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IAC-M-360
9 September 1958

I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

Minutes of Meeting Held in
IAC Conference Room, Administration Building
Central Intelligence Agency, at 1045, 9 September 1958

Acting Director of Central Intelligence
General Charles P. Cabell
Presiding

MEMBERS PRESENT

- Mr. Hugh S. Cumming, Jr., Director of Intelligence and Research,
Department of State
- Major General Robert A. Schow, Assistant Chief of Staff for Intelligence,
Department of the Army
- Rear Admiral V. L. Lowrance, Acting Director of Naval Intelligence,
Department of the Navy
- Major General Harold E. Watson, acting for Assistant Chief of Staff,
Intelligence, United States Air Force
- Brigadier General Robert A. Breitweiser, Director for Intelligence,
The Joint Staff
- Mr. Harry S. Traynor, Atomic Energy Commission representative
to the IAC
- Mr. Alan Belmont, Federal Bureau of Investigation representative
to the IAC

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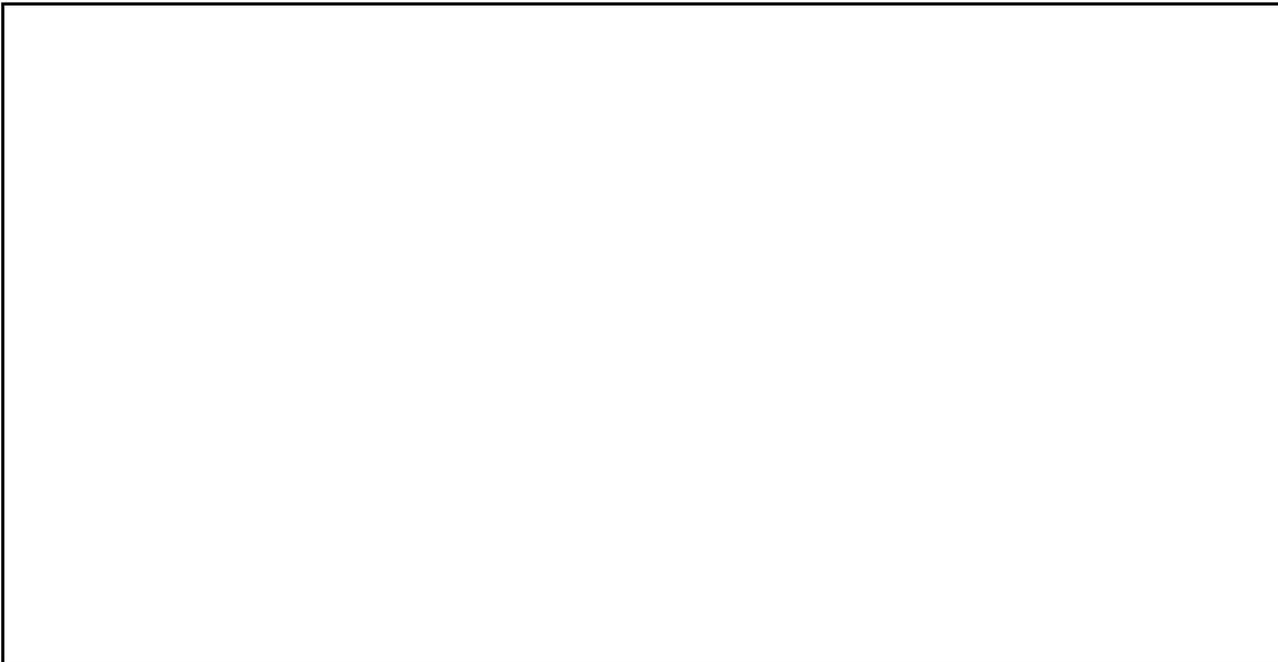
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1. NIE 89-58
The Venezuelan Situation
and Prospects
 - a. Approved as amended.
 - b. Noted the findings and approved the recommended action in the post-mortem on this estimate.
 - c. No member objected to the release of NIE 89-58 to USIA.

2. SNIE 36.6-58
The Outlook in Saudi Arabia and
the Consequences of Possible
US Courses of Action
 - a. Approved as amended.
 - b. Agreed to release this estimate to USIA.

