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NO CHANGE IN CLASS. *X*

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AUTH: HR 70-2

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MEMORANDUM FOR: The Director

SUBJECT: Testimony Before The Senate Foreign Relations Committee

This memorandum is for the Director's information.

1. With the permission of the Chief of Staff of the Committee, I read the testimony of the Director before the Foreign Relations Committee on 11 November 1956, in order to check as to whether there was any evidence of leaks in certain newspaper articles which purportedly quoted from the minutes of that meeting.

2. The newspaper reports (article by Robert Allen of 18 November 1956 in the New York Post, and Chicago Sun-Times article of 19 November 1956) contained "quotes" of exchanges between Senators Mansfield and Fulbright and the Director. The alleged excerpts included charges that the Administration had been "caught napping" on events in the Middle East and Hungary, and statements concerning the subject of whether or not the President "was informed" of the Near East attack before it occurred.

3. In reading the actual record of testimony, I can find no evidence that the quotes in the above articles were accurate or even nearly accurate. Senator Mansfield, for example, never used the words "caught napping." He asked the Director whether or not we were surprised by events in the Near East, Poland and Hungary, and the Director replied that we were as to the precise timing of certain events, but not as to the likelihood of their occurring. Senator Mansfield did not, as alleged in the newspaper articles, make any statement to the effect that our intelligence "is always so inadequate, so poor or totally missing." There was some discussion on the President's statement about not being informed, but there was nothing inflammatory about the nature of the questioning nor of the Director's answers. I would conclude that the reporters did not see any transcript of testimony and that the most they may have received was a very loose paraphrase from someone present as to the nature of the questions and answers.

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cc: DDCI

Norman S. Paul

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ER 8-9658

11 January 1957

MEMORANDUM OF MEETING OF HOUSE APPROPRIATIONS  
SUBCOMMITTEE

1. The Director appeared today before the House Appropriations Subcommittee on CIA. Members present were: Chairman Cannon and Messrs. Mahon, Sheppard, Taber and Wigglesworth, together with Staff member Orescan. The Director was accompanied by Gen. Cabell and Messrs. Amory, Saunders and Paul.
2. The meeting had been called at the request of the Chairman, for the purpose of giving the Committee a general briefing on the world situation. The Director handed out to the members a chronology of important Soviet Bloc and free world events during 1956. He began his oral presentation with an appreciation of the significance of the Soviet 20th Party Congress. The Director was not permitted to complete a run down of the year's events, although he did have an opportunity during the course of questioning to comment on events in the Middle East and in the satellites. In answer to a question from the Chairman, the Director said he did not believe that the Soviet Union would deliberately take a step which in their opinion would participate a war.
3. Mr. Cannon asked a number of questions. Apart from the substance of world events and Soviet intentions, he was interested in the means by which the Agency recruited its personnel. The Director and General Cabell answered his question, with particular reference to the recruiting which we attempt to do through contacts with colleges throughout the country. During the course of the discussion on personnel, the Director was able to explain the executive pay increases which he had effected last summer following enactment of the executive pay legislation. He gave the numbers of persons now in the higher pay categories, and indicated that he might slot additional positions of that nature in the future. There was no objection expressed by any Committee members to this action.
4. Although his purpose was not clear at the time, Mr. Cannon was very interested in a statement as to the areas in which we were

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most deficient. The Director, while not admitting that the Agency was inefficient, pointed out that we would of course like to know a lot more about what is going on within the Kremlin, for example, and our need and intention to focus more of our attention to areas such as Africa and Latin America.

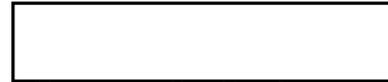
5. The Chairman reiterated his belief that U. S. intelligence failed regarding the Korean invasion in 1950. There was some discussion of the initial invasion of June of that year and of the Chinese Communist invasion from the Yalu river later on in the campaign. The Director pointed out whereas he could not state positively whether the initial intelligence had been good or bad, he was certain that intelligence indications had identified the danger of Chinese Communist invasion long before it actually occurred. In connection with the question of U. S. intelligence performance, the Director made a special point of indicating that United States intelligence was on top of the Middle East situation, both with regard to the Israeli attack and with regard to the subsequent British and French intervention.

6. There was some discussion of the building problem, in the course of which the Director indicated that we were several million dollars shy of the funds needed to construct a building adequate to house all of our personnel and essential activities. Although he was not in a position to make any such request now, he wished to go on record as indicating to the Committee that this was a matter which might be brought up at some later stage during this Session. There was no specific reaction from the members during the meeting.

7. A great deal of time was spent by the Chairman in describing the recent trip to the Soviet Union by Mr. Whitten of the Appropriations Committee and two staff members. 25X1

he saw all of the places that he wanted to visit, including industrial plants; he took pictures without any limitations whatsoever; and some of the pictures he brought back were the first pictures ever brought out of the Soviet Union on certain aspects of the Russian economy, such as different gauges of railroad tracks, etc. After reciting Mr. Whitten's accomplishments, the Chairman asked the Director why CIA was unable to get any of this type of information, whereas a Congressman could go over and obtain it at will. The Director denied that we were unable to get this kind of information and respectfully indicated to the Chairman that he doubted that Mr. Whitten had seen anything which the Soviet did not want to show him. He stated further that we had stacks

of photographs of the same types of items which Mr. Whitten evidently photographed. He added that he had requested an opportunity to meet with Mr. Whitten, and that he hoped to do so in the near future.



Norman S. Paul  
Legislative Counsel

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MEMORANDUM FOR: The Director

For information and ~~copy~~ for files.



Norman ~~S.~~ Paul  
Legislative Counsel

17 Jan 57  
(DATE)

FORM NO. 101 REPLACES FORM 10-101  
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