinately large proportion of the time and attention of the Director and others which should be devoted exclusively to the Agency's statutory intelligence coordinating functions. While it appears that technically there is no statutory authority for the performance by the CIA of its currently prescribed cold-war functions, the fact remains that the CIA has been assigned the duty of performing these cold-war functions, and until they are transferred to some other agency, the CIA must continue to perform them. Nevertheless, the present internal organization of the CIA for carrying out these cold-war functions gives rise to the suspicion that the intelligence which the CIA produces is not in fact national in its scope and effect, but rather may be slanted and/or patterned to fit its own operational needs. Moreover, post-mortems of National Intelligence Estimates and National Intelligence Surveys produced by the intelligence community reveal important gaps in the availability of intelligence information from within the Soviet Republic, most of which gaps can be corrected only by concentration on clandestine collection methods within the Soviet-bloc countries. However, it appears that, perhaps through necessity, the DCI and certain other officials of the Agency are devoting an inordinate amount of their time and effort to the prosecution of the Agency's cold-war functions, with the inevitable result that the Agency's principal statutory responsibility -- the coordination of the production of national intelligence -- has been relegated to a secondary position. To eliminate, or at least to alleviate, the basic causes of this adverse effect on the performance of its statutory intelligence functions, the Survey Team believes that those elements of the current DD/P area of responsibility engaged in the performance of espionage and counterespionage functions should be removed from close integration with the "cold-war" elements of that area of responsibility. In furtherance of such a separation, the Survey Team suggests that the espionage and counterespionage functions of that area be assigned to the exclusive jurisdictional control of a separate deputy director of a "Secret Intelligence" area of responsibility;

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that the "cold-war" functions be assigned to the exclusive jurisdictional control of a separate deputy director of a "Special Operations" area of responsibility; that each such area of responsibility be made administratively and logistically self-supporting; and that the status of each operating deputy director position of the Agency be increased to that of a Public Law Presidential appointee at an annual salary of \$16,000. The Survey Team further believes that the next senior operating deputy director charged with the responsibility of conducting the Agency's "cold-war" functions should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI can thereby devote a greater share of his time to the performance of his intelligence type of duties. Regardless of the merits of the foregoing suggestions, and without regard to the fact that the national intelligence that has been produced in the past two years is unquestionably far superior in quality to that produced theretofore, the facts developed during this survey support the conclusion that the DCI, as currently supported by the members of the IAC and the intelligence agencies which they represent, is not producing an adequate quality of coordinated national intelligence; and that this failure is due primarily to a lack of raw intelligence information, particularly on the Soviet-bloc.

INTELLIGENCE MISSION, OBJECTIVES, AND ALLOCATIONS OF FIELDS OF RESPONSIBILITY

22. The national intelligence mission of the intelligence community (members of the IAC) is to develop and maintain an intelligence system capable of:

- a. Collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world;
- b. Accurately evaluating the capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, economic, and subversive courses of action affecting U.S. national security;
- c. Forecasting potential foreign developments having a bearing on U.S. national security.

23. Based on the foregoing national intelligence mission, there have been established certain coordinated, comprehensive national intelligence objectives, generally applicable to all foreign countries and areas; and certain priority national intelligence objectives, with reference to specific countries and subjects, which have been further classified as highest priority, high priority, or priority, according to the current six-months' forecast of countries and subjects of greatest importance. However, except for certain coordinated NIS guide-type requirements, there has been no community-wide

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endeavor, generated by the CIA, to determine a coordinated list of essential information collection requirements, the fulfillment of which will be necessary to accomplish each of the listed priority objectives. In the main, and except for clandestine collection requirements, priorities for which are established by the Interagency Priorities Committee, each intelligence agency, and each element within an agency, specifies its own requirements and passes them on for collection to that agency which it is believed best fitted to meet the requirement, or, as sometimes happens, to any or all collecting agencies. The lack of a community-wide coordinated list of requirements and priorities constitutes a deficiency which significantly hampers the effectiveness of the collection effort.

24. The National Security Council intelligence directives (Tab B) as supplemented by Director of Central Intelligence intelligence directives (Tab C) and by certain mutual agreements not here included - have been published in an attempt to allocate to the various Government intelligence agencies, particularly of the IAC, responsibility for various phases of the activities involved in the production of various types and kinds of national intelligence. The following is a brief synopsis of these directives:

NSCID No. 1 - Establishes the IAC and prescribes the duties and responsibilities of the DCI, the CIA, other members of the IAC, and others.

DCID No. 1/1 - Establishes procedures for the Intelligence Advisory Committee.

DCID No. 1/2 - Establishes a Watch Committee of the IAC and prescribes its terms of reference.

NSCID No. 2 - Allocates responsibility for collection abroad.

DCID No. 2/1 - Prescribes operating details for the implementation of NSCID No. 2.

NSCID No. 3 - Establishes overall policies and objectives for the coordination of the production of intelligence.

DCID No. 3/4 - Establishes policies, procedures, and areas of responsibility for the production of scientific and technical intelligence.

DCID No. 3/5 - Establishes methods and procedures for the production of National Intelligence Estimates.

NSCID No. 4 - Directs the establishment of national intelligence objectives.

DCID No. 4/3 - Establishes comprehensive national intelligence objectives.

DCID No. 4/4 - Establishes Priority National Intelligence Objectives.

NSCID No. 5 - Establishes responsibility for the conduct of espionage and counterespionage operations.



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NSCID No. 6 - Directs the CIA to monitor foreign wireless and radio propaganda and press broadcasts.

NSCID No. 7 - Directs the CIA to exploit within the United States, business concerns, other non-governmental organizations and individuals as sources of foreign intelligence information. This is modified by an agreement between CIA and ONI dated January 14, 1952, to permit the latter to conduct the exploitation at the shoreline of foreign and domestic ships' crews.

DCID No. 7/1 - Establishes procedures for the domestic exploitation of non-governmental individuals approaching intelligence agencies.

NSCID No. 8 - Establishes responsibility for the maintenance of biographical data on foreign scientific and technological personalities.

NSCID No. 9 - Establishes a special committee of the NSC for Communications Intelligence (COMINT). Designates the Department of Defense as Executive Agent of the Government for the production of COMINT. Establishes a United States Communications Intelligence Board (USCIB). Prescribes the duties and responsibilities of USCIB, the Secretary of Defense, and certain other officials for the conduct of COMINT activities.

NSCID No. 10 - Establishes responsibility for the collection abroad of foreign scientific and technological data.

NSCID No. 11 - Establishes procedures and responsibility for the security of information on intelligence sources and methods.

DCID No. 11/1 - Establishes controls on the dissemination of information on the detection of atomic weapons tests within the USSR.

DCID No. 11/2 - Establishes methods of control, dissemination and use of intelligence and intelligence information.
NSCID No. 12 - Establishes policy for the avoidance of publicity concerning the intelligence agencies of the U.S. Government

NSCID No. 15 - Directs the CIA to perform certain functions with respect to foreign economic intelligence relating to the national security.

DCID No. 15/1 - Establishes policies for the production and coordination of foreign economic intelligence.

NSCID No. 16 - Establishes responsibility for the coordination of the procurement of foreign language publications for intelligence purposes; and establishes an advisory committee for this purpose.

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25. While a careful analysis of the foregoing referred to directives indicates that the context of some of them is not sufficiently clear, concise, and specific in setting forth precise instructions for the accomplishment of the intended purpose of each such directive, and that certain fields of possible conflict (such as production of current intelligence and the coordination of overall collection requirements) are not even covered by a directive, nevertheless it should be borne in mind that the directives now in being were created through evolution by trial and error and by compromises in a joint effort by the members of the IAC to arrive at mutually acceptable policies, procedures, and fields of responsibility in the production of intelligence. Unfortunately, there still remain certain areas of conflict, such as in the inducement and exploitation of defectors, portions of the fields of scientific intelligence, and in the clandestine collection of information, which have not been resolved to the mutual satisfaction of all concerned. Members of the IAC are aware of these areas of conflict, and it is believed that they are continuously endeavoring to eliminate them by consultations and give-and-take mutual agreements. Nevertheless, all existing intelligence directives of the NSC and DCI should be reviewed by the IAC and others concerned, with a view to establishing clearer areas of responsibility and of allocating intelligence tasks in each area of responsibility which will be in accord with each agency's departmental interest, paramount community-wide national interest, and capabilities to perform the allotted tasks in time to be of value in the formulation of national policy decisions by the appropriate Government officials.

RESPONSIBILITIES AND FUNCTIONS OF CIA

(GENERAL)

26. The organizational structure of the CIA has gone through several changes, major and minor, since the agency was established in 1947, in efforts to find the most suitable one for the efficient and economical performance of its assigned functions. During this survey, the organization, functions, and activities of the CIA and the major subordinate elements thereof were as depicted in Tab E. Effective, however, on February 3, 1955, the following changes in organization were announced, which do not appear on the attached Tab E. The administrative staff of the Office of the Deputy Director (Plans) was abolished and its functions were absorbed by the Deputy Director (Administration), whose title was changed to Deputy Director (Support); and the area of responsibility of the latter was further enlarged to include the Offices of Communications, Personnel, and Training, all of which theretofore had occupied independent positions directly under the DCI. Prior to the assumption of extensive cold war functions in 1951, CIA was organized and staffed primarily to perform its statutory functions concerning the coordination of the production of national intelligence. Its personnel strength varied from [] on September 30, 1947, to [] on June 30, 1951. Thereafter, in 1951 and 1952, the build-up was rapid until it reached a strength of [] on December 31, 1952. Since that date it has levelled

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off at approximately that figure, reaching a strength of only [] on November 30, 1954 (See Tab F).

- 27. As indicated on the organization chart (Tab E), the Office of the Director of Central Intelligence (total strength of [] on November 30, 1954) is composed of the offices of the:

- a. Director of Central Intelligence (DCI)
- b. Deputy Director of Central Intelligence (DDCI)
- c. Executive Assistant to the Director
- d. Special Assistant for Planning and Coordination
- e. Inspector General
- f. Historical Staff

The remainder of the CIA is divided into three areas of responsibility, each under a deputy director, as follows:

- a. Deputy Director (Plans) (DD/P) - strength [] on November 30, 1954
- b. Deputy Director (Intelligence) (DD/I) - strength [] on November 30, 1954
- c. Deputy Director (Support) (DD/S) - strength [] on November 30, 1954

- 28. The Director of Central Intelligence (Mr. Allen W. Dulles) personally sits as chairman of the USCIB, as a member of the OCB, and as chairman of the IAC. These duties are of such importance that they cannot be delegated, nor can his many scheduled conferences with Government officials and other important visitors to his office. The major portion of his time, as well as that of other officials of his office, is devoted to cold war and other related special operations and functions of the DD/P area. The DCI exercises direct general control and supervision over the operations of the CIA by thrice weekly scheduled meetings with the three deputy directors of operations, and by monthly scheduled meetings with the assistant director heads of the various operating offices. Special matters are also directly controlled by him through the three operating deputy directors, or occasionally through the assistant directors concerned. Aside from this infrequent and distant control over the day-to-day activities of the elements of the CIA, the DCI has decentralized the administrative and operational control over his agency, particularly of the DD/I and DD/S areas, to the deputy directors of the respective areas of responsibility; and they, in turn, have further decentralized a large part of their control authority to the assistant director heads of the various operating offices. It is the view of the Survey Team that this type of control is not conducive to efficient administration and tends to create a group of small semi-autonomous elements, each of which in large measure exercises a self-determination as to what, when and how he will conduct his assigned duties and functions; and it fosters self-interest and militates against that quality of agency-wide cohesiveness of efforts which is so essential in the efficient management of any activity. To alleviate this unsatisfactory condition brought about largely because of the constant demands on the time of the DCI in connection with the execution of the agency's cold-war functions,

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there is a vital need for the establishment of a single coordinating authority (such as an Executive Director or Executive of the agency as envisaged by the basic enabling legislation) between the Director and the heads of the various operating elements of the CIA to relieve the Director of the responsibility for the consideration of the many administrative, logistical and operational details and problems which should be resolved by a central, high-level authority, but which, because of the frequent unavailability of such an authority under current conditions, have not been presented to higher authority for consideration, but have been settled, if settled at all, by the originating office or by mutual direct arrangements between interested officers.

The Deputy Director of Central Intelligence is a standby for the DCI. He is the chairman of the Watch Committee of the IAC; otherwise, he has been assigned no special continuing duties, but performs only such continuing types of agency duties as may from time to time be assigned to him by the DCI. Nevertheless, perhaps largely because of the absence of an Executive Director, he does frequently find himself to be the focal point of many administrative problems which are brought to him for advice and suggested solution, not because of an assigned functional responsibility therefor, but rather because of the prestige and respect for the qualifications of a person of his military grade. The other members of the headquarters of CIA perform the type of staff functions as indicated by their titles (see Tab E).

29. The Deputy Director (Plans) (DD/P) controls and supervises that area of the CIA which is engaged in clandestine, covert and cold-war functions. The policies, objectives, functions, and operations of this area were not included in this survey. However, because of the adverse effect of the impact of the performance of these functions and operations on the accomplishment of the agency's statutory duties of coordinating the production of national intelligence, as indicated in other parts of this report of survey, it is recommended that the DD/P element of the CIA be reorganized as indicated in paragraph 21 of this report.

RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA

(GENERAL)

30. The Deputy Director (Intelligence) (DD/I) is charged with responsibility for assisting the DCI in discharging his duties and functions as adviser to the National Security Council, as chairman of the Intelligence Advisory Committee, and in the coordination of intelligence activities of the Government; for rendering advice to the DCI as to substantive matters on current intelligence and future estimates; for representing the CIA and the intelligence community as intelligence adviser on the Planning Board of the National Security Council; for arranging the scheduling of National Estimates in support of the Planning Board's work; and for supervising the operations of the following six offices responsible to the DD/I, which are engaged in the production of substantive intelligence,

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coordination of intelligence, collection of overt intelligence at home and abroad, and collection and dissemination of intelligence:

- a. Office of National Estimates (ONE)
- b. Office of Current Intelligence (OCI)
- c. Office of Research and Reports (ORR)
- d. Office of Scientific Intelligence (OSI)
- e. Office of Operations (OO)
- f. Office of Collection and Dissemination (OCD)

To assist him in carrying out these duties and responsibilities, the DD/I has a small office staff of [] persons and a current budget of [] (see Tab E). The DD/I area of responsibility is generally referred to as the overt area of the CIA charged with the production of national intelligence and the conduct of certain economic, geographic, and scientific intelligence research in support of the intelligence community as a whole. See Tab G for a list of end-item reports of intelligence produced by CIA. It should be noted here that all intelligence information of value, if properly processed by the intelligence community, ends up as a part of, or has its impact on, current intelligence, basic intelligence, and/or national intelligence estimates.

RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA
MAINTENANCE OF REFERENCE AND LIAISON SERVICES

(OFFICE OF COLLECTION AND DISSEMINATION)

31. The Office of Collection and Dissemination (OCD), with an assistant director in charge and a total strength on duty of [] as of October 31, 1954, performs its functions under the policy guidance and direction of the Deputy Director (Intelligence). The Office of Collection and Dissemination is charged with providing (see Tab E):

- a. Central reference facilities for all components of the agency; and
- b. A central service for the coordination of requirements, the servicing of collection requests, and the dissemination of intelligence material.