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4. Review of Discussion with
Budget Bureau Officials
re Revision of NSCIDs*

[redacted] and General Cabell outlined the nature of the recent discussion they had had with Budget Bureau officials with respect to NSCID revisions, including the specific questions which had been raised and the substance of replies they had made to those officials.

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The members then agreed that the following non-substantive changes should be proposed in NSCID No. 1 as a result of these discussions with Budget Bureau officials:

(a) Paragraph 2 c - change the first sentence to read:
"The Board shall determine its own procedures and shall establish subordinate committees and working groups, as appropriate."

(b) Paragraph 6 a (1) - at end of paragraph insert "or to" before "the Government."

The Chairman also referred to a subsequent discussion that he had had with Dr. Reed of the Budget Bureau, who had talked with General Cassidy. The Chairman then informed the members that, following the receipt of a formal memorandum from the Budget Bureau, he proposed to communicate with the Attorney General and Executive Secretary, NSC, with a view to finalizing NSC action on the revised NSCIDs. The members concurred in this procedure.

5. Approval of Minutes
2 September Meeting
(IAC-M-359)

Approved as written subject to the addition of the following sentence after the third sentence of item 3:

* Both IAC and USCIB members were present for this and the remaining items of the meeting, with General Erskine and [redacted] representing the Department of Defense and NSA respectively.

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"However, the members from the Joint Staff and Navy--while agreeing to the trial period--adhered to the view that COMINT and ELINT should preferably be assigned to a single committee having a function comparable to USIBEC."

6. Situation Review

a. Watch Committee Report
No. 422

Noted.

b. Review of Sensitive Situations

The members exchanged views on the Taiwan Strait situation in the course of which Mr. Cumming invited particular attention to the tone and possible implications of an editorial in the Communist Chinese "Peoples Daily." The Chairman emphasized the importance of watching possible Chinese Nationalist moves and the members concurred in his suggestion that the Watch Committee take specific cognizance of this problem. After discussion, the members agreed that no change in their prior estimative conclusions relevant to the present Taiwan Strait situation was warranted.

General Watson invited the members' attention to recent evidence bearing on Soviet military aircraft capabilities and missile activities.

7. Report of Committee on
International Communism
(IAC-D-99/5, 1 July)

Noted this report. In this connection, the members concurred in the Chairman's suggestion that the Committee on International Communism consider what the nature and scope of its future activities should be and make recommendations on this question to the IAC.

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Mr. Cumming noted that certain proposed organizational changes within the State Department might have a bearing on what this committee could do for the intelligence community.

8. Executive Session

At 1215 the Chairman requested an executive session.

Adjournment: 1245



Secretary

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ALSO PRESENT

Central Intelligence Agency

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Mr. Sherman Kent

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Dr. Herbert Scoville, Jr.

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Department of State

Mr. Robert Thayer
Mr. Andrew Wardlaw
Mr. Robert A. Stein
Mr. Theodore Nelson

Department of the Army

Lieutenant Colonel L. D. Terry
Lieutenant Colonel C. H. Pratt
Lieutenant Colonel E. L. Nicely
Majot W. A. Bovee

Department of the Navy

Captain W. S. Howell
Commander Gillette

Department of the Air Force

Colonel Linscott A. Hall
Lieutenant Colonel J. G. Pickering, III

The Joint Staff

Colonel D. M. Garvey, USA
Colonel W. F. Lantz, USMC

Federal Bureau of Investigation

Mr. Meffert Kuhrtz

USCIB

Captain Allyn Cole
Colonel Charles Townsend

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I N T E L L I G E N C E A D V I S O R Y C O M M I T T E E

Minutes of Meeting Held in
IAC Conference Room, Administration Building
Central Intelligence Agency, at 1430, 2 September 1958

