

24 DEC 1960

James Ray *cc/rd*

MEMORANDUM FOR: Executive Secretary
National Security Council

SUBJECT : Seventh Report to the President by the
President's Board of Consultants on
Foreign Intelligence Activities, dated
October 4, 1960 (Recommendation on
"Coordination of Foreign Intelligence
Activities")

REFERENCE : Memo from Acting Executive Secretary,
National Security Council, dated
October 31, 1960, same subject

1. The reference memorandum requested a response to the suggestion by the President's Board of Consultants on Foreign Intelligence Activities that my views be made known on required measures to insure strong centralized direction, coordination and integration of all United States foreign intelligence activities. This response was to include whether I believe that "long-term national security interests will best be served by continuing to vest in one official responsibility for coordinating all member agencies of the Intelligence Community together with responsibility for administering an operating agency which is a component and competing element of that community." This response was originally requested for November 15, 1960, but by agreement with your office this deadline was extended to permit the presentation of the report of the Joint Study Group on Foreign Intelligence Activities so that I could take into consideration the views expressed in that report, which was submitted on December 15, 1960.

2. First and in direct answer to the question posed as to whether the responsibilities of the Director of Central Intelligence for coordinating the intelligence community should be separated from

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his responsibilities as head of the Central Intelligence Agency, my recommendation would be against such a move until we have had the benefit of much larger experience with the present procedures. I believe that under existing arrangements considerable progress in coordination and integration of the intelligence community has been achieved over the past ten years. I recognize that at times progress has been too slow and that there have been issues which have required extensive periods of time for settlement, such as the coordination of covert intelligence operations, the question of the chairmanship of the Intelligence Coordinating Committee Berlin, and arrangements for coordinating the handling of photographic intelligence. On the other hand, I would point out that it would be impractical to vest over-all command authority for all intelligence operations in a director of central intelligence, whether located with the Central Intelligence Agency or with the National Security Council, inasmuch as these operations are an integral and I believe necessary ingredient of the command structure of other departments of government.

3. Further, I would envisage that a separation of the DCI from the CIA would result in the creation of a new agency, with all the problems of personnel and bureaucracy this would entail. You will have noted that the Joint Study Group in its report considered two alternatives for separation.

4. The first alternative was to separate the DCI and a small personal staff from the Central Intelligence Agency. The second alternative was to separate the DCI, together with his estimating office, current intelligence, a coordinating staff and a planning staff.

5. If the first alternative were to be adopted the DCI would have no facilities of his own for preparing material to brief the President and the National Security Council on intelligence matters. Even though he would have the authority to call upon all of the intelligence agencies for support, it would not be the same as the present system whereby he has under his immediate direction the facilities of the CIA to prepare material immediately upon request. Also due to the relationship he maintains through USIB and otherwise, the DCI is in close touch with current issues and intelligence operations of the other intelligence services.

6. I believe that anyone experienced in government recognizes that requests from another part of the government, regardless of the level, do not receive the same priority and attention as requests received from the immediate head of the agency or department.

Further, I would envisage the President then having to look to more than one individual for his briefings on both intelligence and covert action and we would lose one of the most fundamental benefits of our present system whereby the President can look to and hold responsible one individual for all foreign intelligence and covert action activities of the Government.

7. The second alternative would remove certain elements from the present CIA to go with the DCI to a higher level. The elements listed above -- estimating, current intelligence, coordinating and planning -- would have an approximate strength of 500 as presently constituted. This would be an organization of considerable size to put at the NSC or White House level. I would also note that the head of the CIA would find it difficult to meet his own residual responsibilities if he did not possess some assets of the nature of those of which he was divested.

8. As to the question raised by the President's Board as to whether legislative or executive measures are required to insure strong centralized direction of our over-all intelligence effort, it is my opinion that both legislation and stronger NSC directives may be required. Certainly I should prefer to try the latter course before suggesting that a change in the legislation be sought. You will recall that the National Security Act of 1947, (as amended), which created the Central Intelligence Agency and is the basic legislation by which we exist, states first (Section 102. d7), "For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it be the duty of the Agency, under the direction of the National Security Council -- (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 Council." Second, the Act provides (Section 102. d7/37), -- "That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence." The Joint Study Group was of the opinion that the first provision qualifies the second provision and that the DCI's coordinating authority modifies the permissive nature of the provision allowing departments and agencies to continue to deal with so-called departmental intelligence. It is quite clear to me that the permissive nature of this departmental intelligence clause is one of the basic problems in the coordination effort.