32. To perform these functions, the office is organized into a small headquarters staff and seven functional operating divisions, as follows:

Strength on Duty October 31, 1954

Assistant Director and Staffs
Liaison Division
Machine Division
CIA Library
Industrial Register
Biographic Register
Graphics Register
Special Register

--

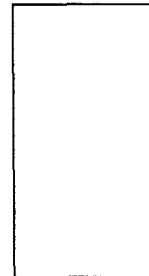
Total Strength
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During 1954, OCD expended a total of about [] for all purposes, including the sum of [] for external support, as follows:

Library of Congress (indexing service)
State Department (publications procurement)
State Department (biographic intelligence)
Photographic Contract Services
Machine Research & Development
Lloyds of London
Joint Press Reading Service, Moscow

Total



33. The present OCD is the product of a merger in mid-1948 of (1) a Reference Center, which performed what are today the primary functions of OCD; and (2) an older office of the same name (OCD), which performed the liaison functions alone; i.e., the coordination of requirements, servicing of collection requests, and dissemination. The OCD envisages itself as the central reference center for the entire intelligence community, and performs or attempts to perform its functions accordingly. At the present time there exists no statutory authority for the establishment of such a central reference center, nor has there been the establishment of one (except in certain fields) specifically directed by the National Security Council, the DCI, or the Intelligence Advisory Committee. Apparently, these OCD support services are being built up for performance of services of common concern under the authority contained in Section 102 (d)(4) of the National Security Act of 1947. Since the performance by CIA of central reference and other services could result in greater economy and efficiency than if each agency performed its own services, it is believed that this type of CIA service should be recognized and accepted by the intelligence community as a whole, and that such CIA services should be made official by the issuance of an appropriate implementing NSCID directive.

34. Shortly after the merger of mid-1948, the first Hoover Commission and the Dulles-Jackson-Correa Committee each inspected the CIA, and each recommended that the liaison functions (coordination of requirements, collection, dissemination) be separated from the reference functions. These recommendations were not put into effect because the two activities had been separated for about two years previously and had proved unsatisfactory in practice. The present organization appears to be effective for the accomplishment of both types of services; but it is suggested that its title be changed to Office of Reference and Liaison, which would be more in keeping with the functions now being performed by the office.

35. The Liaison Division is divided into six small operating branches, as follows:

a. The Cable Branch, which reads and disseminates within CIA all cables received by CIA from other agencies.

b. A CIA Branch, which reads and disseminates to outside intelligence agencies all intelligence reports and studies issued by CIA itself, and

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obtains from CIA offices information or reports which have been requested by outside agencies.

c. An International Conference Branch, which is responsible for:

(1) Obtaining advance notice of international gatherings of intelligence interest and for furnishing to appropriate CIA components, in accordance with their requirements, all known information on the event and participants.

(2) Coordinating all intelligence requirements pertaining to the conference, the prior acquisition of pertinent data and arrangements for collection and dissemination.

d. Three operating branches - State, Defense (Army, Navy, Air Force, JIC), and non-IAC agencies. Each of these branches has a small core of liaison officers who spend much of their time in direct liaison with the agencies to which they are accredited. Each, also, has a small group of disseminators who receive all incoming reports from the agencies concerned and indicate on them the points within the CIA to which the reports should be disseminated. Units within the CIA levy on these liaison branches specific requirements for information of a particular nature, which is believed to be collectible from other Government intelligence agencies. Liaison officers then obtain from other agencies materials which they possess and which have been requested by CIA researchers; and perform like service within the CIA for the benefit of the agencies to which accredited.

36. The Machine Division, OCD, is the hub around which all the reference facilities functions of OCD revolve. It is responsible for designing, developing and operating such central, mechanical reference facilities as well ensure that the content of all available intelligence materials on file in the OCD is immediately accessible to all offices of the CIA and other IAC members in support of intelligence production. Personal observation and inspection verified the fact that this Machine Division is giving excellent service and is constantly looking for ways and means to improve such services.

37. The CIA library is the largest single activity of the OCD. Its principal functions are to operate a library which will serve the needs of the CIA and other agencies of the intelligence community to the greatest extent possible. Specifically, it provides books, periodicals, documents, and other publications required for use by all components of the agency. Also, under the provisions of NSCID No. 16, it is responsible for the coordination of the procurement of foreign language publications for intelligence services, and for developing and maintaining indexes, accession lists, and reference services regarding foreign language publications of intelligence interest. To this end, the Library has developed and put into use its own Intelligence Subject Code, and it issues and distributes to the interested members of the intelligence community the following periodic publications:

a. Intelligence Subject Code, 492 pages per copy, revised as necessary. (Note: This code has been adopted by the Air Force and is

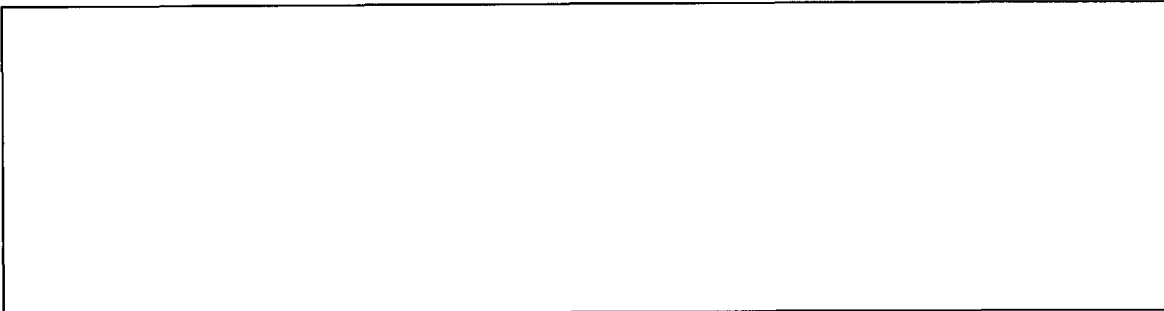
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applied by CIA to all intelligence reports from other agencies flowing through CIA destined for the Air Force).

- b. Intelligence Publications Index, 45 pages per copy - monthly.
- c. Accessions List - Books - 13 pages per copy - weekly.
- d. Russian Book List - 26 pages per copy - every two months.
- e. Recent Additions of Foreign Language Publications - 3 pages per copy, about twelve times a year.
- f. Collection Guide - 128 pages - once.
- g. Bibliographies - average 6 pages - 73 to date.
- h. Foreign Telephone Directories - 18 pages - annually.
- i. Report Writing Manual - 27 pages - once to date.
- j. Special Resources Series - 42 pages - 5 to date.
- k. Research Aids - as necessary - 9 to date.



38. The OCD operates four registers which were developed pursuant to OCD's mission to develop and operate such specialized registers of industrial biographic, graphic and special (code word material) intelligence material as may be required in support of intelligence production.

a. The Industrial Register came into being in 1947, at which time the central responsibility of collating all available intelligence data on the industries and economy of the USSR was transferred to the CIG (predecessor of CIA) from the Special Document Section operated by G-2 at Holabird Signal Depot. Since that time it has expanded its mission to include world-wide coverage, although the great majority of its efforts are devoted to the Soviet and satellite countries. As of October 31, 1954, dossiers had been indexed on 218,423 foreign installations, as follows:

USSR
Eastern Europe

49,794
32,519

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Western Hemisphere and
Western Europe
Near East and Far East

57,974
78,136

Major users of the Industrial Register are the Strategic Air Command, which has seven researchers on full-time detail to the Register, and the economic specialists on duty in ORR of CIA.

b. The Biographic Register was initiated in conformity with the provisions of NSCID No. 8, which assigns to the CIA the responsibility of maintaining for the entire intelligence community the necessary biographic intelligence on foreign scientists and technicians. It is reported that the State Department maintains biographic information on social, political, and cultural fields, and the military services maintain data on military leaders.

c. The Graphic Register was established in 1947 to maintain a central collection of photographs and motion picture films, by the transfer of the State Department's photo collections to the CIG with the understanding that the collection would be maintained on a current basis and would be accessible to all agencies of the intelligence community. Today, the Register locates and identifies new intelligence, verifies and supplements current holdings, and advises and guides those in the intelligence field as to the suitability and practicability of the various applications of this type of information. The responsibility for performance of this function within the intelligence community has not been officially confirmed by an appropriate NSCID or other directive. Hence, there may well be some duplication of effort within the community.

d. The Special Register is CIA's central reference center for special (highly sensitive, code-word) intelligence material. It performs for the CIA all of the things in this special field of activity which the main OCD performs for other categories of information. This register was established in 1950 to take care of CIA's own needs in this field. In October 1953, by NSC 169, the CIA was directed to create a central file for data on Foreign Radio Frequency usage and station particulars. This responsibility was assigned to the Special Register. While NSC 169 is a formal official document, it is suggested that a directive on this subject would call forth better coordination if it were reissued in the form of, or incorporated in, a numbered NSC Intelligence Directive.

39. The support work performed by the OCD is vital for the proper performance of its functions by the CIA, and it has the capacity and know-how to perform a like vital service for the entire intelligence community. To realize

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a greater utilization of these capabilities by the community, there should be a reassessment of the needs of the community for centralized reference service, and appropriate formal intelligence directives should be issued or reissued to allocate to the various intelligence agencies specific areas of responsibility in this field of intelligence support.

RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA
COLLECTION OF OVERT TYPES OF INFORMATION

(OFFICE OF OPERATIONS)

40. The Office of Operations (OO), with an Assistant Director in charge, and a total strength on duty of [] as of November 30, 1954, performs its functions under the policy guidance and direction of the Deputy Director (Intelligence). The Office of Operations was originally established in October 1946 to control the units of CIG then engaged in collecting foreign intelligence information directly from non-Government sources. It originally consisted of a Contact Branch, charged with the exploitation of defectors and domestic sources of information and the Foreign Broadcast Information Branch, charged with monitoring foreign radio (station) broadcasts. Two months later the Foreign Documents Branch was established and charged with the exploitation of foreign language publications. The office continued to operate under this organization and with these responsibilities until July 1950, when a "Sovmat Staff" was established and charged with the responsibility of obtaining intelligence information through the acquisition and technical analysis of Soviet material objects. With the appointment of a Deputy Director (Plans) in late 1950, the Office of Operations was grouped with the then OSO and OPC under his direction, presumably because OO was then charged with the exploitation of defectors in Germany. Subsequently, after the appointment of a Deputy Director (Intelligence), the OO, less defector operations in Germany, which remained in the DD/P area of jurisdiction, was transferred from the jurisdiction of the DD/P to the DD/I on March 1, 1952. Since that date the organization and missions of the OO have remained essentially the same, but with continuous expansion and improvement of its operations to meet the needs of the consumers of its products.

41. At the present time the OO is organized into a small headquarters staff, a Soviet Materials (exploitation) Staff, and three large operating divisions; viz., Contact Division (OO/C), Foreign Documents Division (FDD), Foreign Broadcast Information Division (FBID). All of OO's functions and operations are related to the collection of information from overt sources in behalf of the intelligence community as a service of common concern under the provisions of Section 102 (d)(4) of the National Security Act of 1947. Therefore, it is suggested that its title be changed to "Office of Collections", which is more descriptive of the functions being performed by that office.

The Office of Operations expended for all purposes in FY 1950, [] in FY 1951, [] in FY 1952, [] in FY 1953, [] and in FY 1954, []. The functions performed by the OO have tapped a theretofore unexploited source of a large quantity of excellent intelligence information that is invaluable in the production of national intelligence. There seems to

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be no real dissension among the members of the intelligence community concerning the allocation of areas of responsibility in these fields of activity, except in the exploitation in Germany of defectors, returnees, and escapees. As to this field of activity, some members of the IAC apparently believe the allocation of the major areas of this responsibility to the CIA by NSCID No. 13 should be reconsidered. Except for the functions performed by the Soviet Materials Staff, the important functions performed by the three operating divisions, OO/C, FBID, and FDD, have been confirmed and made official by the publication of appropriate NSCIDs and DCIDs. No special changes in organization or functions appear to be necessary.

42. A program to procure, test, and analyze Soviet and satellite materials on a continuing basis was initiated in July 1950 by the establishment of the Sovmat Staff in the Office of Operations. Also, from about June 1951 to July 1952, the Sovmat Staff was charged with the responsibility of [redacted]

[redacted] analyzing them for intelligence information, but on July 25, 1952, this added responsibility was transferred from OO to the Office of Research and Reports of CIA. Coordination of all U.S. activities concerned with the intelligence exploitation of Soviet and satellite materials was first attempted in August of 1950, shortly after the program was initiated by the CIA. Although representatives of all intelligence producing agencies sat for this purpose on a subcommittee of the Scientific Intelligence Committee, no appreciable improvements in coordination resulted until in April 1951 the Joint Chiefs of Staff established the Joint Material Intelligence Agency (JMIA) with responsibility for coordinating the intelligence exploitation of captured enemy material (CEM) among the military services and with similar activities of civilian agencies (Department of State, AEC, CIA). Thereafter, by agreement, the Chief of the Sovmat Staff represented the CIA, AEC, and State Department as adviser to the JMIA (name later in 1953 changed to Joint Technical Subcommittee of the JIC). The procedures developed in this committee reportedly have resulted in marked improvement in all phases of exploitation, and in the constant and continuing development of liaison relationships among technical intelligence personnel of the agencies concerned, with a resultant higher quality of coordination. Notwithstanding the reportedly high quality of coordination being affected in the intelligence community regarding the exploitation of this source of intelligence information, it is suggested that even greater results could be achieved by the issuance of a formal NSCID delineating clearly the areas of responsibility for the accomplishment of the desired measure of exploitation. The CIA expended on this project in FY 1951, [redacted] in FY 1952, [redacted] in FY 1953, [redacted] and in FY 1954, [redacted].

43. The Contact Division (OO/C) of the Office of Operations, through a system of strategically located 15 field offices and 17 resident agencies, collects in behalf of the intelligence community foreign intelligence information from selected private organizations and individuals within the United States as a service of common concern under the provisions of Section 102(d)(4) of the National Security Act of 1947, and pursuant to the provisions of NSCID No. 7, as supplemented by DCID No. 7/1. However, an agreement was negotiated in October 1951 between the CIA and the Office of Naval Intelligence (ONI), whereby the latter was and is to accomplish the interrogation of shipowners, operators, agents, masters and crews. Therefore, NSCID No. 7 should be reconsidered and amended to conform to this agreement, if such is the desire of the IAC, and

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the NSC. The Contact Division also is responsible under NSCID No. 14, as supplemented by DCID No. 14/1, for the exploitation and disposal of defectors in the United States.

For this latter purpose, coordination among the members of the IAC is attempted through an Interagency Defector Committee established in 1950 by DCID No. 14/1. The Contact Division also performs certain support services for the CIA and other intelligence agencies of the IAC. For example, it arranges with private industrial and commercial organizations for CIA analysts and other specialists to be trained in requisite fields; it acquires operational materials for the clandestine services; and it accomplishes other liaison functions between the commercial world and the intelligence agencies. It is estimated that field offices devote about 25% of their time to support operations. The producers of intelligence in the DD/I area of the CIA report that approximately [] of their raw information originates with the Contact Division. The Contact Division expended for the performance of its functions in FY 1950, []; in FY 1951, []; in FY 1952, []; in FY 1953, [] and in FY 1954, []. The functions and operations of the Contact Division tap a never-before systematically exploited source of intelligence information.' During the years the Contact Division has been in operation it has been able to establish amicable relationships with a large segment of the business and professional people of the United States who have extensive relationships abroad.

