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IAC-M-161  
3 August 1954

## INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in Director's  
Conference Room, Administration Building  
Central Intelligence Agency, at 1045 3 August 1954

Director of Central Intelligence  
Allen W. Dulles  
\*Presiding

Deputy Director of Central Intelligence  
Lt. Gen. Charles P. Cabell  
\*Presiding

### MEMBERS PRESENT

- \*\*Mr. Fisher Howe, acting for Special Assistant for Intelligence,  
Department of State
- \*\*Major General John M. Willems, acting for Assistant Chief of Staff,  
G-2, Department of the Army
- \*\*Rear Admiral Carl F. Espe, Director of Naval Intelligence,  
Department of the Navy
- \*\*Major General John A. Samford, Director of Intelligence, Headquarters,  
United States Air Force
- \*\*Rear Admiral Edwin T. Layton, acting for Deputy Director for Intel-  
ligence, The Joint Staff
- \*\*Dr. Charles H. Reichardt, Atomic Energy Commission  
Representative to the IAC
- \*\*Mr. Ralph R. Roach, acting for Assistant to the Director,  
Federal Bureau of Investigation

- \* Part of Meeting.
- \*\* Attended Executive Session

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ALSO PRESENT

- 25X1 Mr. Robert Amory, Central Intelligence Agency
- 25X1 [redacted] Central Intelligence Agency
- Dr. Otto E. Guthe, Central Intelligence Agency
- Mr. Huntington D. Sheldon, Central Intelligence Agency
- [redacted] Central Intelligence Agency

- Mr. Jack W. Lydman, Department of State
- Mr. William C. Trueheart, Department of State
- Mr. Clinton E. Knox, Department of State
- Lt. Colonel A. W. White, Department of the Army
- Lt. Colonel Vasco J. Fenili, Department of the Army
- Captain B. E. Wiggin, Department of the Navy
- Captain E. C. Renfro, United States Air Force
- Major Thomas B. Johnson, United States Air Force
- Mr. Samuel S. Rockwell, United States Air Force
- Mr. John A. Power, United States Air Force
- Colonel William S. Boyd, United States Air Force
- Colonel R. H. Wade, The Joint Staff
- Colonel L. E. Leary, USA, The Joint Staff
- Colonel F. B. James, The Joint Staff
- Colonel Robert Totten, USAF, The Joint Staff
- Captain Ray. E. Malpass, USN, The Joint Staff

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Approval of Minutes  
(IAC-M-160, 20 July 1954)

1. Action: Approved

Transmittal of Information to  
National Indications Center for  
Watch Committee

(DCI Memorandum to NSC, circulated  
to IAC 23 July; IAC-M-150, para. 3)

2. Mr. Dulles requested comments on his memorandum to the NSC for use in the NSC meeting on Thursday, 5 August. Admiral Espe presented, on behalf of the military services, suggested changes to paragraphs 3a and 3b. These changes, with minor modifications, were accepted.

The FBI representative dissented from the phrasing of paragraph 3b, which provides for making information fully available to the Watch Committee "without restriction because of source, policy, or operational sensitivity". The dissent was based on the fact that the phrasing did not allow discretionary authority to withhold or delay information in exceptional cases where source protection might be of overriding importance. Mr. Dulles stated that he would advise the NSC of the FBI dissent.

After a detailed discussion of the FBI objections, the following paragraph (3c) was added to the memorandum:

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"When, in the opinion of an agency or department, overriding considerations affecting the national security exist which justify an exception to a. or b. above, the decision as to withholding or delaying the transmission of the information to the Watch Committee shall be referred to the President."

It was not indicated whether the addition of this paragraph would fully meet the FBI objections.

Mr. Dulles stated that a revised version of the memorandum, containing the changes in paragraphs 3a and 3b and the new paragraph 3c, would be circulated to the members before the NSC meeting. (This was done 4 August; see attached Suggested NSC Action for 5 August meeting.)

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Annual Status Report for the  
NSC on the Foreign Intelligence  
Program  
(IAC-D-55/7)

4. Action was deferred and Mr. Dulles said that an extension of the deadline would be arranged with the NSC.

Proposed DCID-15/1  
Production of Economic Intelligence  
(IAC-D-22/3, 28 June 1954)

5. Referred to the EIC for study and recommendations, the EIC report to be submitted to the IAC within one month.

EXECUTIVE SESSION

6. At 1310 the Chairman requested that the members remain for a brief executive session.

[Redacted Signature]

Secretary

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Secretary's Note

Terms of Reference for  
Probable Warning of Soviet  
Attack on the US as of Mid-1957  
(SNIE 11-8-54)

This item was not considered by the IAC at the 3 August meeting. However, in view of the fact that the IAC representatives agreed to the terms of reference on 23 July, and since work on the contributions is progressing satisfactorily, this item will not again be placed on the agenda of the IAC unless requested by a member.

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ANNEX to  
IAC-M-161

SUGGESTED NSC ACTION, Item 3  
5 August 1954

Transmittal of Information and Recommendation for  
Further Action Concerning Warning Facilities of the  
Intelligence Community

1. Noted the establishment, by Director of Central Intelligence Directive 1/2, of the Watch Committee of the Intelligence Advisory Committee with the following mission:

To provide earliest possible warning to the United States government of hostile action by the USSR, or its allies, which endanger the security of the United States.

2. Directed all appropriate departments and agencies of the government:

a. To make fully available to the IAC Watch Committee all information and intelligence pertinent to its mission and functions (as defined in DCID 1/2), without restriction because of source, policy or operational sensitivity.\*

\* Last phrase objected to by FBI

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b. To keep the IAC Watch Committee informed concerning diplomatic, political, military, or other courses of action by the U.S., approved for immediate implementation or in process of execution, which (in the judgment of those departments and agencies)\*\* might bring about military reaction or early hostile action by the USSR, or its allies, thus endangering the security of the U.S. This information is for the explicit and express use of the Watch Committee and those members of the NIC who need to know of it in order to perform their functions.

c. When, in the opinion of an agency or department, overriding considerations affecting the national security exist which justify an exception to a. or b. above, the decision as to withholding or delaying the transmission of the information to the Watch Committee shall be referred to the President.

\*\* Suggested addition by Defense agencies

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