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25 June 1954

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: Recommendations of the Joint Chiefs of Staff regarding Allocation of Space in the Pentagon for the National Indications Center

1. It has been learned, as set forth below, that the Joint Chiefs of Staff have forwarded to the Deputy Secretary of Defense the recommendation that the space and manpower requirements of the National Indications Center (NIC), as stated in Attachment 2 of the Terms of Reference of the Watch Committee of the IAC (IAC-D-6/1 Revised) of 26 April 1954, be reduced by one-half. If accepted by Deputy Secretary Anderson, this recommendation will form the substance of the reply to the DCI's letter of 12 May 1954.
2. The DCI's letter of 12 May 1954 requesting that 3300-odd square feet of space be provided in the Pentagon for the NIC was received on 13 May by General Erskine in the Office of the Secretary of Defense. Col. Godell was named as projects officer to obtain comments and recommendations on the request from the JCS. The JCS in turn requested that JIG prepare a study of the justification, desirability and urgency of favorable action on the DCI's request.
3. JIG complied with a study, which, among other things, recommended that the required space be provided as a matter of "priority," a priority rating below that of "urgency" as requested. The study also raised the matter of availability of funds for costs incident to activation of the NIC. The question of funds is presumed to have brought about General Willem's question on the matter at the IAC meeting of 15 June. At this time, the DCI agreed to consider whether CIA might, when an estimate of nondepartmental costs had been made, meet such costs as for a "service of common concern." (IAC-M-156 Para 3, 15 June 1954).
4. At some time subsequent to 21 June at an Operational Deputies Meeting, a Navy representative apparently observed that manning and space needs for the NIC appeared excessive and so tabled a recommendation that these requirements be cut in half. Air Force and Army representatives at this time supported the requirements as presented in the DCI's letter and in the 26 April Watch Committee Terms of Reference and Attachments.

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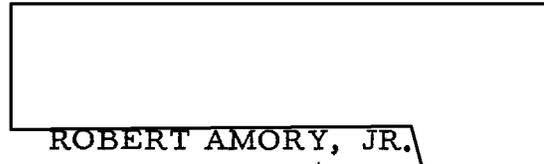
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5. As of 24 June, the JCS had accepted the Navy representative's recommendation and had forwarded it as theirs to Col. Godell in the Office of the Secretary of Defense. By this, the JCS advise Secretary Anderson that they are not convinced that the space and manpower needs of the NIC are justifiable or desirable.

6. This action eliminates any possibility that the NIC can be activated before the end of this fiscal year and removes any necessity for making special funding arrangements. General Willems will advise the DCI to this effect and, further, that activation of the NIC will probably not take place much before the end of the first quarter of FY 1955.



ROBERT AMORY, JR.
Deputy Director/Intelligence

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