44. The Foreign Documents Division (FDD) of the Office of Operations had its beginning during 1946-47 when five organizations in the Washington area then engaged in the exploitation of captured German and Japanese documents were merged into a central operation under CIA for the benefit of all defense agencies. This operation proceeded rapidly and as it reached a close in 1948 the emphasis shifted to overtly published foreign language newspapers, periodicals and books, the exploitation of which for intelligence purposes it now accomplishes under authority of Section 102(d)(4) as a service of common concern and under authority of NSCID No. 16. From the beginning the FDD has been handicapped by a lack of the proper type of linguists, who were or could be trained to become area specialists and competent intelligence officers; by failure over a period of two years to procure the publication of an NSCID Charter directive and to establish a working subcommittee of the IAC on this subject (now done by NSCID No. 16); and by the vagueness of the collection requirements levelled on the FDD by the intelligence community. As to linguistic limitations these have been partially solved. The FDD now has a T/O of []. It has linguistic capacity in about 70 different languages (many of which can be worked in reverse from English into the various languages.) However, it still can meet only about 25% of the requirements levelled on it by the intelligence community. At the present time, the FDD has no linguistic capabilities in the following areas; Tibetan of Tibet; Kanarese, Tamil, Telugu, Malayalan, Gujarati of India; Nepali of Nepal; Swahili of the African East Coast; Amharic of Ethiopia and Georgian of the USSR.

45. On the basis of expressed information requirements, the FDD's function is to screen and scan foreign documents on the basis of expressed requirements for certain information. Information of value is extracted, collated or compiled in answer to these requirements. The information thus collected is then issued by the FDD in the form of reports, summaries or translations for dissemination

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by OCD. A limited effort of the FDD is expended on the analysis of Communist press propaganda at the specific request of consumer offices. At the present time the FDD is divided into five operating branches, viz. (1) USSR Branch, which processes an average of 1269 newspapers, 287 periodicals, and 19 books per month; (2) Scientific and Technical Branch, which processes an average of 17 newspapers, 150 periodicals and 150 monographs per month; (3), Eastern Europe Branch, which processes an average of 2961 newspapers, 512 periodicals and 26 books per month; (4), Far East Branch, which processes an average of 3200 newspapers, 217 periodicals and 40 monographs per month; (5), Western World Branch, which processes an average of 7843 newspapers, 722 periodicals and 14 books per month. The Reports Branch edits and prepares for reproduction a series of scheduled and unscheduled reports as indicated in Tab E. All classified translation service is handled entirely within the FDD; however, some translation service on unclassified material is performed on contract by external commercial facilities. The FDD expended for all purposes during FY 1950, [redacted] FY 1951, [redacted] FY 1952, [redacted] FY 1953, [redacted] and FY 1954, [redacted]. For external translation services there were expended in FY 1950, nothing; FY 1951, [redacted] in FY 1952, [redacted] in FY 1953, [redacted] and FY 1954, [redacted].

Like the Contact Division of the OO, the FDD in its exploitation of the intelligence potentials in the foreign language publications field, has tapped a hitherto unexploited source of information. Greater results could and should be achieved in this field by the steady build-up of a corps of linguists capable in all ethnic areas of possible intelligence interest, and who preferably could and would be available to the intelligence community in the event of war.

46. The Foreign Broadcast Information Division (FBID) of the Office of Operations conducts all Federal monitoring of foreign radio and press broadcasts pursuant to authority contained in Section 102(d)(4) of the National Security Act of 1947, and NSCID No. 6. It provides the intelligence agencies and other authorized Government departments with (1) immediate information on foreign events and developments; (2) information on reaction to U.S. policy statements and diplomatic moves; (3) the trends, emphasis and omissions in foreign radio propaganda; (4) an analysis of Communist propaganda as mass agitation and as elite communication; (5) a wide variety and a great number of items of interested factual information; (6) and current data on all foreign radio broadcast transmitters to include their programming in most cases. Foreign broadcast radio intercept stations are located to provide world-wide coverage with particular capacity for coverage of critical areas. At the present time stations are located at [redacted]

[redacted] British Broadcasting Corporation (BBC) Monitoring Service with which a working arrangement provides an exchange of monitored broadcast material on a quid-pro-quo basis; and it also collects information from the local press. The [redacted] stations also select information from newspapers as a supplement to radio monitoring. The other stations (which constitute over 90% of FBID's field operations) are engaged solely in radio monitoring. It is suggested that these latter field stations could and should be expanded to include the exploitation locally of press publications, provided suitable diplomatic arrangements could be made with the host nation.

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a. To accomplish all of these services, continuous radio surveillance and speed in transmission are necessary. Accordingly all field stations report to headquarters in Washington by teletype. Foreign radio transmission in voice, Morse, Hellscriber and radio teletype are monitored in and translated into English from 75 different languages.

b. Through a twenty-four hour day, seven days a week service, items of immediate importance are teletyped from the Washington Office to other intelligence offices and agencies. CIA interested offices, the Operations Coordinating Board of the NSC, and the Voice of America of the USIA. In addition, all field stations, in their respective areas, immediately pass on to certain interested U.S. Government officials items required or requested by them.

c. The bulk of the monitored information is disseminated in a mimeographed daily report composed of material which was intercepted in the thirty-two hours preceding publication. Upon approved request, a report containing a selection of voice broadcasts and press broadcasts from agencies not subscribing to international copyright agreements is provided to news agencies and radio commentators with Washington offices, to public and university libraries through the Library of Congress, and to foreign embassies with the approval of the Department of State. To meet specialized requirements, economic information concerning the USSR, its satellites and China is abstracted and previously was issued separately in weekly publications. Recently these special economic items have grown in such importance that all economic data is extracted and placed on cards, one item to a card, and transmitted to the user. This has resulted in the publication of an average of 1500 such cards per week.

d. As a byproduct of its own operational requirements, the FBID also provides to Government agencies the most complete collection of data available on the characteristics, location and programming of foreign broadcast transmitters.

e. The CIA users of FBID information state that of the total of all raw information used by them, FBID provides a total of about 10%

f. The vast distances involved in the Soviet Bloc, and the flexibility and economy of radio broadcasting have made of it a principal instrument of Communist regimes in propagandizing their own people and the people of other countries. It thus lays open to those who so desire, the opportunity to intercept and examine immediately and in full detail the open position of the Communist leadership on international and domestic problems. The monitored texts of broadcasts provide a fruitful field for text analysis directed to evidence bearing on specific intelligence problems which may be gleaned from inconsistencies, variations and developments in the position taken by Communist officials. The FBID publishes weekly analyses of these Communist propaganda trends, and special reports thereof are made in connection with national intelligence estimates and U.S. psychological warfare objectives.

g. Of the approximately 5,000,000 words monitored each day, approximately 210,000 are transmitted to Washington, of which approximately 92,000 find their way into a regular report. For the performance of all its functions

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the FBID expended during FY 1950, [redacted]; in FY 1951, [redacted]; in FY 1952, [redacted]; in FY 1953, [redacted]; and in FY 1954, [redacted]. Like the Contact Division and the Foreign Documents Division of the OO, the services performed by the FBID are in fact of common concern, are well coordinated and formally recognized by NSCID No. 6, and are of inestimable value to the intelligence community.

47. From the foregoing, it will be noted that the functions now being performed by the Office of Operations are in fact of common interest to all members of the intelligence community and are formalized by appropriate National Security Council directives. The excellent performance of these functions by the OO has resulted in the tapping of a source of information not hitherto considered or systematically attempted by the intelligence community. The Survey Team believes that the exploitation of this excellent source of information should be greatly expanded, particularly in the fields of contacts with our own returning citizens; and should include a greater exploitation of citizens of other countries (particularly of the Soviet Bloc) who are on visits to countries of the free world.

RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA

INTELLIGENCE RESEARCH

(OFFICE OF SCIENTIFIC INTELLIGENCE)

48. The Office of Scientific Intelligence (OSI), with an assistant director in charge, and a total on duty strength of [redacted] as of November 30, 1954, is charged with the performance of the following responsibilities under the policy guidance and direction of the DD/I, under authority of Section 102(d)(4) of the National Security Act of 1947, and under the provisions of NSCID No. 3 (January 13, 1948) and DCID No. 3/4 (August 14, 1952), and as assigned to the OSI by CIA Regulation No. 1-130 (August 10, 1954):

a. Establishes and maintains on the basis of the national intelligence objectives and other national security requirements, the CIA's intelligence research and production program in the field of scientific and technical intelligence (NSCID No. 3 and CIA Reg. 1-130).

b. Conducts research and produces intelligence on fundamental research in the basic sciences, on basic scientific resources, on medicine (excluding military medicine), on atomic energy; and on pertinent applied research and development for purposes of national intelligence, for contributions to the National Intelligence Survey (NIS) program, and to meet the needs in these fields of other intelligence organizations and Government agencies (NSCID No. 3 and DCID No. 3/4).

W ?
c. Correlates and evaluates all-source scientific and technical intelligence produced by other intelligence agencies, to meet the needs of the DCI and other officers of the CIA in fulfillment of their assigned responsibilities, and, where necessary, conducts research and produces scientific and technical intelligence to supplement that produced by other agencies (NSCID No. 3 and CIA Regs. 1-130).

d. Provides advice and makes recommendations to the DCI and other officers and offices of the CIA on methods for improving the coordination and activities of the scientific and technical intelligence effort of the Federal departments and agencies related to the national security (Section

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102(d) of the National Security Act of 1947, and CIA Reg. 1-130).

e. Provides advice and assistance to the Office of National Estimates (ONE) including scientific and technical contributions to national estimates (NSCID No. 3 and CIA Reg. 1-130).

f. Provides all-source current scientific and technical intelligence contributions as needed by the Office of Current Intelligence (OCI) and other officers and offices of CIA (NSCID No. 3, and CIA Reg. 1-130).

g. Establishes and maintains necessary collection requirements in the scientific and technical intelligence field for the collecting components of CIA as well as other agencies; and provides appropriate advice to other offices of the CIA, as requested, on requirements served on CIA for scientific and technical intelligence and intelligence information (NSCID No. 3 and CIA Reg. 1-130).

h. Studies and develops techniques and methods relating to the scientific and intelligence process and recommends employment where appropriate (Sec. 102(d) of the National Security Act of 1947 and CIA Reg. 1-130).

i. Conducts liaison with appropriate Government departments and agencies on matters pertaining to scientific and technical intelligence.

j. Provides the Chairman and Secretariat for the Joint Atomic Energy Intelligence Committee (JAEIC) of the IAC, which coordinates atomic energy intelligence activities of the Federal departments and agencies (DCID 3/4).

k. Provides membership and support to the Scientific Estimates Committee (SEC) of the IAC, including an executive secretary and secretariat as required (DCID 3/4).

l. Performs such other functions as may be directed, including responsibilities as the CIA's ELINT staff officer and responsibilities concerning electromagnetic warfare.

49. To accomplish the foregoing responsibility, the OSI is organized into a small headquarters staff and eight operating divisions, viz: (1) applied science; (2) biology; (3) chemistry; (4) medicine; (5) nuclear energy; (6) physics and electronics; (7) scientific analysis; and (8) scientific resources. Each of these divisions performs all of the foregoing responsibilities which may relate to its field of specialization. There were expended by the OSI in FY 1950, [redacted]; in FY 1951, [redacted] in FY 1952, [redacted] in FY 1953, [redacted]; and in FY 1954, [redacted]. Included in these figures are expenditures for external research projects in the sums of [redacted], [redacted], [redacted], [redacted] and [redacted] per fiscal year respectively.

50. Scientific intelligence in the present meaning of the term had its origin in World War II. The prediction of enemy development of new instruments of warfare, as opposed to the determination of the characteristics of existing

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equipment, reportedly was performed in that period by British, and to a lesser extent by German and United States intelligence. In the United States, rudimentary scientific intelligence activity was conducted more or less independently by the technical subdivisions of the Office of Scientific Research and Development (OSRD) and the technical services of the military forces. In addition, a small group in the Manhattan Engineering District followed intelligence on German atomic energy development. The continuing postwar need for scientific intelligence on foreign technical developments as background for our U.S. military research effort was recognized by Dr. Vannevar Bush of the Joint Research and Development Board (JRDB), the successor organization to OSRD. Discussions on this subject culminated on January 10, 1947, in the signing of an agreement between JRDB and the CIG. This agreement provided terms of reference whereby the then Scientific Branch/ORE (predecessor of OSI) would provide the scientific intelligence required by JRDB. Progress under the Scientific Branch/ORE was unsatisfactory. The first Hoover Commission report of November 1948 took note of the general disorganization and inadequacies in the fields of scientific and technical intelligence, including medical, and it recommended that a separate office be established to cover the field of scientific intelligence. Shortly afterward the Dulles-Jackson-Correa Survey Committee also recommended the establishment of a separate scientific intelligence office in CIA to be the focal point for coordination and appropriate centralization of scientific intelligence, including nuclear energy. These recommendations were carried out by a CIA directive dated 31 December 1948, and thus was born the present OSI. Since that date the OSI has gradually evolved its own mission within the framework of the National Security Act of 1947 and the basic directives of the intelligence community. Today its missions and responsibilities are considered by the OSI to be those stated in paragraph No. 48, supra. The development and full implementation of these responsibilities has been and continues to be a difficult task. The most vexing and, seemingly to date, unsolvable problems continue to center around the relationship of scientific vs. technical intelligence, and the development of improved coordination with the military agencies.

51. Although the OSI considers itself to be primarily a research and production organization, it recognizes that the quality of its finished product is directly related to the success of the collection efforts of the intelligence community as a whole. At the present time the principal sources of scientific and technical intelligence information are the Department of State, 1%; foreign military attaches, 11%; NSA, 60%; non-IAC agencies, 2%; CIA clandestine services, 4%; and the OO/CIA, 21%. The establishment of priorities and the serving of collection requirements on the collecting agencies present many problems in the scientific and technical field because of the lack of personnel competent in this field who are engaged in or available for collection activities. Continued efforts are being made by the Scientific Intelligence Community to solve this problem.

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52. The OSI also is experiencing difficulties in effecting coordination among the members of the scientific intelligence community, except in the field of atomic energy where coordination and cooperation are excellent and complete. The principal difficulties appear to be a lack of appreciation in both the CIA and the military intelligence agencies of the distinction between scientific intelligence concerned primarily with the future development potential of foreign nations, and technical intelligence concerned with the present weapons of foreign nations. These differences resulted, in August 1952, in the replacement of the Scientific Intelligence Committee with the Scientific Estimates Committee, which concerns itself with the integration of scientific opinion for the purposes of national intelligence, and only incidentally with the coordination of other scientific intelligence activities (DCID 3/4). This change apparently was a grave error of judgment, because since that time no appreciable progress has been made in the overall coordination of the scientific intelligence effort. On the other hand, coordination in the atomic energy intelligence field has been consistently successful, and all intelligence produced thereon shows the earmarks of a collective community effort. However, it, too, is somewhat handicapped in its work by the undue restrictions on the granting of clearances by the Atomic Energy Commission. To a large extent, this success in the atomic energy field is the direct result of experience and mutual cooperation developed in the Joint Atomic Energy Intelligence Committee (JAEIC). The Survey Team strongly urges the reestablishment of the Scientific Intelligence Committee, with as many working subcommittees as appropriate, under a charter which will permit it to operate in a manner similar to that of the present JAEIC. At the present time, progress in the electronic intelligence (ELINT) field, and the guided missile, biological and chemical warfare, medical, and electromagnetic warfare intelligence fields are unsatisfactory; in that insufficient raw information is not being received in these fields, and that suitable community-wide coordinating machinery has not been agreed upon and put into operation. It is believed that with the reestablishment of the Scientific Intelligence Committee, the appointment of adequate scientific attaches on diplomatic missions, as indicated in paragraph 51 above, and the continuation of the current policy of the military services to include technically qualified personnel on military attaché staffs, there will be a decided improvement in these fields of scientific intelligence. Recently, in December 1954, an interchange of communications between the CIA and the Department of Defense indicates the near solution of a hitherto vexing problem concerning the coordinated exploitation of the U.S. ELINT resources. A possible solution to this problem involves the establishment of a national ELINT CENTER, under the policy guidance and control of the USCIB in a manner comparable to that it exercises over NSA. This proposed solution should be effected as soon as practicable.

