

CENTRAL INTELLIGENCE AGENCY  
WASHINGTON 25, D. C.

17 April 1952

MEMORANDUM

To: Stuart Hedden

Dear Stuart:

I am grateful to you for your participation in our recent Agency Orientation Course. Regardless of your statements to me after your presentation, I am convinced that your efforts were most successful because of giving to the audience authoritative viewpoints about problems which are so inter-woven with the daily life of each person in the Agency. Your informality of approach was most pleasing to the audience and had the effect of making the people aware that those "in the Administration Building" have their best interests at heart.

I hope we can count on you for a similar presentation in future Orientation Courses.

Sincerely,

MATTHEW BAIRD

I share the above  STAT  
sentiments — I express em somewhat  
more simply — thanks

STAT

CURRENT PROBLEMS

A Central Intelligence Agency is a relatively new concept in American Government. Its success depends in part upon the cooperation of the entire community and in part upon the industry, vision, insight and integrity with which it does its job. Progress has certainly been made, particularly considering the youth of the Agency, but we are still faced with many problems. Those receiving priority relate to planning, to improving personnel and establishing a career service, to improving methods, and to establishing and developing a long-range program.

The <sup>subject</sup> problem assigned to me for today is "SOME CURRENT PROBLEMS OF CIA." It is almost rash to attempt to talk on this subject in the limited period allotted to me. I assure you that many hours are spent topsides every day on this very subject. In fact, if and when this ceases to be so, it will be a sad day indeed for our national intelligence effort.

You will therefore, I am sure, hold no brief against me if I fail to mention what to you may appear to be the most pressing current problem of the Agency. I have taken my instructions literally and picked out some problems and have made no effort to evaluate and present our most important problems, nor do I even present those which I will discuss in any necessary order of importance — rather, I have picked out a few problems with which I am currently concerned. So, perhaps a more accurate title would be "THOSE PROBLEMS TO WHICH STUART HEDDEN HAS BEEN GIVING ATTENTION."

You all know that the concept of central intelligence is a very new concept in this country. The organic act which constitutes the charter of this Agency was passed by the Congress in 1947. It is therefore not surprising that we are still struggling with problems of organization. Today, however, they are relatively minor. I think we all concede that we have been reorganized perhaps a little too often. I think we can look forward to a breathing spell for the next year or two as far as any major changes in organization are concerned, *if the we don't have one or two more*

One penalty of our youth is that we are still deeply concerned with personnel problems. This is partly due to the nature of the Agency. It

has very little to offer the ambitious man except an interesting job and an opportunity to serve his country. This offer can be made by other agencies of government, too, and most of them are free of the handicap of anonymity which qualifies service in CIA. The able and successful young lawyer or businessman who becomes an Assistant Director of the Budget or an Assistant in one of the other departments of government is by his career brought to the attention of the public and can look forward to a build up of a public personality as a natural corollary of a good job well done. The stature he acquires as he moves along gives him the prominence which makes him available for more important posts. His counterpart in CIA may work harder and do a better job but must remain unknown to the general public and, as a public knowledge of a man's stature is of importance if he is to occupy an important seat in government, the man who comes to CIA must look forward to limiting his career to that Agency. This places upon CIA a very real obligation to make a career available for such a man within the Agency. To date, very little has been done along this line. The Agency is too young to have developed a career program and to have brought along young men who can fill its important posts. We all hope that we are nearing the end of the day when the Agency will go outside to fill its topsides jobs. Gen. Smith has given high priority to the establishment of a career service program within the Agency. Before this can become fully effective, it will require further legislation and much experiment, but it is under way.

CIA is not unique in that it has a current housing problem, and obtaining a building of our own is one of the problems receiving top

attention today. The danger to our security in being scattered through two-score buildings is serious. In at least two situations, which I know about, documents which are unique and irreplaceable are housed behind chicken wire in temporary buildings where the fire hazard is great. The economy of time and money which will be saved if and when we get a building of our own more than justifies the investment.

To turn to more substantive matters, we recognize that adequate planning for both intelligence and operations is one of our most important problems. We have received so many important NSC directives within the last year or two that our effort to perform them as quickly as possible has admittedly resulted in a haphazard attack. The Director, I assure you, is as well aware of this as anyone else and is working now on the problem of staffing our over-all operational problems, both so that performance will be more effective and so that our activities will mesh better into each other. The sheer labor of directing and following up on these problems occupies so much of the time today of the Deputies charged with these responsibilities that they literally do not have time to think and plan. It is clear that we must supplement them with top level planners who will do that and nothing else.

