

APPROVED FOR
RELEASE
Historical Collections
Division
HR 70-14
Date: 2 May 2012

~~TOP SECRET~~
Deputies' Meeting

Thursday, 21 August 1952

PRESENT: General Smith, Messrs. Dulles, Wisner, Wolf, Becker,

HR70-14

General Smith:

[Large empty rectangular box for General Smith's notes]

Mr. Dulles:

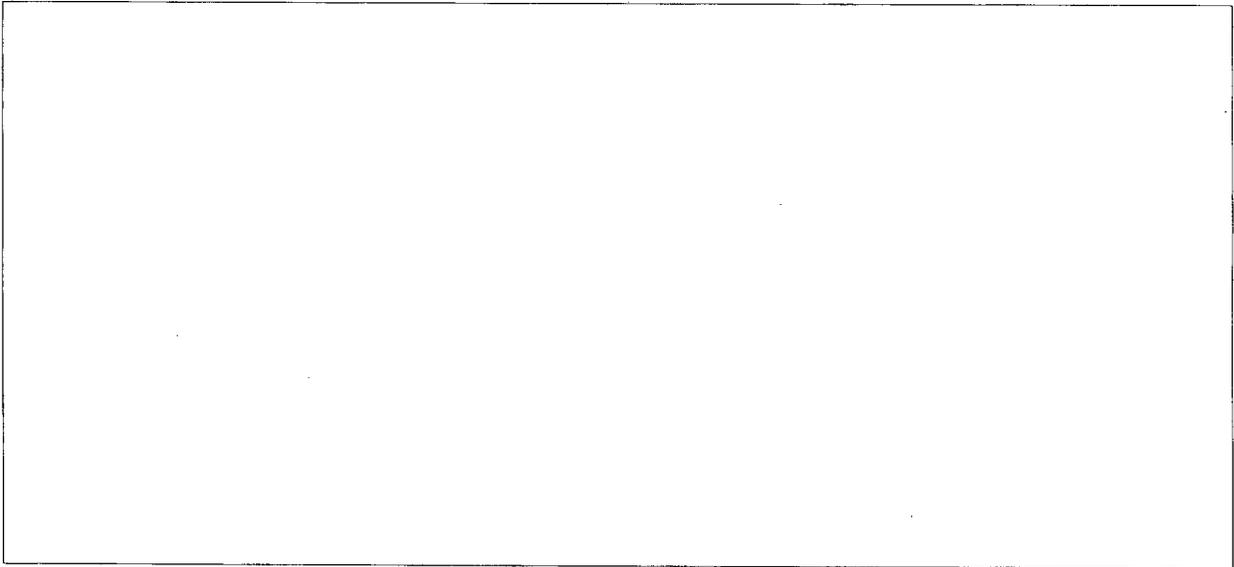
[Empty rectangular box for Mr. Dulles's notes]

(CONTINUED)

~~TOP SECRET~~

Mr. Dulles (Cont'd.)

b. Briefly reported on the discussion held at the NSC Steering Committee Meeting on NSC 135 and noted that nothing was accomplished. Mr. Dulles also stated that a paper on cover and deception was being circulated and would be discussed at an early Steering Committee Meeting.



-14

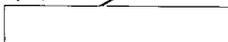
Mr. Wolf:

a. Noted that he believed our officer problem had finally been solved.

b. Reported that he was seeing Mr. Schaub of the Bureau of the Budget today concerning reimbursement of Defense officers assigned to CIA and stated that it had been reported to him late last evening that Defense planned to transfer funds to other Agencies to which its officers are assigned in order that reimbursement may be received and, therefore, exempt such officers from the provisions of the Davis Amendment. The Director stated he would not be a part to any such act designed to defeat the intention of Congress and directed DD/A to discuss this matter with Acting Secretary of the Army Korth and advise him that (1) this Agency will reimburse Defense for General officers assigned to it; (2) if a particular officer is asked for by name, we will also make reimbursement for the services of such officers (i.e. Lt. Col. Gordon Butler); (3) if any officer from the Department of Defense on duty with this Agency is promoted to General officer, reimbursement to Defense for officers in this category will also be made; (4) we would undertake to explore the possibility of reimbursing all Defense officers on duty with this Agency who are assigned duties in Washington; (5) if necessary, he would take this matter to the President and invite Mr. Lawton to accompany him. In connection with this problem, the Director stated he had discussed with Congressman Mahon the possibility of legislation which would exempt officers of the Department of Defense assigned to this Agency from the provisions of the Davis Amendment and Mahon had indicated that such legislation was feasible and would undertake to lend his assistance on this matter.

(CONTINUED)

~~TOP SECRET~~



~~TOP SECRET~~

Mr. Wisner:

a. Noted that Mr. Sulzberger had recovered from his illness and would, in all probability, call the DCI for an appointment to pay his respects. The Director stated he would be glad to see him at any time.

f. Reported that he had gone over the paper the Director had brought back from the last PSB luncheon and that it did embody the changes we had recommended. The DCI indicated his approval of the paper in question.

g. Reported that (1) we had received indications that a considerable amount of funds allotted to CAT had been stolen by an employee of CAT who, in turn, was not an employee of this Agency, but had been cleared for employment as an accountant in North Asia CAT Branch; (2) we have not received sufficient data at this point to warrant any findings of fact; however, Gen. Foster and Mr. Turner (designated as FE command Comptroller) are being briefed on this matter and will be dispatched to Tokyo to supervise an investigation and report their findings.

(CONTINUED)

~~TOP SECRET~~

HR70-14

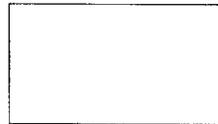
~~TOP SECRET~~
Mr. Wisner (Cont'd.)



Mr. Becker:

a. Briefly reported on the capabilities of [redacted] who allegedly will replace [redacted] and noted that he would have further comments on this matter today.

b. Noted that the Coast Guard's request for our assistance in obtaining intelligence information for them had been well handled by the Navy and all concerned with this problem were well pleased. The DCI asked Mr. Becker to call the office of the Commandant of the Coast Guard in order to insure that he was receiving all the information he required.



~~TOP SECRET~~