53. Intelligence research by the OSI is conducted in each field of science by a corps of qualified scientists (now about) on duty in the office, supplemented on call when necessary and appropriate by a panel of consultants now composed of 52 eminent scientists; and also supplemented when appropriate by external research on contract to other Government departments, universities and colleges,

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and other commercial organizations and activities. The results of this research are published to the intelligence community largely in the form of intelligence memoranda, summaries, working papers, reports, estimates, miscellaneous publications, research aids, and collection guides (ExE).

54. The OSI has made considerable progress in its attempts to build and staff an organization that can, if permitted, act as the focal point for the coordination of the scientific intelligence efforts of the intelligence community. However, it cannot go much further alone, and needs assistance by the accomplishment of the following suggested actions:

a. Change the title of OSI to "Office of Scientific Research".

b. Revise NSCID No. 10 to relieve the Department of State (because of its lack of special interest, funds, personnel, or other means) of its responsibility for the foreign collection of scientific and technical information, and assign that responsibility to the CIA (OSI),

for the collection abroad of open types of scientific information.

c. Revise DCID 3/4 to abolish the present SEC, and to reestablish in lieu thereof a scientific intelligence committee, with a charter which will permit the establishment of as many working committees thereof as may be appropriate (such as ELINT, Biological, Chemical, Medical, etc.), and thereby remove the present undesirable restrictions on the OSI and scientific elements of other intelligence agencies, and enhance and strengthen the interagency coordinating mechanism to cover the scientific intelligence activities of the participating agencies from the establishment of priorities in the initiation of research to and through finished production.

d. Up to the present time the CIA has been one of the major participants in the intelligence effort on foreign atomic development. While some success has been achieved in this field, the Survey Team believes that the division of responsibilities of the overall atomic energy intelligence effort would be better served if the Atomic Energy Commission assumed a more significant role in the development of such intelligence.

e. Publish an appropriate Executive Order and/or NSCID creating a U.S. National ELINT CENTER substantially in accord with the plans therefor which are now in final negotiation stages.

RESPONSIBILITIES AND FUNCTIONS OF THE DD/I AREA
INTELLIGENCE RESEARCH

(OFFICE OF RESEARCH AND REPORTS - LESS BASIC INTELLIGENCE PRODUCTION)

+55. The Office of Research and Reports (ORR) with an Assistant Director in charge, and a total on duty strength of as of 30 November 1954, performs its assigned functions under the policy guidance and direction of the DD/I. Its

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functions are threefold: Production of economic intelligence on the Soviet Bloc; production of geographic intelligence on all areas outside the United States; and coordination of the National Intelligence Surveys program and the activities of other intelligence agencies in the fields of economic and geographic intelligence. The intelligence production parts of these functions involves primary basic research and publication of results as well as research in direct support of national intelligence estimates, other CIA offices, and other IAC member agencies. To accomplish these functions the ORR is organized into a headquarters staff ([] persons) and three operating areas, viz., Geographic Research Area ([]); Economic Research Area ([]); and Coordination Area ([]); The ORR expended in FY 1950, \$--not available; in FY 1951, [] in FY 1952, [] in FY 1953, [] ; and in FY 1954, [] .

+ 56. The present ORR stems from the breakup in late 1950 of the Office of Reports and Estimates (ORE) which resulted in the creation of the Office of Current Intelligence (OCI), the Office of Scientific Intelligence (OSI), the Office of National Estimates (ONE), and out of the residue the Office of Research and Reports (ORR). Since that time the ORR has gone through several evolutionary organizational changes to arrive at its present organization in September 1953. There appear to be no major difficulties in the performance of the ORR's functions which are well defined by the NSC and the DCI. All of the important areas of possible conflict are largely eliminated by the establishment of appropriate community-wide coordinating machinery.

57. The Geographic Research Area is organized into a Cartographic Division, a Geographic Division, a Map Library Division, and a Photo Intelligence Division.

a. The Geographic Research Area functions had their beginning as part of the Map Division of the OSS in 1941. Later, in 1945, they were transferred to the Department of State, and from thence to the CIA in 1947.

b. The Cartography Division provides cartographic and graphic support to finished intelligence production, high-level briefings, and covert operations. Through its activities in the coordination of the National Intelligence Surveys (NIS) base mapping program and other inter-office and inter-agency support, the Division establishes standards of cartographic presentation and promotes presentation of intelligence data in cartographic form. During FY 1954, the Division produced 813 Visual Aids, 640 maps, and 288 charts, or a total of 1741 items at a total cost of about [] . Of these 1741 items, about 88% were in support of the CIA and the remainder for the support of other agencies.

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c. The Geography Division is responsible for providing geographic intelligence in support of covert operational planning, scientific and economic intelligence production and the NIS program. Its research includes area and urban analyses, border and route studies, and escape and evasion studies for both CIA and military use. The Division provides intelligence on Soviet activities in geodesy and photogrammetry as they bear on the Soviet Bloc war capabilities. It also contributes to and coordinates the NIS chapters on map and chart appraisal. During FY 1954 the Division produced a total of 72 reports at a total cost of about [redacted]. Of these 72 reports, 58 were made in support of the CIA, and 14 in support of other activities of the Government.

d. The Map Library Division is charged with the maintenance of an up to date library of foreign intelligence maps and related materials, and the coordination of map procurement activities for the mapping agencies of the U.S. Government. [redacted]

A joint acquisitions list of maps, which records the weekly map receipts of the U.S. Government agencies, has been published for a number of years by the Map Library. The principal inter-agency coordination conducted by the Map Library Division is the development and maintenance of a cooperative, joint map procurement effort, which is participated in by the CIA, the Army Map Service, the Aeronautical Chart and Information Center, the Hydrographic Office, the Coast and Geodetic Survey, the Geological Survey, the Library of Congress, and the Department of the Interior. The Inter-Agency Map Procurement Coordination Committee was established in February 1947 on an informal basis, initially by the Chief, Map Library, CIA and the Chief, Map Division, Library of Congress. During the remainder of 1947 all remaining mapping organizations joined the Committee, which now consists of members from the foregoing listed organizations. The Committee recommends procurement programs on the basis of agency needs, to the Chief of the Map Library Division in his capacity as chairman of the Committee and as Special Assistant for Maps, Department of State. The latter implements these procurement programs by passing them out as requirements to the various overseas Geographic Attache posts and Foreign Service Posts of the Department of State. During the past five years an average of some 50,000 map sheets per year have been acquired from foreign sources on behalf of the participating mapping agencies. Of this number about one-third are retained by the CIA Map Library. Also, an average of about 3,000 map sheets per year have been retained in the Map Library. Map exchange arrangements are maintained with some 140 foreign official and commercial agencies.

58. During the past four years map reference services available to the CIA and the intelligence community have remained relatively high. Increasing amounts of new materials are available to requesters from new programs such as the USAF Target Chart Program and from increased production by producing agencies. There reportedly is a continuing increase in the number of requesters who consult reference personnel in person rather than by telephone. There has been budgeted for the operation of the Map Library Division in FY 1955, the sum of [redacted] of which a total of [redacted] is for payment

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of personal services; and there were expended for this purpose in FY 1951, about [] in FY 1952, about []; in FY 1953, about [] and in FY 1954, []

The Photo Intelligence Division (with a total strength of 13 persons) was organized in 1953 in response to a reportedly increasing need for photographic intelligence support within CIA which was not being provided by other intelligence agencies. During FY 1953, it completed a total of 26 projects, all of which were in support of CIA, at a total cost of \$--not available; and in FY 1954 it completed a total of 59 projects, all but one of which were in support of CIA, at a total cost of []

59. The Economic Research Area, with a total current on-duty strength of about [] persons is by far the largest element of the ORR. Pursuant to NSCID Nos. 1 and 15 and DCID No. 15/1, it is responsible for that part of the ORR mission pertaining to the production of economic intelligence on the Soviet Bloc, excepting only such military intelligence specialties as production of military and items, shipping and target analysis; and to the conduct of such research and production of such foreign economic intelligence as may be required to supplement that produced by other agencies and to fulfill IAC requests. At present approximately two-thirds of economic intelligence production is undertaken in direct support of requests of various consumers. The number of projects completed for the internal use of CIA were in 1951, 28; in 1952, 34; in 1953, 31; and in 1954, 38; and the number of projects completed for other agencies during those years were, 33, 15, 4 and 18 respectively. During those years there have been disseminated a total of 99 Economic Intelligence Reports, 84 Economic Intelligence Reports (Special), 5 Research Aids, 34 contributions to National Intelligence Estimates, and 253 other types of intelligence papers and memoranda.

a. Economic research had not been particularly stressed in the old Office of Research and Estimates; but when the present Office of Research and Reports was organized in 1950 and the economy of the Soviet Bloc was made a major intelligence target, there began a real interest and effort in the economic research field of intelligence responsibility. By early 1952 economic research had made considerable progress in the establishment of a base for analysis of the Soviet economy; source development programs were well under way; the latest techniques of economic analysis were being applied to the problems; staffing of the Area was advancing; research standards had been raised; and good working relationships had been established with other U.S. intelligence agencies and with the British. Also, late in 1952 a major effort was begun on the economy of Communist China. In 1953 economic research began to publish its results based on all-source intelligence information. In 1954 the research program was recast with emphasis on completing projects on schedule and allocating a substantial portion of available research time as a reserve to anticipate requests for support from users of economic intelligence production. A survey of consumer needs was conducted. It was found that the largest block of available research time is allocated to the economic portions of National Intelligence Estimates. Considerable time also is allocated to the production of Chapter VI of the National Intelligence Surveys on Soviet Bloc countries; and considerable time is also devoted to economic intelligence projects in support of clandestine and covert operations of the DD/P. The Economic Research Area is now organized into (1) an Industrial

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Division; (2) a Materials Division; (3) a Services Division; and (4) an Analysis Division. Each of these operating divisions may be called upon to provide secretariats for the various subcommittees of the Economic Intelligence Committee (EIC) (See Coordination Area below) which may be operating in its respective field of responsibility; and each is responsible for contributing, in its field, to national estimates, to current support of the Office of Current Intelligence, to the economic chapters of the NIS for Soviet Bloc countries, and to the coordination of economic intelligence in the U.S. Government. In much of the research which these divisions carry out, they reportedly work closely with other intelligence agencies, drawing (where possible) on their respective capabilities in order to solve collectively various intelligence problems of common interest. Usually these formal joint projects are carried out through the mechanism of the EIC and its numerous working subcommittees. The Economic Research Area expended for all purposes in FY 1951, [redacted]; in FY 1952, [redacted]; in FY 1953, [redacted] and in FY 1954, [redacted].

60. The Coordination Area, as now defined, had its beginning in August 1952. The Chief of this Area is responsible for directing the activities of the Economic Intelligence Committee (EIC) Secretariat, the Economic Defense Division, the Techniques and Methods Division, and the Basic Intelligence Division (This latter division will be considered separately in this report).

a. The EIC Secretariat provides continuing staff support for the EIC, including: guidance to subcommittees and working groups; review of subcommittee and working group reports and surveys prior to presentation to the EIC; recommending to the EIC survey methods for determining the effectiveness of the programs and facilities of the intelligence community in meeting national security requirements for foreign economic intelligence, the availability and quality of economic research studies and information; undertaking such surveys and studies as the EIC directs; recommending preparation of studies on priority economic intelligence problems; maintenance of communication among EIC elements; and furnishing other secretariat services required by the EIC in fulfillment of its terms of reference.

(1) By early 1950 it became evident that there was a need for more effective and better-coordinated foreign economic intelligence. Accordingly, the NSC directed the CIA, in collaboration with the various other Government agencies concerned, to survey the needs for a coordinating agency in this field. In May 1951 the DCI reported to the NSC that, although foreign economic data were being regularly collected and analyzed by about 24 U.S. agencies, no adequate machinery existed for the mobilization of the available data and analytic competence around priority national security problems; and that there were important gaps in collective U.S. knowledge, reflecting a lack of any regular procedures for identifying and filling deficiencies in research or in collection of basic data. The recommendations to the NSC included two draft documents; viz., (a) NSCID No. 15, approved by the NSC 22 June 1951, which assigned CIA broad responsibility for

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the continuous review and coordination of foreign economic intelligence; and (2) an IAC directive 22/1, revised and approved by the IAC 29 May 1951, which established an Economic Intelligence Committee under the IAC as the principal means for implementing the CIA reviewing and coordinating responsibilities. Specifically, the EIC was authorized and directed to:

(a) Arrange for the mobilization of available data and research in support of the operating problems of individual agencies dealing with economic security; and arrange concerted economic intelligence support for studies on selected major issues of interagency interest.

(b) Examine continuing U.S. programs of foreign economic intelligence research relating to the national security with a view to recommending responsibilities for specific fields of inquiry; and periodically evaluate the pertinence, extent and quality of the data and analyses available, in order to recommend action priorities for filling specific critical gaps.

(c) Review continuously the foreign economic intelligence activities of the U.S. Government, and undertake special reviews of existing procedures for processing and distributing economic intelligence in order to make appropriate recommendations for improvements;

(d) Establish such subcommittees and working parties as were judged necessary.

(2) From its inception the EIC was called upon to produce coordinated studies bearing on foreign economic problems of national security importance; to conduct continuous reviews of the research program and to identify critical gaps; and to make reviews of foreign activities and procedures for processing and distribution, including improvement of collection and coordination through its subcommittee on requirements and facilities for collection. To this end this latter subcommittee of the EIC has provided systematic coordinated guidance for economic intelligence reporting through the Foreign Service from Free World countries - the Comprehensive Economic Reporting Program (CERP) of the State Department; the [redacted] for improving the collection of intelligence from travellers within the Soviet Bloc; and for the improvement of the availability and usability of foreign language documents to analysts engaged in economic intelligence research. This latter subcommittee also gives advice to agencies in the development of central depositories and indexes of documentary economic intelligence material, including arrangements for the extraction of information from the files of the U.S. Government operational programs throughout the world.