9. I agree with the recommendation of the Joint Study Group that a more precise delineation of what is departmental intelligence would be a great step forward in assisting coordination, but I question whether the established departments will permit any diminution in their authority unless there is either a change in the legislation or the President wishes to order a change in their mission. Further, I think it is clear from the law that my authority for coordination is a recommending one and not a mandate. I recognize that thus far in our efforts we have tried to achieve coordination more through persuasion than through coercion or recourse to the NSC and, I recognize, as suggested in the Joint Study Group report, that more frequent recourse to the NSC on my part might have been desirable. I would point out, however, that the intelligence community is a closely knit family and is responsive to most requirements for better coordination, though I admit that sometimes the process of achieving it is long and laborious. Once achieved by persuasion rather than by fiat, the coordination is likely to develop more effectively than under orders which might be subject to evasion or delay in execution.

10. I note that the Joint Study Group has made a recommendation to the effect that the DCI should exercise his coordinating responsibility through the chain of command. I interpret this to mean that whereas the CIA would continue as at present to maintain working level relationships with heads of military intelligence services, the coordinative action would be directed through the Office of the Secretary of Defense who in turn can implement it throughout his department. Similarly, in the Department of State the working level relationship would be with the Assistant Secretary for Intelligence and Research, but the coordination would be achieved through the office of the Secretary of State. I propose to have more frequent recourse to these channels in the future if the situation requires it. On several occasions in the past solutions have been found by this means.

11. The Joint Study Group quite properly notes in its report that a great deal of the coordination effort is achieved through line offices of the Central Intelligence Agency. They cite the Office of National Estimates as being a prime example of this and also note that the Deputy Director for Plans coordinates clandestine intelligence activities. To these examples there could be added several others such as the Office of Research and Reports coordinating

economic intelligence activities through the United States Intelligence Board's Committee on Economic Intelligence; the Office of Scientific Intelligence, coordinating atomic energy intelligence through the USIB Joint Atomic Energy Intelligence Committee, and missiles and other technical intelligence related to rocket warfare through the Guided Missile and Astronautics Intelligence Committee.

12. I would like to give further consideration to the thoughts expressed by the Study Group that in some areas CIA is regarded as prejudiced because of being a competitor to the other agencies whose work is coordinated by the above mechanisms. Frankly, I feel that this is a mistaken impression insofar as the main thrust of CIA's Intelligence activities are concerned. I would point out that CIA in foreign clandestine collection operations can hardly be regarded as a "competing element of that Community". NSCID-5 makes it clear that foreign clandestine collection agencies of the USIB other than CIA are permissive and are "supplementary". To refer to "competition" in this field does not seem to be using the word in its proper sense.

13. Furthermore, by NSCID Directives, the C. I. A. has been given certain important and exclusive collection duties as a service of common concern. Here also no competition is involved.

14. While I agree that there may be areas in which there is competition, these, I feel, are relatively narrow and should not affect my ability to bring about proper coordination. However, I am generally in agreement with the proposal expressed by the Study Group that a staff should be developed under my personal direction with broad representation from interested USIB agencies to advise me regarding coordination. I would propose that the first effort of this staff should be directed to identifying those areas in which other Agencies might regard C. I. A. to be prejudiced in effecting coordination and to eliminate any possible causes for any such feeling. It would also be my thought that if we did create such a staff I could use it as a vehicle for making inspections to the extent provided by law, of the intelligence product of the various members of USIB.

15. Finally, I address myself to the role of the United States Intelligence Board in coordination. I believe that this body, which has now been in existence for slightly over two years as successor to the Inter-Agency Advisory Committee and the U. S. Communications Intelligence Board, has proved itself to be a far more effective

mechanism for coordination than any we previously possessed. I would like to give further consideration, together with the other principals, to the Joint Study Group recommendation regarding certain changes in the USIB structure. I am anxious that we not lose the expertise presently residing in the military intelligence services and I recognize that any change in the USIB should follow, not precede, implementation of the Department of Defense Reorganization Act of 1958, in augmenting the intelligence activities of the Joint Staff while proportionately reducing those of the individual military services.

16. Further, I am interested in the proposal of the Joint Study Group that a management group be established under the USIB to place greater emphasis on management responsibilities of the Intelligence Community.

AW
Allen W. Dulles
Director

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Orig & Cy 2 - Addressee
3 - DCI ✓
4 - DDCI
5 - IG/w/basic