Acting Director of Central Intelligence
General Charles P. Cabell
Presiding*

Deputy Director (Intelligence), CIA
Robert Amory, Jr.
Presiding*

M E M B E R S P R E S E N T

Mr. Hugh S. Cumming, Jr., * Director of Intelligence and Research,
Department of State
Mr. Robert Thayer, * acting for Director of Intelligence and Research,
Department of State
Major General Robert A. Schow, Assistant Chief of Staff for Intelligence,
Department of the Army
Rear Admiral V. L. Lowrance, Acting Director of Naval Intelligence,
Department of the Navy
Major General James H. Walsh, Assistant Chief of Staff, Intelligence,
United States Air Force
Brigadier General Robert A. Breitweiser, * Director for Intelligence,
The Joint Staff
Colonel Dale M. Garvey, * acting for Director for Intelligence, The
Joint Staff
Mr. Harry S. Traynor, Atomic Energy Commission representative
to the IAC
Mr. Ralph R. Roach, acting for Federal Bureau of Investigation
representative to the IAC

* Part of meeting

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1. Special Army Briefing

A special briefing was presented by General Schow and an Army team.

2. Review of NSC Action
on NSCIDs 1 through 7*

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The members discussed the nature of the action taken by the NSC with respect to the recommended revisions of NSCIDs 1 through 7, as reflected in the record of NSC Action No. 1978. With respect to b (1) of the NSC record of action, General Cabell advised that he and [redacted] expected to meet on Wednesday with Budget Bureau officials and that any proposals coming out of that meeting would be submitted to the IAC and USCIB members for consideration prior to any formal action. The members also discussed various other matters which had been raised in informal consultation with Budget Bureau officials or at the recent NSC meeting. In connection with b (3) of the NSC record of action, it was agreed that paragraph 5, last sentence, of NSCID No. 1 be amended to read:

"The DCI shall call upon the departments and agencies, as appropriate, to investigate within their department or agency any unauthorized disclosure of intelligence or of intelligence sources or methods. A report of these investigations, including corrective measures taken or recommended within the departments and agencies involved, shall be transmitted to the Director of Central Intelligence for review and such further action as may be appropriate, including reports to the NSC or the President."

General Cabell stated that if important changes came out of Wednesday's meeting with the Budget Bureau officials he might call

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*Both IAC and USCIB members were present for the first portion of this meeting, with General Erskine and [redacted] representing the Department of Defense and NSA respectively. Actions on the first six items should be considered joint IAC-USCIB actions.

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a special IAC-USCIB meeting to consider those changes, in order that NSC action on these NSCIDs could be completed at an early date.

3. Continuity of Intelligence
Community Functions Following
Establishment of USIB
(IAC-D-112/3, 19 August;
IAC-M-358, item 4)

The Chairman noted that the members had agreed to discuss IAC-D-112/3 again and circulated a CIA proposed change to page 3 of that memorandum. After he explained the purpose of the change each of the members expressed his views on the proposed amendment and other pertinent matters. Following discussion it was agreed that, for a test period of a number of months, the new USIB should assign responsibility for COMINT and ELINT matters to two separate committees and that they should support the USIB and generally operate in accordance with Action III, as modified by the CIA amendment. In this connection, it was also understood that the Director of NSA (or his Deputy) should have considerable latitude in exercising his coordinating responsibilities (as provided for in paragraph III c (4) of the CIA amendment), particularly with respect to questions such as determining whether problems should be defined or treated as COMINT or ELINT matters.

General Erskine raised a question about the chairmanship of the new COMINT committee and the members discussed this matter. After an exchange of views it was agreed to accept the language of III c (2) of the CIA amendment with the understanding that the identity of the chairman of this committee would be considered at a later meeting.

The members then approved the Actions I, II and III as recommended in IAC-D-112/3, subject to the CIA proposed amendment of III c and the understandings outlined above.

However, the members from the Joint Staff and Navy -- while agreeing to the trial period -- adhered to the view the COMINT and ELINT should preferably be assigned to a single committee having a function comparable to USIBEC. - 3 -

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Amended by IAC-M-369, item 5)

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4. Approval of Minutes
26 August Meeting
(IAC-M-358)

Approved as written, subject to the deletion of "noted this memorandum and" in the first sentence of item 4.

5. Situation Review

a. Watch Committee Report
No. 421

Noted.

b. Watch Committee Report
No. 421-A

Noted.

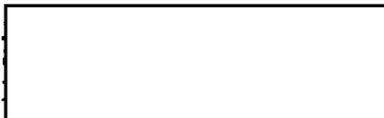
6. Proposed DCID 1/5
(IAC-D-129, 20 August)

Approved the draft DCID 1/5, subject to possible later reconsideration in the light of an amendment proposed by Admiral Lowrance.