(3) At the present time the EIC is comprised of a representative of the State, Army, Navy, Air Force Departments, the JCS, the CIA and nineteen (19) non-IAC agencies of the Government. It has a total of thirteen

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(13) continuous-type subcommittees, and various Ad Hoc working groups as needed on the production of NIEs, studies for the IAC, and studies for individual agencies. In short there appears to be a coordinating committee or working group on practically every facet of economic intelligence research which may have a bearing on national security. Personal observation has convinced the Survey Team that the coordinating machinery is excellent, and so far as could be determined the respective economic analysts were endeavoring to perfect the collective products of the intelligence community.

b. The Economic Defense Division furnishes the chairman and secretariat for the Inter-Agency Economic Defense Intelligence Committee (EDIC), previously called the Intelligence Working Group, which supports economic defense activities. It also provides the Intelligence representation on the Diversion Control Net, the Administrative Action Panel, the Operating Committee, the Advisory Committee on Export Policy, the Joint Operating Committee, the Economic Defense Advisory Committee (EDAC) Executive Committee and EDAC itself. The division produces intelligence on clandestine trade and financial transactions of the Soviet Bloc, coordinates intelligence produced by other ORR divisions on the strategic importance to the Soviet Bloc of specific commodities and industries, and produces other intelligence studies related to specific economic defense problems. It mobilizes intelligence about foreign firms and individuals who are engaged in financial and foreign trade transactions with the Soviet Bloc contrary to US security interests; and it maintains a central reference service on transactions that are , or are suspected of being, in evasion of Free World economic defense measures. Since 1952 to date, the division has produced a total of 157 intelligence projects reports, of which 142 were produced at the request of agencies outside the CIA, one was produced at the request of ONE, one was produced at the request of OCI and thirteen were produced at the request of the DD/P. There was expended for economic defense intelligence support in FY 1951, about [redacted]; in FY 1952, about [redacted] in FY 1953, about [redacted]; and in FY 1954, about [redacted].

c. The Techniques and Methods Division develops techniques for obtaining information from the study of [redacted] industrial products and applies these techniques to producing intelligence on the Soviet Bloc economy. The division undertakes field exploitation of captured or otherwise procured Soviet equipment; it maintains an inter-agency [redacted] Center, which maintains liaison with foreign intelligence agencies in this field; and it produces [redacted] studies, and makes contributions to all-source finished intelligence. The operations of this division appear to be for the benefit of all intelligence agencies as a matter of common concern, and seemingly have tapped a new source of intelligence information not hitherto systematically exploited by any of the intelligence agencies. Although there are some working agreements in existence which permit CIA to perform this collection and analysis service of common concern, those agreements should be made formal by the issuance of appropriate NSC and-DEI numbered intelligence directives. There were expended on this program in FY 1951, \$--not available; in FY 1952, \$--not available; in FY 1953, [redacted]; and in FY 1954, [redacted]

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61. In addition to the elements of coordination referred to in the preceding paragraph, there has been placed under the control of the Chief of the Coordination area the responsibility for coordinating the intelligence community's efforts in the production of National Intelligence Surveys (Basic Intelligence). Because of the importance of this type of intelligence it is discussed separately below under the heading of "Basic Intelligence".

RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA

(PRODUCTION OF BASIC INTELLIGENCE)

62. As previously stated in this report, all information such as raw reports or finished research reports, possessing intelligence value relating to the national security, eventually ends up, as a part of what is commonly referred to as Basic Intelligence, or Current Intelligence, and from thence, if pertinent to the questions at issue, becomes a part of or is considered during the preparation of National Estimates. Therefore, one of the most important sources of information for the preparation of a National Estimate on any subject would be the possession of a National Intelligence Survey or a book of knowledge on any pertinent subject on any country or area of the world which sets forth complete and up-to-date factual data on the subject at issue. Unfortunately, such a goal is hardly attainable, because of the evolutionary changes which are constantly taking place in every field of human endeavor and which, therefore, tend to make out of date any so-called basic data which one might possess. Thus there is a constant need for a more recent-type of information (Current Intelligence) to supplement and complement the outdated information contained in the book of knowledge. Nevertheless, since the production of a usable National Estimate is wholly dependent on the possession of adequate intelligence information, it follows that such National Estimates as are based solely on current intelligence and/or spasmodic intelligence research type reports on isolated subjects will be invariably inadequate and dangerous to the interests of national security; and, therefore, there must be established suitable organizations and methods which will produce as soon as practicable and keep up to a reasonably current date a book of knowledge or National Intelligence Survey of every country or area of the world which now has or later may have a bearing on the security of the nation.

63. The coordination of the production of Basic Intelligence is now being accomplished by the Basic Intelligence Division of ORR, under the basic authority of NSCID No. 3; but because of the very great importance of this intelligence production activity and functions, the members of the Survey Team urge that consideration be given to the establishment of a separate office for this purpose, with an Assistant Director in charge, as was done in the case of the Office of Current Intelligence (OCI), the operations and functions of which, we believe, are not nearly as important as the production and up to date maintenance of Basic Intelligence data.

64. The charter contained in NSCID No. 3 (approved January 13, 1948) for the production of Basic Intelligence prescribes in pertinent part that -

a. "Basic Intelligence is that factual intelligence which results from the collation of encyclopedic information of a more or less permanent or static nature and general interest which, as a result of evaluation and

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interpretation, is to be the best available."

b. "An outline of all basic intelligence required by the Government shall be prepared by the CIA in collaboration with the appropriate agencies. This outline shall be broken down into chapters, sections and subsections which shall be allocated as production and maintenance responsibilities to CIA and those agencies of the Government which are best qualified by reason of their intelligence requirements, production capabilities, and dominant interest to assume the production and maintenance responsibility."

c. "When completed this outline and tentative allocations of production and maintenance responsibilities shall be submitted for NSC approval and issued as an implementation of this Directive. It is expected that as a result of constant consultation with the agencies by the Director of Central Intelligence, both the outline and the allocations will be revised from time to time to insure the production of the basic intelligence required by the agencies and the fullest possible use of current agency capabilities. Changes in the outline of allocations shall be effected by agreement between the Director of Central Intelligence and the agencies concerned."

d. "This basic intelligence shall be compiled and continuously maintained in National Intelligence Surveys to cover foreign countries, areas, or broad special subjects as appropriate. The National Intelligence Surveys will be disseminated in such form as shall be determined by the Director of Central Intelligence and the agencies concerned."

e. "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."

f. "Departments or agencies to be called on for contributions to this undertaking may include agencies other than those represented permanently in the IAC."

65. The foregoing directive grew out of experiences during World War II, when it was found that there was a vital need for the collection, coordination and publication of basic intelligence on all foreign countries and areas for use in high level operational and strategic planning, national estimates and policy determinations, the possession of which was lacking to the United States; whereas its allies and adversaries had spent years in accumulating basic facts on other countries. This resulted in the diversion of a disproportionate amount of intelligence time and manpower to provide a modicum of such information during the war. Hence the decision in NSCID No. 3 to produce Basic Intelligence during peacetime.

66. In response to NSCID No. 3, the requirements for basic intelligence were outlined by CIA in collaboration with other intelligence agencies. The world has been divided into 103 land areas and coverage of each area analyzed

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under the major topics and subtopics that now appear as chapters and sections in the completed NIS. In addition special NISs cover the five major ocean areas of the world. Topical responsibility has been assigned to each participating agency according to its mission, dominant interests, and capabilities for specialized appraisal and world-wide collection of information on each topic. Standards have been agreed upon for the quality of intelligence to be produced and uniform reference systems adopted for base maps, geographic names, and stations. The resulting outline of requirements, responsibilities and standards was approved by the IAC and the NSC and subsequently published as the NIS Standard Instructions. The Joint Chiefs of Staff set the overall priorities for the development and production of basic intelligence, but collection of information proceeds more or less simultaneously for all important areas under the NIS program. The organization to implement the NIS program consists principally of the NIS subcommittee of the IAC comprised of representatives of the CIA and intelligence agencies of the State, Navy and Air Force Departments, and an advisory member from the Joint Staff of the Joint Chiefs of Staff. In the development of the NIS program it was found that many serious gaps existed in our total intelligence of which the responsible agencies were unaware until they examined their intelligence files in the light of NIS requirements.

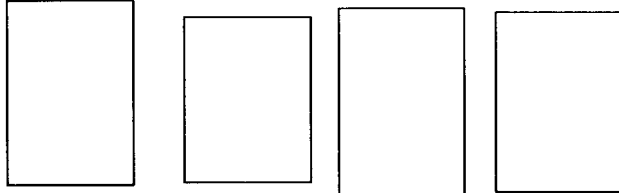
67. A substantial part of the fiscal support for the NIS program is borne by CIA. This includes not only the costs of printing the NIS, the development of base maps and gazetteers, and the production of its own contributions, but also the fiscal support of the Department of State's responsibilities for NIS as well as those of the Departments of Agriculture and Interior. The Department of Defense agencies furnish fiscal support for their own NIS responsibilities. Consistent NIS support of the NIS program is never assured under procedures now in effect, whereby agencies of the Department of Defense seek their own appropriations, because of the instability of personnel assignments. The NIS program now has a production goal of 8 equivalent completed NIS per year. To accomplish this requires balanced production among and by all contributors according to their prognosticated capabilities, since interagency allocations necessitate a nicety of production dovetailing so that subsection contributions may fit into the section contributions and the section contributions into the chapter or supplement. Therefore, when some of the contributions are deleted or set back because of lack of money or stability of personnel, the effect is cumulative production defects - the chapters have to await the sections and the sections, the subsections. In the past, there also has been a tendency in some agencies to put off NIS work in favor of the production of more glamorous types of intelligence - current and estimates.

68. There have been expended by the CIA for the operation of the NIS program during FY 1951, about []; FY 1952, []; FY 1953, [] and FY 1954, about []. Included in these figures are the following sums which were expended by the CIA in support of the NIS program by other Government agencies:

	1951	1952	1953	1954
Department of State	[]	[]	[]	[]

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Department of Agriculture
Department of the Interior
Government Printing Office
(for printing NIS)



69. The NIS program has shown steady growth and progress during its few years of operations, until today it stands as the largest and most comprehensive intelligence production program of the Government; but much still remains to be done. It appears to be firmly supported by the intelligence community which is increasingly relying on the NIS to satisfy essential basic intelligence requirements. Moreover, the completed portions of the NIS program, together with the working files in the various intelligence agencies which have been greatly expanded under the stimulus of NIS requirements, are providing integrated basic intelligence in depth to serve departmental and operational needs. To date, there have been produced more than 2,200 NIS sections, representing about 40% of the total world coverage, principally on areas of high priority established by the JCS; there have been produced NIS Gazetteers, comprising more than 1,000,000 geographic names on 72 foreign areas; and there have been established the beginnings of an active maintenance program for the necessary revision of published NIS and Gazetteers. The full development of the NIS program is a formidable task because of the comprehensive nature of basic intelligence and the world-wide scope of its coverage. It is the view of the Survey Team that the NIS Program would be materially stimulated and placed on a more efficient and economical basis if this activity were given the formal recognition and the prestige to which it is entitled by reason of its scope and importance, and if it were given a separate office status under the direct control of an Assistant Director as suggested in paragraph 63, supra.

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RESPONSIBILITIES AND FUNCTIONS OF DD/I AREA

(Production of Current Intelligence)

70. The Office of Current Intelligence (OCI), with an Assistant Director in charge, and a total on duty strength of 333 as of November 30, 1954, performs its assigned functions under the policy guidance and direction of the DD/I, and in accordance with the provisions of Section 102(d), National Security Act of 1947, and pursuant to authority contained in NSCID No. 3, wherein it is stated that the CIA and other agencies shall produce and disseminate such current intelligence as may be necessary to meet its own internal requirements or external responsibilities. Under these authorities the OCI has been directed to:

- a. Produce all-source current intelligence and provide internal and external current intelligence briefing and support as directed.
- b. Maintain a 24-hour Central Intelligence Agency watch to alert United States Government officials upon receipt of critical information.
- c. Produce indications intelligence in support of the CIA member of the IAC Watch Committee and provide administrative and substantive support for the National Indications Center as directed.
- d. Represent the CIA in formulation of policies and procedures relating to procurement, utilization, exploitation, security and control of special intelligence information.
- e. Regulate the special intelligence activities and contacts of CIA personnel at other agencies.
- f. Direct the preparation, execution and administration of the CIA special intelligence program.
- g. Perform special functions such as to furnish the secretariat for USCIB and some personnel to staff the National Indications Center, as specified by the DCI.

71. To carry out these functions, the present OCI was created in late 1950, and it is now organized into a headquarters staff (□ persons); a production staff (□ persons); and two operational staffs - the Soviet Staff (□ persons) and a Regional Staff (□ persons), divided into three geographic divisions, which together cover the world (less Soviet).

72. The union of responsibilities for processing special intelligence (communications intelligence (COMINT) within the CIA, and for the production of current intelligence in a single office (the OCI), has made possible

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the establishment of a production office for current intelligence which utilizes intelligence information from any and all sources. The OCI reports that of the raw information which it utilizes for current intelligence production of its dailies, about 13 percent is received from CIA clandestine services, about 9 percent from FBIS of CIA, about 51 percent from the Department of State, about 7 percent from attaches, and about 19 percent from COMINT. The OCI expended for all purposes in FY 1951, [redacted]; in FY 1952, [redacted]; in FY 1953, [redacted]; and in FY 1954, [redacted]. In furtherance of its mission to produce all-source current intelligence in support of the DCI's responsibilities for giving intelligence advice to the members of the NSC, the OCI now produces from the flow of raw information and reports into that office the following intelligence publications:

a. The current Intelligence Bulletin, published daily, Monday through Saturday, which contains a selection of the most important intelligence received from all sources, with evaluation and comment, prepared as a briefing for the President.

b. The current Intelligence Digest, published daily, Monday through Friday, which contains a comprehensive digest of important information received, with evaluation and comment, for distribution to analysts at the desk level in CIA and other interested agencies. This is classified Secret, but there are also Top Secret and COMINT Supplements which are prepared when necessary and distributed to special recipients.

c. The Watchpot, published daily Monday through Saturday, which contains a very terse summary for the use of CIA officials of information from all sources as of one hour before the close of business each day. A morning edition is also published covering information received during the night.

d. The Intelligence Digest for the Director, published daily Monday through Friday, which contains a very short daily summary for the DCI of items not contained in other publications read by him.

e. The Current Intelligence Review, published weekly on Wednesdays, which contains all source information explaining trends and problems of current concern.

f. The Current Intelligence Weekly, published weekly on Thursdays, which contains a secret version of the Intelligence Review, for circulation to offices which do not have access to COMINT.

g. The Situation Summary, published weekly on Thursdays, which contains a round-up from all sources of indications, including contributions from the military services, bearing on Soviet orbit capabilities and intentions.

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h. Other types of special publications and briefing materials, concerning certain aspects of current intelligence, are prepared and published at irregular intervals as the need therefor arises.

73. It will be noted that except for the weekly Situation Summary no special effort is made by the OCI to coordinate its current intelligence production with that of other intelligence agencies. While the Survey Team realizes that under existing procedures for the production of current intelligence there is widespread duplication of effort among the various agencies of the intelligence community, nevertheless it sees no satisfactory or feasible alternative to the production of current intelligence by the OCI, so long as the DCI is charged with his current responsibilities to give intelligence advice to the members of the National Security Council. However, a coordinated effort has been developed in this area by the Watch Committee of the IAC and its National Indications Center which serves to assure the probable accomplishment of one of the most important, if not the most important, missions of the intelligence community - "collecting and analyzing indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world. The Survey Team believes that further efforts of all concerned can result in an integrated and coordinated current intelligence product. Also, there have been developed in the OCI a considerable number of expert analysts who have acquired expert knowledge of across-the-board types of intelligence information (economic, scientific, political, military, cultural, sociological, etc.) which is of inestimable value to the ONE when it is engaged in the production of a national estimate. The Survey Team has no further constructive suggestions to offer concerning the operations of the OCI, except to urge a greater exploitation of the specialized knowledge of the area analysts on the part of the Office of National Estimates and the Office of Basic Intelligence in connection with their responsibilities as producers of completed intelligence estimates and National Intelligence Surveys.