This is not only a problem within the Agency but a problem which overlaps Agency interests and involves the entire IAC community. If our intelligence effort is to be well directed and effective, it must conform to the general outlines of the plans of the Joint Chiefs of Staff. To cite an example where I know there has been complete cooperation, our

intelligence estimate of the possibility of a Chinese Communist attack on Formosa depends as much upon the disposition of American forces - Navy, Air and Army - in the area as upon the available Communist forces; and an estimate of the probable success of such an operation would, of course, rest in a most important degree upon the plans of the Joint Chiefs for meeting such a situation. I am sure that a much closer degree of cooperation between the Joint Chiefs and the Agency has evolved under the directorship of General Smith, and I am sure that in time the problem of coordinating intelligence planning with military planning will work itself out to a satisfactory solution. My only point today is that it is axiomatic that intelligence and plans be coordinated if intelligence is to serve only planners, because we cannot give priority to everything.

Of course, our fundamental problem is obtaining adequate intelligence. Our other sins will be excused if we solve this one. But the solution is perhaps the most difficult that has ever faced an intelligence operation. The Iron Curtain not only means that normal travelers cannot be infiltrated into the Soviet country, it means that even a Russian cannot move beyond the community where he is well known without the greatest difficulty. This makes normal intelligence techniques totally inadequate. The development of new techniques is expensive, slow, and at best ever doubtful. Considering these difficulties, it is encouraging that we have not been completely stymied; and although we are not proud in any sense of our limited successes, we are hopeful.

A recent event will illustrate how difficult obtaining intelligence sometimes is even outside the Soviet Union and will also illustrate my point below about possibly too much concentration on the Soviets.

- 5 -

most of you know, the Batista revolution in Cuba came as a complete surprise to the intelligence community. This disturbed me greatly, but now I do not feel so badly. For it now appears that this coup also came as a complete surprise to Gen. Batista. The facts seem to be that there was the usual general plotting among the generals and colonels, which is so typical of all Latin American armies. They were after a change in government principally under their direction so that they could get an increase in pay. The captains and lieutenants, of course, knew about this and decided that they would sponsor a coup d'etat and obtain the increases at their echelon. They suddenly realized that they would have to move rather quickly and that they would need a figurehead to carry out their program. They awakened Gen. Batista and told him that he was leading a revolution. When they got him to camp, they had to use the bugle to awaken their men at 2:40 in the morning so that they would have support for the revolution. The whole thing was just as much a surprise to him as it was to us.

There is only time to say a word about our operational problems. There are, of course, many. From a planning point of view, the most serious is perhaps that we have been concentrating too exclusively on the Soviet and Soviet Orbit targets. Our program, if this Agency is to serve its ultimate purpose, is a long-range program. I think we are aware of the danger of acquiring a Pearl Harbor complex; of concentrating too exclusively upon surprise or upon any single target. Priorities we must always have, but recent Communist activity in Central and South America points up very clearly the danger of planning on too short range a basis.

- 6 -

The world has been so full of trouble and our resources of skilled manpower have been so limited that we have had to concentrate perhaps too heavily on troubled areas. A sound program would envision similar attention to quiet areas which may someday be trouble areas. Our Director has therefore turned his mind to this problem and is actively strengthening our Western Hemisphere activities.

Another operational problem has been the lack of adequate research into operational means and tools and this problem, too, is currently receiving top priority attention. There is an immense amount of scientific research going on in this country and some of it has undoubtedly pointed the way to operational devices which would be of inestimable value to this Agency. We are currently working on ways of capitalizing upon such developments much more fully than has heretofore been the case and are calling to our aid a group of top scientists to supervise their effort as consultants.

Fundamentally, however, our operational problem is not one of devices and equipment but one of trained manpower. Our Director is very conscious of the importance of building within this Agency a service spirit so that every individual in it will be justly proud of being a member of that service and so that out of that pride will spring that extra effort which is the difference between mediocrity and successful performance. *This means more honest effort. Potentially. Every. and that.* This ties right in to the final problem of any intelligence service, which is that of getting the policy-maker to use the intelligence the service produces. No intelligence, however adequate, is of any importance if it is not used. In a democracy with

- 7 -

frequent changes of administration, both in the political and military levels, this problem is even more serious than under a dictatorship where, while the dictatorship lasts, you have a continuity of personnel on the policy level. Therefore, it becomes more incumbent upon us to be good and to prove ourselves by a long record of performance that we are capable of producing reliable intelligence and sound estimates. It is to that problem all of you who are in this Agency must devote your careers. If we succeed, there is little doubt in my mind that the policy-maker will then use to the full the intelligence we produce, and we can in a sense predetermine policy.