7. Executive Session

At 1610 General Cabell requested an executive session, after which he and Mr. Cumming departed for a conference with the Secretary of State and Mr. Amory assumed the chair.

8.



a. Post-Mortem
(Memorandum to IAC, 28 August)

Noted the findings and approved the recommendation of the post-mortem on this estimate.

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- b. Validity Study of NIE 34-57
(Memorandum to IAC, 28 August)

Noted this validity study.

[Redacted]

- 9. [Redacted]

a. Approved as amended. The members also approved a State Department request that they be authorized to distribute advance copies of this estimate to certain U.S. governmental departments or agencies concerned with current financial discussions with Indian officials.

b. Noted the findings and approved the recommendation of the post-mortem on this estimate.

c. Noted the validity study of [Redacted] "Consequences of [Redacted]"

d. No member objected to the release of [Redacted] to USIA.

[Redacted]

- 11. Annual Report to NSC
(IAC-D-55/13.3, 25 August;
IAC-D-55/13.4, 29 August)

Approved an Annual Report to the NSC on the Status of the Foreign Intelligence Program (as of 30 June 1958), as amended.

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12. Procedures for Operation
of New USIB

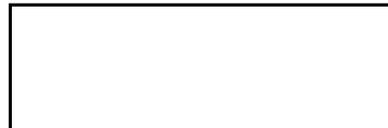
General Cabell, who was then presiding, outlined certain proposed procedures, which were then agreed to, for the operation of USIB, particularly with respect to the need for limiting the attendance of support staffs during the consideration of a particular agenda item to those concerned with that item only. This is in the light of the physical facilities available and the desirability of adhering to the need-to-know principle.

13. Executive Session

At 1710 General Cabell requested an executive session.

Adjournment: 1725

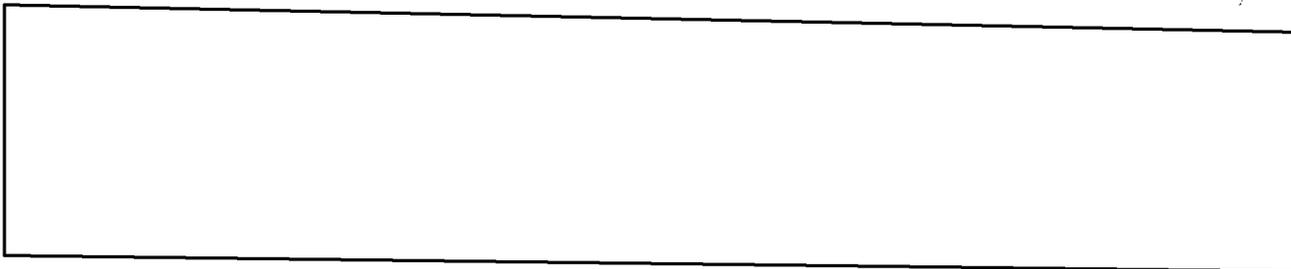
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Secretary

SECRETARY'S NOTES

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3. The list of "Members Present" at the 26 August meeting (IAC-M-358) should reflect that Mr. Meffert Kuhrtz, rather than Mr. Roach, represented the FBI.

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IAC Meeting, 2 September 1958

ALSO PRESENT

Central Intelligence Agency

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Mr. Sherman Kent

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Dr. Otto E. Guthe

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Department of State

Mr. Polyziodes

Mr. Sober

Mr. Dreesen

Mr. McAfee

Department of the Army

Lieutenant Colonel L. D. Terry

Lieutenant Colonel C. H. Pratt

Major Philip Dunbar

Mr. F. E. Lane

Department of the Navy

Captain W. S. Howell

Captain A. D. Kilmartin

Commander D. M. Showers

Commander C. A. Shaw

Department of the Air Force

Lieutenant Colonel J. G. Pickering, III

The Joint Staff

Colonel Montie Cone, USA

Department of Defense

General G. B. Erskine

National Security Agency



USCIB

Captain Allyn Cole

Colonel Townsend

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