(Production of National Estimates)

74. The Office of National Estimates with an Assistant Director in charge and an on-duty strength of as of November 30, 1954, performs its functions under the policy guidance and direction of the Deputy Director (Intelligence), and under the mandate to the CIA of the National Security Act of 1947, wherein, (in Section 102(d), it is directed "to correlate and evaluate intelligence relating to the national security.....using where appropriate existing agencies and facilities"; and under the provisions of NSCIDs Nos. 1 and 3 and recommendations of the first Hoover Commission and the Dulles-Jackson-Correa reports to create a small group of capable people, freed from administrative

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detail, to concentrate upon the production of national intelligence estimates. In this sense, National Intelligence is defined in NSCID No. 3 as being "integrated departmental intelligence which covers the broad aspects of national policy and national security, is of concern to more than one department, and transcends the exclusive competence of a single department..." The present organization and operations of ONE reflect the recommendations of the aforementioned committees. From the very beginning the basic concept of ONE has been and continues to be that it has but one mission; to produce national intelligence estimates (NIEs) in close collaboration with other agencies of the IAC, which will serve as essential intelligence backing for U.S. policy and planning at the highest level of Government. The ONE also provides the secretariat for the IAC; it coordinates the formulation of intelligence objectives, and it points the way for collection requirements. To carry out its mission, ONE is organized into three components: a Board of National Estimates, the Estimates Staff, and the Support Staff. Collateral to this organization is a panel of consultants, consisting of eminent individuals of national reputation in their respective fields. ONE expended for all purposes in FY 1952, [redacted] in FY 1953, [redacted] and in FY 1954, [redacted]. From its creation as a separate office to July 1, 1954, ONE, in collaboration with the IAC, produced a total of 149 national estimates; and there are programmed for completion during the period of July 1, 1954, to June 30, 1955, a total of 40 national estimates. These programmed estimates are habitually revised and brought up to date each three months to meet any changes in intelligence trends or indications.

75. The Support Staff (about [redacted] persons) of ONE provides the administrative support for the Board of National Estimates and the Estimates Staff. The Estimates Staff consists of a small group (about [redacted]) of intelligence officers specially selected for their competence to give staff support to the Board of National Estimates. They prepare draft estimates from all sources including contributions submitted by the intelligence agencies of the IAC; provide knowledge and judgment on trends and developments in areas the world over; and provide liaison with organizations and activities with which ONE works (IAC Watch Committee, NSC Planning Board, the Joint Staff, [redacted] etc.). The Estimates Staff is subdivided into four main geographic areas: USSR and Eastern Europe; Western Europe; Near East; and Far East. The Board of National Estimates is the core of ONE. It consists of up to ten senior intelligence officers of long and varied experience in intelligence and related fields. The Board is responsible, on the working staff level, for the estimates produced. It takes the leadership in deciding which estimates to produce in the case of self-initiated estimates, and sometimes to determine the scope of those requested by the IAC, NSC, or other high authority. The Board reviews terms of reference and draft estimates before they go to IAC agencies. A member of the Board is chairman of the meeting of IAC representatives who meet with the Board during the interagency coordination process; and the Board decides when a draft is ready for IAC consideration.

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76. The production of national estimates, through the collaboration of the IAC agencies, is a complex process and is still undergoing evolutionary changes. The first step in the estimates process, the initiation of a national estimate, is based either on a request from the policy makers or, as is more commonly the case, on the suggestion by an intelligence component of the IAC (usually CIA) that a situation is developing about which the policy makers should be apprised. The IAC, or the DCI, must and does approve the scheduling of each estimate, the need for which must be timely and national in its scope. The next step is the preparation by ONE of the terms of reference for the estimate, appropriate sections of which (as agreed to by the IAC agencies) are sent to the various IAC agencies and/or to other CIA offices (OSI-CRR) calling for contributions in accordance with their ability to contribute. Drawing upon their full resources, contributing agencies prepare and send in their respective contributions to the estimate. Upon receipt of these contributions, ONE prepares a draft of the estimate, which is sent to the respective contributors for review, and further suggestions. Thereafter, the Board of Estimates meets with IAC working-level representatives to discuss the revised draft of the estimate and attempt to resolve all differences and arrive at a common estimate, short of watering down the estimate to a point where it would be meaningless. This version of the estimate then goes before the IAC where any remaining differences are discussed and resolved if possible. In the end, the estimate as approved by the DCI, together with accompanying major dissents, if any, is then published and transmitted to the requester of the estimate and/or to others who may have an official interest therein.

77. This coordinating process usually takes from one to three months to produce an estimate, although some have been produced on a "crash" basis in as little as 24 hours. Although there are still certain administrative and operational problems to be solved in the smooth and timely production of national estimates, the intelligence community is well aware of them and is attempting to solve them in such fashion as to be beneficial to the national security effort. Based on four years of operations, the present members of ONE feel that the present system of producing national estimates is as good as can be evolved under present conditions. The system results in the production of a single best agreed estimate based on all the intelligence which can be brought together by cooperative procedures, and strenuous efforts are made to avoid the mere production of top secret platitudes in efforts to gain complete agreement. Rather, there is a feeling that strong dissents are not only useful but essential in the presentation of intelligence guidance to policy makers.

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78. The Survey Team has heard references to the rumor that the CIA often slants the content of the drafts of estimates, particularly those prepared under "crash" conditions, to suit its own views, sometimes without regard to the views of the contributors or the possession of factual data contrary thereto. The Survey Team obtained no slightest evidence to substantiate such rumors. On the contrary, careful reading of several post estimates and postmortems thereof indicate a distinct effort on the part of CIA and other IAC members to resolve differences of opinion short of compromising principle. It is obvious that, in the case of the most urgent "crash" estimates there is not the same opportunity for wide participation and lengthy discussion of divergent views as marks the normal estimate. The Survey Team believes that even in situations of such immediacy a "National Estimate" requires that a strong effort be made to obtain optimum coordination beyond mere CIA participation. It also believes that on such occasions the importance of the time element is such as to make "optimum coordination" substantially less than "maximum coordination!" All in all, the Survey Team is of the opinion that the ONE and the IAC are doing a remarkably good job in producing national estimates under present conditions and with the intelligence information material available. Unfortunately, postmortems of these estimates indicate that there are large and numerous gaps in the intelligence information available to those charged with producing the estimates. Therefore, it must be concluded that the national estimates now being produced by the IAC are not entirely adequate for the purposes for which they are intended.

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RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(General)

79. As previously stated in paragraph 27 supra, the responsibilities and functions of the Deputy Director (Support) (DD/S) are grouped as one of the three major areas of responsibility of the CIA. The mission of this support area is to provide administrative and logistic support for the CIA as a whole, and for the DD/I and DD/P areas of the agency. As of December 31, 1954, the entire DD/S area had an on-duty strength of about [] or approximately [] of the strength of the CIA. A regrouping of offices and activities comprising the DD/S area was accomplished effective February 3, 1955, as stated in paragraph 26 supra. The DD/S area now is comprised of a headquarters and staff comprising (1) the General Counsel; (2) Special Support Staff; (3) Commercial Staff; (4) the Medical Staff; (5) the Audit Staff; and (6) the Management Staff; and six operating offices; viz., (1) Office of Communications, (2) Office of the Comptroller, (3) Office of Logistics, (4) Office of Training, (5) Office of Personnel, and (6) Office of Security (see Tab E). In theory, this new grouping of administrative and logistic services into one single area of responsibility under the policy guidance and direction of the Deputy Director (Support) (DD/S) is supposed to be conducive to a reduction in administrative and logistic overhead, and more economical and efficient operations. However, it is the view of the Survey Team that the consolidation of these services into a single support area tends to tie together more closely than is desirable the operations of the DD/P and DD/I areas; and ~~the result~~ in the end will result in the CIA as a whole losing its preferential Government organizational position directly under the National Security Council, and will reduce it to a position under the Department of Defense or the Joint Chiefs of Staff; in which case, the CIA no longer will be in a position to produce coordinated national intelligence, but will be merely producing departmental intelligence in the same manner as other departmental intelligence agencies. The Survey Team, therefore, urges that this regrouping be reconsidered and that instead the administrative and logistic services of the Agency be reorganized to make the area of responsibility of each operating deputy director administratively and logistically self-supporting, as suggested in paragraph 21 supra. Be that as it may, the DD/S area now performs two general types of administrative and logistic services: (1) those normally referred to as housekeeping or headquarters services, which are accomplished for all of the Agency located in Washington, and which comprise only from about [] percent of the time and effort of the DD/S area; and (2) those normally referred to as operational or field services which are accomplished for the DD/P area, and which comprise from [] percent of the time and effort of the DD/S area.

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80. The headquarters and staff, with a current on-duty strength of about [] are assigned the functions and responsibilities implied by their respective titles. Here rest the responsibilities for reports and publications controls, and for the accomplishment of management surveys as required. Seemingly, the DD/S and his staff are attempting to perform for the Agency all of those functions which would normally come within the operational province of an executive and general secretariat, and in addition, they provide certain technical and professional advice and guidance. The Survey Team is not convinced of the adequacy and effectiveness of the controls exercised and services performed by this headquarters and staff. A comprehensive and thorough management survey of the agency is requisite to a full awareness by the DCI of the status of his agency administration; such awareness of administration is vitally essential to an increased effectiveness of the agency's operations. It is the opinion of this Survey Team that the report of such a survey must be brought to the attention of the DCI himself, or of a true Executive Director in order most effectively to serve the interests of improved agency management.

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(Office of Communications)

81. The Office of Communications (Commo) under an Assistant Director, and with a present on-duty strength of [] until recently performed its functions under the direct control of the DCI, but since February 3, 1955, it has performed them under the policy guidance and control of the DD/S. The mission of Commo is to provide staff support to the DCI by advising him on communications and electronic matters, and to provide communications command support by the establishment and operation of signal centers and electronic communications facilities utilized in the transmission of classified communications traffic. To accomplish this mission Commo maintains and operates a world-wide network of communications stations, and operates on an annual budget of about []. Of this sum, [] percent is expended on executive control and operations support; [] percent on engineering support; [] percent on the operation of the U.S. basic signal center; [] percent on special activities, and [] percent on the operation and maintenance of the overseas communication system.

82. Commo performs its own support and control functions such as:

- a. Planning for and implementing programs to satisfy requirements of operating offices.
- b. Training of personnel in cryptography, operation and maintenance of communications electronic equipment and related subjects with emphasis on procedures and methods peculiar to CIA.
- c. Establishing cryptographic and transmission security standards and protective monitoring of CIA communications circuits to insure compliance with the established standards.

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d. Developing, authorizing, storing and issuing of cryptographic systems, equipment and material employed by all Agency activities.

e. Furnishing representation on interagency communications committees, and conducting liaison to assure that the cable traffic of CIA is adequately and properly integrated into the various cover organizations.

83. Commo performs its own engineering support services. Where practicable, it utilizes [redacted]

[redacted] And, it is reported that the CIA communications facilities are engineered to meet initial global wartime needs; that the present staff is well trained and experienced, and constitutes a cadre for wartime expansion; and that efforts are being made to establish a reserve corps of qualified personnel which can be mobilized immediately upon the outbreak of hostilities.

84. [redacted]

[redacted] Although it is engineered primarily to supplement military systems and networks, in some respects it appears to be partially duplicative of those systems in some areas of the world. In wartime, this duplication may be necessary in order to assure continuity of CIA operations in all appropriate areas of the world, particularly in those areas in which no large-scale military operations are being conducted; and since it requires a long period of time (1 to 2 years) to establish a station and network radiating therefrom, it appears to be necessary to establish the worldwide system during peacetime.

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(Office of Comptroller)

85. The Office of the Comptroller (COMPT) with an Assistant Director in charge and a present for duty strength of [redacted] as of November 30, 1954, performs its responsibilities and functions under the policy control and direction of the DD/S. The Office of the Comptroller is responsible for all budgetary and financial operations and for providing financial program analysis and administrative machine records service for the Agency. For the performance of its functions, it is organized into a headquarters and staff and four operating divisions; viz., Budget, Fiscal, Finance, and Machine Records (see Tab E). The difference between the Fiscal Division and the Finance Division is that the Finance Division performs all fiscal and finance services for the DD/P Area, and the Fiscal Division performs similar services for the remainder of the Agency. The Budget and Machine Records Divisions perform the functions implied by their respective titles. The Office of the Comptroller operates on a budget of about [redacted], of which the bulk (about [redacted]) is for personnel services.

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86. The CIA appears to have no budget or fiscal problems. It is seemingly able to obtain from Congress the approximate funds estimated by the CIA and the Bureau of the Budget to carry on the normal responsibilities, functions, and operations of the Agency, plus a reserve fund under the control of the Director of the Bureau of the Budget, which heretofore has been adequate for the performance by the CIA of any additional unplanned operations, responsibilities, and functions which may be directed by the President or the NSC. Also, there are in effect adequate audit control procedures over expenditures of either vouchered or unvouchered funds. It is reported that the CIA has expended approximately the following sums for the performance of its activities during the fiscal years stated:

	(Thousands)			
	<u>1952</u>	<u>1953</u>	<u>1954</u>	<u>1955 Est.</u>
Intelligence Collection (covert)				
Intelligence Collection (overt)				
Intelligence Production				
Intelligence Reference Services				
Total Intelligence Production				
Total Cold War Activities				
Total All Expenditures				
Total Appropriations				

Since 1947, the Agency has received [redacted] It has spent [redacted], of which 67 percent was by DD/P, 12.1 percent by DD/I, and 20.9 percent by DD/S (see Tab I for other budgetary data).

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(Office of Logistics)

87. The Office of Logistics (LOG), with an Assistant Director in charge and a present-for-duty strength of [redacted] as of November 30, 1954, performs its functions under the policy guidance and control of the Deputy Director (Support). It is responsible for procurement, storage, distribution, and accountability of supplies; for transportation of personnel, equipment, and supplies; for meeting real estate and construction needs; for the coordination and compilation of forecasts of requirements for Agency logistical support; and for providing selected administrative (housekeeping) services for the Agency. The great majority of its time and effort is devoted to support of the DD/P area. Logistic support of the DD/P has been made more difficult than necessary because of the failure of DD/P to advise Logistics of its operational plans or to permit Logistics to participate in the advance planning phases of each important operation.

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This, in turn, often results in piece-meal procurement and other sporadic efforts to render the required logistics support. To carry out its prescribed functions, the LOG office is organized into a headquarters and staff and five operating divisions: Printing and Reproduction, Real Estate and Construction, Transportation, Procurement, and Supply; and its office expenditures are about [] per year (see Tab E).

88. The tasks of the logistics office, particularly those concerning headquarters services, are made much more difficult, expensive, and less efficient because of the necessary security restrictions on all activities, and because of the multitude and temporary types of buildings in which the CIA is housed in the Washington area. Currently, it is housed in 34 widely dispersed buildings, many of which are temporary-type structures. This creates a security problem and necessitates the employment of numerous security guards at an annual estimated cost of about [] over similar costs in a single well-designed building. Other types of excessive estimated costs over similar costs if the headquarters were located in a single, well-designed building are:

Receptionist staff	[]
Shuttle service	[]
Couriers and messengers	[]
Telephone mileage charges	[]
Building services officers	[]
Rent	[]
Alterations and moving	[]
Loss of time	[]
TWX service	[]
Total	[]

Public Law 155, 82d Congress, September 28, 1951, authorized the construction of a CIA headquarters building capable of housing all of the headquarters personnel and activities at a cost of \$38 million, but no funds were or have been appropriated therefor. Efforts to procure such funds as now may be necessary for this purpose (latest estimate \$55 million) should be continued, as the savings indicated above in the amount of about \$3 million per year would, in less than 20 years, if applied to this purpose, pay the entire cost of such a building (see Tab H). In this connection, the Survey Team is of the opinion that it is neither feasible nor desirable to move any part of the Agency to a location far removed from Washington, D.C., and that preferably the CIA should be housed at a single location. It is essential that the DCI be located close enough to be available immediately to the President and other members of the Security Council. Also, there are an estimated 50 to 100, at least, of CIA's senior staff officers who must be in close contact daily with personnel of other agencies, particularly of the Departments of State and Defense, and who must also be available immediately to the DCI, as well as to those components of the Agency under their supervision,

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and upon which they are dependent for staff advice and operational support. Hence, the necessity for such close and expeditious coordination within the CIA and within the entire intelligence community dictates that the entire CIA be housed, preferably in one building, and at a location as near to the seat of Government as the overall defense planning permits.

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(OFFICE OF TRAINING)

89. The Office of Training with an Assistant Director in charge and a present for duty strength of [] as of November 30, 1954, and with an annual operating budget of about [], until recently performed its responsibilities and functions directly under the DCI, but since February 3, 1955, it has performed them under the policy control and guidance of the Deputy Director (Support). Prior to January 1951, there was no agency-wide training activity. On January 2, 1951, an independent office for this purpose was established. From that time until the reorganization of the office on September 1, 1954, the office conducted specialized training as a service to the DD/P area and general training as a service to the remainder of the Agency, and was organized accordingly. At the present time, the Office of Training is charged with the development, direction, and conduct of CIA training programs, with the determination of requirements for CIA training facilities in the United States, and with providing for CIA participation in training programs at external training facilities, public and private, in the United States and overseas under the provisions of Public Law 110. To carry out its functions, the office is organized into a headquarters and staff, a field training base, and four training schools (Basic, Intelligence, Operations, and Language Area and external). Also, it operates a Junior Officer Training Program.

90. The Basic School provides courses of common instruction to all components of CIA. These include a basic intelligence course, administrative courses, instructor training, clerical training, and courses in human resources and basic management. The Intelligence Training School provides training for intelligence officers in components of the agency other than the clandestine services. The Operations Training School, together with the field training base, provides training for personnel of the clandestine services; and the Language Area and External Training School provides instructions and headquarters facilities for foreign language study and area knowledge training; and it arranges for and supervises all types of external training. In FY 1954, the Office of Training had total enrollments in all courses of [] equivalent to the full-time enrollment of [] students. The administrative costs for the

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operations of the Office of Training in FY 1954 were estimated to be about [] ; and the operations cost was estimated to be about [] .

91. Personal observation during visits to the administrative staffs, schools, and field training base, confirm the opinion of the Survey Team that the Office of Training is performing a worthwhile service by reasonably efficient and economical methods and procedures, considering the special circumstances under which it is required to operate. However, it is the further opinion of the Survey Team that the responsibilities of the DCI for coordination of U.S. intelligence efforts well may find one of its most important facets in this area of training. Coordinated and integrated training programs in general intelligence fields offer an outstanding opportunity for the development of an intelligence community awareness and spirit which are fundamental to genuine coordination of effort. To date the Office of Training has directed its activities toward its responsibility for training within the CIA; a small effort also has been made to offer training to a few from other agencies of the intelligence community. The CIA has exhibited an understandable reluctance to show in this area an aggressiveness which might be misinterpreted by other agencies. However, an expansion of this training activity can make for vast improvements in community-wide understanding in the same way that the National War College has served at the top service levels. The Survey Team does not propose that the CIA itself perform all training, but rather that, with the advice of a specially established IAC subcommittee, the CIA plan and monitor all those training programs in the intelligence community which are of common concern, assigning to each member of the IAC responsibility for conduct of those elements of the program for which it has the greatest capability.

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA
(Office of Personnel)

92. The Office of Personnel with an Assistant Director in charge and an on duty strength of [] as of November 30, 1954, performed its functions and responsibilities directly under the DCI prior to February 3, 1955; but since that date it has performed them under the policy control and guidance of the Deputy Director (Support). The mission of the Office of Personnel is to operate an agency-wide personnel program, to include:

- a. Formulation of personnel policies, records, and standards, in keeping with existing laws and policies of the DCI.
- b. Advice and assistance to administrative and operating officials and to individuals.
- c. Inspect, review, and evaluate all phases of personnel management for compliance with agency policies, regulations, and standards.
- d. Represent the CIA on all civilian and military personnel matters before the Civil Service Commission, the Selective Service System, the Department of Defense, and other agencies as appropriate.
- e. Provide necessary personnel services for the National Security Council; and
- f. Provide personnel service to the CIA, to include procurement, assignments, and transfers, promotions, awards, and retirement, morale and welfare, and administering and monitoring a career service program, and such other activities and programs as may be appropriate.

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93. To carry out these responsibilities and functions, the office expended during FY 1951, [redacted]; FY 1952, [redacted]; FY 1953, [redacted]; and FY 1954, [redacted]. The office is organized into a headquarters and staff and six operating divisions: Personnel Procurement, Placement and Utilization, Processing and Records, Military Personnel, Classification and Wage, and Employee Services.

94. During the early years of the CIA, the rapidly expanding scope of the Agency's intelligence and operational activities and commitments dictated an acceleration of personnel procurement operations to supply the increasingly expanded personnel requirements from a total strength of about [redacted] on September 30, 1947, to [redacted] on December 31, 1950; and, thereafter, a rapid build-up to [redacted] on December 31, 1951; [redacted] on December 31, 1952, when it levelled off at [redacted] on December 31, 1953, and [redacted] as of November 30, 1954. As of November 30, 1954, the present for duty strength of the Agency was distributed as follows:

<u>Total</u>	<u>At Headquarters</u>	<u>U.S. Field</u>	<u>Foreign</u>	<u>Special</u>		
<u>Strength</u>	<u>in Washington</u>	<u>Stations</u>	<u>Stations</u>	<u>Projects</u>		
	<u>Mil.</u>	<u>Civ.</u>	<u>Mil.</u>	<u>Civ.</u>	<u>Mil.</u>	<u>Civ.</u>

DCI
DD/P
DD/I
DD/A
Training
COMMO
Personnel
Other
Totals

[redacted]

The sensitive nature of the Agency's activities and the security measures imposed greatly contribute to recruitment problems. The prospective field of applicants is curtailed by basic requirements preliminary to serious consideration for employment. The completion of personnel security checks involving such a long period of time (three to six months) results in the loss of many applicants who accept other employment, thus nullifying a considerable amount of recruitment effort. Largely because of lack of publicity imposed by security restrictions, the recruitment of civilian personnel has been very difficult, and it has caused the establishment of strategically located recruiting field offices in various large population centers of the United States such as Boston, New York, etc. It is reported that it costs about \$250,000 to recruit one employee, excluding the cost (\$140) of a security check on each recommended applicant who does not voluntarily withdraw; and that to accomplish the recruitment of one employee, recruiters interview approximately 32 prospective applicants; of these, the recruiter will recommend eight, of whom six will be lost by attrition to accept immediate employment opportunity, failure to meet rigid personnel, technical or medical qualifications, etc. Of the two applicants remaining, experience indicates that one will voluntarily withdraw or be rejected for medical or security reasons. Also, it is

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reported that in some instances excessive and unnecessary hardships have been imposed on new applicants for employment, by reason of the agency's final failure to accomplish employment even after the applicant has severed his home ties and gone to considerable expense to come to Washington, under the full belief that he has been accepted for employment, only to find within the first few months that for some reason, security or otherwise, he is relieved from employment. Currently, the recruiting problem should not be too difficult in the future, as the strength of the Agency has been stabilized at about its present strength, and the monthly attrition rate for all causes amounts to about 1.2 percent as compared to a Government-wide percentage of 2 percent. In FY 1954, there was a total of 1,788 civilian separations, as follows:

880 or 42.1% for personal reasons
653 or 31.3% for family reasons
270 or 13.0% for job reasons
64 or 3.1% for community reasons
116 or 5.7% for military trainees
101 or 4.8% for involuntary reasons such as failure to qualify,
inefficiency, medical, security, health, etc.

The Survey Team suggests that the civilian personnel procurement program be reviewed with special attention to the foregoing deficiencies, and that continuing emphasis be placed on efforts to improve the efficiency of these operations as well as to terminate the occasional unwarranted hardships to tentatively cleared candidates by explaining fully and candidly what is expected in the way of obstacles remaining to be hurdled by a candidate before he is fully accepted for employment and prior to his terminating other employment.

95. As of December 31, 1954, the CIA had total authorized T/O positions number [redacted], of which 1,191 were military; and a T/O ceiling limitation (established by the DCI) of [redacted] of which [redacted] were civilian and 1,191 were military positions. Against the ceiling there was a total on duty of [redacted] of which [redacted] were civilians ([redacted] under ciling limitations and [redacted] exempt from ceiling limitations) and 834 were military.

96. The assignment or detail of active duty military personnel to duty with the CIA is accomplished in accordance with an agreement among the Department of Defense, the Bureau of the Budget, and the CIA, dated November 26, 1952, whereby the CIA will reimburse the Department of Defense for all officer personnel assigned and/or detailed to the CIA for all activities other than para-military, but no reimbursement will be made for enlisted personnel. As of December 31, 1954, there were on duty in the CIA a total of 406 active duty military officers, of whom 289 were of the reimbursible type, against agreed estimated total requirements of 641; there were also on-duty a total of 428 enlisted personnel against agreed estimated total requirements of 550; or there were on duty a total of 834 officers and enlisted personnel against agreed estimated total requirements of 1,191. During the calendar year 1954, there were a total of 336 (163 officers and 173 enlisted men) separated from duty with the Agency. Of this number, 10 officers and two enlisted men requested relief from assignment; 54 officers and 95 enlisted men were relieved from active duty or resigned from the military services; 76 officers and 27 enlisted men completed a full tour of duty with CIA; 5 officers were

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relieved to attend school; 3 officers and 4 enlisted men were relieved at CIA request; 8 officers were relieved at the request of their respective military departments; 3 officers and 35 enlisted men were relieved for security reasons; and 4 officers and 10 enlisted men were relieved for other reasons. At the time of their relief from duty with CIA, all except 55 (8 officers and 47 enlisted men) were interviewed by a representative of the CIA concerning their attitude toward their assignment with the CIA, with particular reference to the following attitude factors, replies to which were made as indicated below:

	<u>Yes</u>	<u>No</u>
Military specialty fully utilized	213	68
Grade consistent with or higher than job assignment	253	28
Service career benefited	149	
" " unaffected	99	
" " damaged	33	
Agree w/CIA policies and methods	143	32
Satisfied w/military personnel adm.	243	38
Satisfied w/promotion system enlisted men only	117	9
Good relations w/co-workers	277	4
Would welcome 2d tour w/CIA	191	38
Job assignment required active duty military personnel	135	
Job assignment required civilian w/military experience	87	
Job assignment required no military experience	59	
Interested in civilian employment in CIA	114	167

From the foregoing, it will be noted that on the whole active duty military personnel are reasonably content with their job assignments and worker relationships while on duty with the CIA. There are, of course, the customary number of dissatisfied persons, the reasons for which may be either personal or related to the duty assignment. As most of the military personnel are on duty in the DI/P area of the CIA, the Survey Team saw only a few of the military on duty. Of those seen, all appeared to be assigned to a position commensurate with their grade and experience, and none had any complaints to make concerning their assignment with the CIA. Also, appropriate officials of the CIA report that the assignment and/or detail of active duty military personnel to the CIA is essential for the proper, efficient and economical performance of the CIA's responsibilities as a coordinator of the production of national intelligence.

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97. The on-duty strength of the civilian employees as of December 31, 1954, was apportioned by grades, as follows:

GS-16 through 18
GS-13 through 15
GS-10 through 12

Subtotal GS-10 through 18

GS-7 through 9
GS-4 through 6
GS-1 through 3

Subtotal GS-1 through 9

CPC
Wage Board
Public Law

On the whole, it appears that there are an adequate number of super grades (GS-16, 17 and 18) and high grades (10 through 15) allocated to the Agency. The average Agency GS grade is 8.7 apportioned fairly evenly among the various areas of responsibility. The Survey Team believes that not only will these grade allocations and apportionments compare favorably with those of any other agency of the Government of like size and importance, but also that the average grade may be as much as one grade higher than that of other comparable agencies. Careful consideration must be given to this situation to insure that charges of unduly high pay and perquisites to CIA employees, with its consequent impact on the government-wide personnel situation, will not react unfavorably on the Agency personnel program."

98. The CIA for the past few years has been exploring the possibilities of establishing a career service for its employees; and on June 25, 1954, regulations were issued for the establishment of such a career service which will be applicable to employees of the various areas of similar activities, functions, and operations of the CIA. This career program is in its infancy. Various areas of career service have been designated and a campaign has been initiated to encourage employee participation. To date, however, no appreciable progress has been made in the establishment of ladders of progress by means of which each employee may select a career field and for whom specific long-time plans can be developed to guide his or her assignments, reassignments and training to qualify him or her for ever increasing positions of responsibility in the Agency. It is too early to evaluate the program's effectiveness although some of the more basic principles appear to be well-conceived.

99. As of December 31, 1954, there were a total of 30 retired officers on duty in the Agency who were retired from the military services by reason of wounds received in action, against whose employment there are no legal restrictions, and the employees concerned can retain both their retired and civil service pay. In addition, there were 12 retired officers on duty who were retired from the military

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services because of service-connected disabilities, against whose employment there are no legal restrictions except that each retired officer employee may receive and retain only the pay of his retired position or the civil-service position, but not both, as in the case of an officer retired for wounds received in action. Also, there were 10 retired officers employed by the CIA under the provisions of Public Law 53, 82d Congress, approved June 26, 1951, which permits the CIA to employ not more than 15 retired commissioned officers of the armed services without regard to the prohibition of their employment by Section 2 of the Act of July 31, 1894 (28 Stat. 205) as amended (5 USCA 62). Thus, there are a total of only 52 retired officers of the military services employed by the CIA as of

December 31, 1954, out of the hundreds and perhaps thousands of such retired officers who are still mentally and physically qualified to perform outstanding services for the CIA for a period of five to fifteen years after retirement. Apparently, there exists no planned firm policy to exploit, either in peace or war, this source of capable personnel, most of whom possess to a high degree the qualifications and experience required for the efficient performance of the CIA's statutory responsibilities. It is the view of the Survey Team that the lack of a policy to utilize to the fullest this type of personnel in both peace and war, especially in time of war, is short-sighted and unrealistic, in that in time of war it is a foregone conclusion that the great majority of all male civilian employees of service age, and physical and mental competence, then employed by the CIA will most probably enter one or the other of the military services, principally through personal choice or otherwise by orders of the Government. In this event, the CIA may be compelled to rely on retired military personnel, especially for sedentary types of positions, without having had an opportunity to incorporate that type of personnel into the Agency over a period of years, and thus build up by them a continuity of experience which will serve to counteract and lessen the effects of any wide-scale losses of key civilian employees in time of war.

The Survey Team, therefore, urges the maximum utilization by the CIA of retired military personnel who possess the requisite competence; and recommends that Public Law 53, 82d Congress, be amended by changing the aforementioned words, "not more than fifteen," contained in that law, to read, "any," thus permitting the employment by the CIA of an unlimited number of retired officers or warrant officers of the military services.

100. Notwithstanding certain personnel agreements and tentative steps that have been taken, no real war plans have been developed whereby the Agency will be able to determine requirements of, to acquire and to retain against military competition, the necessary personnel to assure continuity of its own operations and the maintenance of high standards of competence in its fields of responsibility.

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101. The National Security Act of 1947 permits the DCI to terminate the employment of any officer or employee of the CIA whenever he shall deem such termination necessary or advisable in the interests of the United States, without regard to the provisions of any other laws or regulations to the contrary. Nevertheless, the DCI in the operations of a personnel program attempts to conform where practicable to the spirit and intent of the laws and regulations regarding personnel that are applicable to other Government agencies.

RESPONSIBILITIES AND FUNCTIONS OF DD/S AREA

(OFFICE OF SECURITY)

102. The Office of Security with an Assistant Director in charge and an on-duty strength of [] as of November 30, 1954, performs its responsibilities and functions under the policy control and guidance of the Deputy Director (Support). The mission of the Security Office is to assist the DCI in carrying out those provisions of Section 102(d)(3) of the National Security Act of 1947 wherein it is stated, "Under the direction of the National Security Council the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods," and as amplified by NSCID No. 11 and DCID No. 11/2, and as assigned by CIA regulations 1-140 and implemented by the entire series No. 10 of the Agency Regulations. Under these authorities and for this purpose the Security Office is charged with the preparation and execution of the Agency's security program and with the performance of security inspections. To this end it performs the following functions:

- a. Recommends the establishment of Agency policies relating to security, and establishes procedures for their implementation.
- b. Establishes safeguards necessary to prevent penetration of Agency activities by unauthorized individuals; and develops domestic counterintelligence programs for the Agency.
- c. Obtains and evaluates through its own investigative procedures (which are accomplished through the headquarters office and strategically located field offices), through polygraph interviews, and through liaison contacts, pertinent information regarding personnel for employment, assignment or association with the Agency; and approves or disapproves from a security standpoint the employment or utilization of individuals by the Agency.
- d. Determines the effectiveness with which security programs and policies are being accomplished.

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- e. Coordinates and engages in policy and program planning of emergency measures.
- f. Prescribes security policies relating to the liaison and contact relations of Agency officials with others; and establishes and maintains necessary liaison with officials of other Government agencies on security.
- g. Investigates reports of violation or non-compliance with security policies or regulations and recommends or initiates appropriate action as may be required.
- h. Makes necessary security inspections, investigations and reports to assure proper maintenance of security.
- i. Conducts certain activities pertaining to the overall alien program.
- j. Conducts research in security fields.
- k. Provides trained professional security officers as required to Agency missions and installations.

103. Personal observation of and close association with the Agency security program has convinced the Survey Team that the system employed by the CIA includes those methods and procedures which within reasonable limits will disclose the existence of security risks, prevent their employment by the Agency, or accomplish their separation from the Agency if discovered after employment. Also, although the DCI possesses dictatorial statutory authority to discharge an employee of the CIA for any reason, including security risk, he (the DCI) has established procedures, paralleling those of other Government agencies, which will safeguard the interests of both the Government and the suspected employee.

104. The CIA security program must be candidly described as being more restrictive than that of the normal Government agency; but there exists no system for periodic security rechecks at stated time intervals. Certain aspects of these greater restrictions must be considered as fully justified by the nature of the CIA mission and any lessening of such restrictions could only be described as unwarranted. However, there are operative also certain other security practices, which, in the considered opinion of the Survey Team, must be evaluated both against the interference with operational effectiveness and also against the very basic American philosophies of individual dignity and freedom. Also, as was pointed out in the report prepared for the Commission by the Task Force on Personnel and Civil Service, the administrative problems inherent in a security program may themselves recommend a thorough and searching special review. The program for security of information has been widely reported as a serious interference with the exchange of information so vital to effective coordination of intelligence activities; and the application of certain aspects of the personnel security program, such as use of the polygraph, is open to question on the basis of individual rights. The Survey Team believes this problem can best be resolved by an evaluation of the CIA security program in relation to the study of the Federal security program proposed by the Task Force on Personnel and Civil Service.

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SPECIAL STATUTORY AUTHORITY GRANTED CIA

105. The Central Intelligence Agency Act of 1949, as amended, the National Security Act of 1947, as amended, the Immigration and Nationality Act of 1952, the Executive Pay Bill of 1949, the Classification Act of 1949, the Federal Property and Administrative Services Act of 1949, and the Internal Security Act of 1950, all grant to the DCI and the CIA certain special rights, privileges, and authority not accorded other agencies and departments of the Government, in the fields of administration and logistics, the more important of which are as follows:

a. The Central Intelligence Agency Act of 1949, as amended (1) extends to the CIA certain authority in the Armed Services Procurement Act of 1947 relating to negotiation of purchases and contracts for supply without advertising under certain conditions; (2) provides for the assignment or detail of any officer or employee of the Agency for special instruction, research, or training at or with domestic or foreign public or private institutions, and permits the DCI to pay the tuition and other expenses for such special instruction, research, or training; (3) provides for the payment of travel allowances and related expenses of Agency personnel assigned to permanent duty stations outside the United States, and under certain circumstances similar expenses for an employee's family and for the cost of storing and shipping household effects; (4) provides for the furnishing of medical and hospital services to overseas employees; (5) provides for the payment of the cost of preparing and transporting the remains of an employee or members of his family who may die abroad; (6) provides for overseas allowances similar to those given to foreign service personnel; (7) provides broad authority for transfers between the CIA and other Government departments and agencies of such sums as may be approved by the Bureau of the Budget; (8) provides authority for exchange of funds without regard to Section 3651 of the Revised Statutes (31 USC 543); (9) authorizes the assignment of personnel from other Government agencies to the CIA and the reimbursement of those agencies for such services; (10) authorizes couriers and guards to carry firearms to protect confidential documents and materials which are in transport; (11) exempts the CIA from certain statutory restrictions on the amount that can be paid for rent of quarters and the amount that can be expended for alterations; (12) permits the CIA to employ and pay not more than fifteen retired commissioned or warrant officers of a particular category of the armed services; (13) exempts the CIA from any requirements of law requiring publication or disclosure of the organization, functions, names, official titles, salaries, or number of personnel employed by the Agency; (14) provides for the permanent entry for permanent residence in the United States of up to 100 aliens a year without regard to any laws and regulations to the contrary; and (15) provides for the expenditure of funds for certain purposes without regard to requirements of existing law or Comptroller General decisions which specify that such expenditures are not permissible unless authorized by law; and for the expenditure of certain funds solely on the certificate of the DCI.

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b. The National Security Act of 1947, as amended, authorized the DCI, at his discretion, to terminate the employment of any officer or employee of the CIA, notwithstanding the provisions of any other law to the contrary.

c. The Immigration and Nationality Act of 1952 provides that this Act does not alter or amend Section 8 of the Central Intelligence Agency Act of 1949, granting the DCI power to secure the admission of 100 aliens for permanent residence in the United States.

d. The Executive Pay Bill of 1949 increases the basic pay of the DCI from \$14,000 to \$16,000 per year; and it gives statutory recognition to the Office of Deputy Director of Central Intelligence and establishes the basic compensation of such office at \$14,000 per year.

e. The Classification Act of 1949 exempts the CIA from the coverage of the Act.

f. The Federal Property and Administrative Services Act of 1949 provides that no authority of the Central Intelligence Agency will be impaired or affected by the enactment of this Act.

g. The Internal Security Act of 1950 authorizes the DCI to exempt certain persons from registering as agents of a foreign principal or foreign propagandists.

106. The Survey Team is of the opinion that the current provisions of the foregoing legislation are sound and necessary for the efficient performance by the CIA of its duties, functions, and responsibilities, many of which are of a highly esoteric nature that could not possibly be accomplished if subjected to the open scrutiny of transactions that is normally required of other Government departments and agencies; and that in extension of the special rights, privileges, and authority granted therein, these laws should be further amended, as follows:

a. Amend the Central Intelligence Agency Act of 1949 to provide -

(1) Authority for the employment by the CIA of "any" (instead of only "fifteen," as is now authorized) retired officers or warrant officers of the armed services.

(2) Additional medical and hospitalization benefits and services to the dependents of CIA employees when stationed overseas.

COMMENT: Although Section 5 of the CIA Act of 1949 provides certain medical and hospital care for employees, there is no provision therein for providing at Government expense certain minimum medical care and hospitalization benefits to the dependents of employees when stationed outside the United States, especially in isolated

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areas of the world. These CIA employee dependents should be given medical and hospital benefits similar to those accorded members of the Foreign Service and their dependents.

(3) Statutory leave benefits to employees of the CIA and the accumulations thereof as are now applied to members of the Foreign Service.

COMMENT: Current accumulations of statutory annual leave are not sufficient to provide adequate home leave between tours of duty overseas and still permit adequate annual leave to employees during their tours abroad. CIA employees should be given authority to accumulate one week of home leave for each four months of duty outside the United States.

b. Amend the Executive Pay Bill of 1949 to increase the pay of the Director of Central Intelligence to a current annual salary equal to that enjoyed by the Undersecretary of the Department of Defense (currently \$20,500); to increase the pay of the Deputy Director of Central Intelligence to a current annual salary equal to that enjoyed by undersecretaries of executive departments (currently \$17,500); to provide for an Executive Director of Central Intelligence at an annual salary equal to that enjoyed by the present incumbent of the position of Director of Central Intelligence (currently \$16,000); and to provide for not to exceed three operating directors of the areas of responsibility (now known as Deputy Directors of GS Grade 18 at an annual salary of \$14,800) at an annual salary for each equal to that now enjoyed by the present Director of Central Intelligence (currently \$16,000).

COMMENT: At the present time, the salaries being paid to the DCI and the DDCI are hardly in keeping with the dignity and requirements of their respective positions. The top civil-service grade employee receives pay at the annual rate of \$14,800, which is only \$1,200 less than that received by the DCI, and which is \$800 in excess of the pay received by the DDCI. Also, the pay of the proposed position of Executive Director and that of the director of each large area of responsibility, such as the Director of Intelligence Production, the Director of Secret Intelligence, and the Director of Cold-War Functions, should be made sufficiently attractive to retain persons of the highest qualifications for those positions.

107. The Survey Team also is of the opinion that legislation should be sought which will provide for the appropriation of the necessary funds to construct adequate headquarters housing facilities for the CIA, as outlined in this report in paragraph 88 above.

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c. The performance, as a matter of common concern, of certain economic, geographic, and scientific research functions;

d. The production of current intelligence for CIA use;

e. The coordination of the production, as a matter of common concern, of basic intelligence and national intelligence estimates; and

f. The performance of certain headquarters services, such as personnel, administrative and logistic functions relating to the support of the CIA as a whole.

114. That the next senior operating deputy director charged with the responsibility of conducting the "cold-war" functions of the Agency should be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence-type functions (par 21).

115. That there is a need for the assignment at appropriate foreign U.S. diplomatic stations of full-time foreign publications procurement officers, and scientific intelligence attaches, [redacted]

116. That the coordination of certain types of scientific intelligence, especially electronic, is not satisfactory; and that the Scientific Estimates Committee has been unsuccessful in resolving differences of opinion in certain scientific fields concerning the distinction between intelligence relating to scientific research and basic resources, and that relating to the present production and use of weapons by foreign nations (pars. 52, 54).

117. That the conduct of scientific intelligence research is handicapped by the failure of the State Department to carry out adequately its allocated collection functions (par. 54).

118. That the coordination of the production of the National Intelligence Surveys is one of the most important functions of the CIA, yet the element of the CIA responsible for this function is relegated to a third-level position in the Office of Research and Reports, when its importance warrants separate office status; and that as a result, insufficient progress is being made in the production of these surveys (pars. 61, 63, 69).

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119. That the production of National Intelligence Estimates is accomplished by the coordinated efforts of all members of the IAO. However, such national estimates are not entirely adequate because of the deficiencies in available pertinent information regarding (1) military intelligence on the Soviet bloc; (2) movements and dispositions of Soviet and satellite armed forces, including Communist China; (3) production of standardized air target materials on vital targets; (4) economic intelligence on the Soviet bloc; (5) commodity categories as they affect trade controls; (6) scientific and technical capabilities; (7) basic intelligence (NISs) only about 40 percent complete; (8) reporting collections by State Department; (9) procurement of foreign language documents; (10) coordination of ELINT effort in the collection of information; and (11) actual military capabilities or objectives of the USSR in atomic warfare (pars. 74 to 78).

120. That the administrative and logistic functions of the CIA are more costly and less efficient because of the security limitations imposed and because of the lack of adequate, more compact housing facilities (par. 68).

121. That the CIA has no appreciable personnel problems other than those imposed by security restrictions, and administrative problems connected with this type of activity, such as the recruitment of top-level professional and other highly skilled personnel. The Agency is staffed reasonably well for current needs; its monthly turnover is modest; and its administrative machinery is adequate to eliminate undesirable employees either because of inefficiency or security reasons. Its inherent administrative problems are alleviated to some extent by the fact that the average employee of the Agency holds a grade equal to or possibly one grade higher than employees in like positions in other Government agencies, a fact which requires careful reconsideration as to its propriety in the overall Federal personnel program (pars. 94 to 101).

122. That there is need for the development of a comprehensive plan for the procurement and utilization of personnel on a continuing basis in competition with the inevitable demands of the military services in time of war (pars. 89 to 91, and par. 100).

123. That the security program in existence in the CIA is adequate for Agency security purposes. However, it needs reviewing for operational and administrative effectiveness, and its relationship to fundamental American philosophies regarding the dignity and freedom of the individual; and there is a need for the establishment of a system which will assure automatic security rechecks at not to exceed each five-year period of time (pars. 103, 104).

124. That the special rights, privileges and authorities granted to the CIA in the Central Intelligence Agency Act of 1949, as amended, and in other laws and regulations, are sound and necessary for the efficient performance by the CIA of its duties, functions, and responsibilities (par. 105).

125. That certain legislation or change in existing legislation is required, as specified in the recommendations of this report (pars. 105, 106, and 107).

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SUMMARY OF RECOMMENDATIONS

126. That the "covert intelligence" functions and the "cold-war" functions of the current DD/P area of responsibility each be assigned to the exclusive jurisdictional control of a separate deputy director, the area of responsibility of each of whom shall be made administratively and logistically self-supporting.

127. That the remainder of the CIA be reorganized with a Director, a Deputy Director, an Executive Director, a general secretariat, such staff sections as may be necessary, an office of administrative and logistic services, and a Deputy Director of Intelligence with seven operating offices thereunder, as follows:

Office of Reference and Liaison
Office of Collection
Office of Scientific Research
Office of Economic and Geographic Research
Office of Current Intelligence
Office of Basic Intelligence
Office of National Estimates

128. That a comprehensive internal management survey be conducted by the CIA within the next year following the reorganization of the Agency, as recommended in paragraphs 126 and 127.

129. That the next senior operating deputy director charged with the responsibility of conducting the "cold-war" functions of the Agency be designated as the representative of the Director of Central Intelligence on the Operations Coordinating Board, in order that the DCI may be able to devote a greater share of his time to the performance of the Agency's intelligence-type functions.

130. That all NSC, IAC, and DCI intelligence directives be reviewed and rewritten, where necessary, with a view to establishing clearer areas of responsibility and to allocating tasks in each such area which will be in accord with each department or agency's capability, interest, and paramount national responsibilities.

131. That the responsibility for the procurement of foreign publications and for the collection of scientific intelligence, now assigned to the Department of State, be assigned to the CIA; and that the

132. That the Scientific Estimates Committee be abolished; and that in lieu thereof there be established under the IAC a Scientific Intelligence Committee with such working subcommittees thereof as may be necessary to insure the full coordination of community-wide scientific intelligence effort.

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133. That appropriate action be taken to establish a National Elint Center under the policy guidance and control of the USCIB in a manner comparable to the guidance and control the USCIB exercises over the NSA, and under the administrative control of the Department of Defense, to coordinate the exploitation of the United States electronic intelligence resources.

134. That the CIA security program be studied and reevaluated against both operational and administrative effectiveness, and with a view to the establishment of a system which will assure automatic security rechecks at not to exceed each five year period of time.

135. That the Congress be requested to appropriate as soon as practicable such funds as may be necessary to construct adequate CIA housing facilities in or near Washington, D. C.

136. That the Central Intelligence Agency Act of 1949 and the Executive Pay Bill of 1949 be amended as indicated in paragraph 106 above, to increase the pay status of the Director and Deputy Director of the CIA, and to provide for an Executive Director and for not to exceed three operating deputy directors of areas of responsibility.

