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THE JOINT STUDY GROUP REPORT
ON
FOREIGN INTELLIGENCE ACTIVITIES
OF THE UNITED STATES GOVERNMENT

15 December 1960

MR. LYMAN B. KIRKPATRICK

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15 December 1960

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

We present herewith the report of the Joint Study Group on Foreign Intelligence Activities of the United States Government. In conducting this study we have been guided by the attached terms of reference. We would note, however, that we inevitably came across matters of national security interest in the foreign intelligence field not specifically covered in the terms of reference and that we felt obligated to comment on these.

In preparing this report we have earnestly endeavored to consider what is best for the nation. In submitting the report we recognize that in the time allotted it was impossible to cover in detail the vast foreign intelligence effort of the United States Government, but we have endeavored to identify the major problem areas and have recommended solutions.

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APPROVED TERMS OF REFERENCE

JOINT STUDY GROUP

1. To promote the most effective and efficient use of intelligence resources and to assist the DCI in carrying out his responsibilities for coordinating the foreign intelligence activities of the U. S. Government, an ad hoc Study Group is established by agreement of the following principals, who will be represented on the Group:

The Director of Central Intelligence, who will provide the Chairman
The Secretary of State
The Secretary of Defense
The Director, Bureau of the Budget
The Special Assistant to the President for National Security Affairs

The President's Board of Consultants on Foreign Intelligence Activities will have a representative sit as an observer on the Joint Study Group and the Board will be given an opportunity to comment on the Group's report.

2. The Group, under the direction of the DCI, shall concentrate its attention primarily upon organizational and management aspects of the following areas within the intelligence effort. For this purpose all aspects of foreign intelligence shall be within the purview of the Group.

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a. Inter-departmental, departmental, agency and military service procedures for handling of intelligence requirements and related guidance to collectors -- with particular attention to:

(1) Procedures for keeping down the volume of, and avoiding any unprofitable duplication in, such guidance, and the feasibility of establishing a central registry of outstanding intelligence requirements and of collection responses thereto.

(2) Inter-departmental arrangements for selective levying of requirements on the most appropriate collection facility or facilities.

b. USIB arrangements for:

(1) Ensuring rapid adaptation, adjustment or re-direction of existing collection assets to meet changes in current priority requirements, and for deciding upon and supporting expansion of existing collection facilities or development of new facilities needed to meet new agreed high-priority requirements.

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(2) Periodic community evaluation (including the appraisal of dollar and man-year inputs) of the foreign intelligence effort as a whole -- with particular attention to improving the total program balance, from the geographic and functional points of view, and to increasing efficiency and eliminating any unprofitable duplication in the utilization of intelligence resources.

c. The present military intelligence coordinating machinery and its relationship to the intelligence community -- with particular attention to possibilities for closer integration under the authority of the Department of Defense Reorganization Act of 1958.

d. The effectiveness of current implementation of intelligence coordination directives and procedures -- with special attention to the field coordination of overseas intelligence activities, and to community support for the intelligence needs of senior U. S. representatives abroad, including military commanders.

e. Present arrangements for coordinating research and development conducted in support of the foreign intelligence

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effort and for determining the intelligence community interest in, and providing support to, any R & D for other primary purposes which may also have significant potential usefulness to intelligence.

3. The Group shall present, by 15 December 1960, its findings and recommendations for appropriate action to the DCI for consideration by the Principals, after which time it shall be dissolved. Any actions to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned.

14 July 1960

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I. INTRODUCTION

A meeting on 6 May 1960 between the Director of Central Intelligence, the Secretary of Defense, the Director of the Bureau of Budget, the Special Assistant to the President for National Security Affairs, and the President's Board of Consultants on Foreign Intelligence Activities resulted in a decision to establish an ad hoc Joint Study Group to review specified aspects of the foreign intelligence effort of the United States Government. By 12 July 1960 the terms of reference had been agreed upon by the principals and approved by the President of the United States.

The terms of reference provided that the membership of the Study Group would consist of representatives of the Director of Central Intelligence (who would provide the Chairman), the Secretary of State, the Secretary of Defense, the Special Assistant to the President for National Security Affairs and the Director of the Bureau of Budget. In addition, the terms of reference provided that the President's Board of Consultants on Foreign Intelligence Activities would have a representative sit as an observer with the Group and that the

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President's Board would be given an opportunity to comment on the Group's report following its submission. By general agreement of the members of the Study Group, the Assistant to the Director of Central Intelligence for Coordination was invited to participate with the Group in an observer capacity.

The Group's terms of reference provided that the attention of the Study Group would be focused primarily on the organizational and management aspects of the foreign intelligence effort. More specifically, the Study Group was directed to examine requirements, which are the means by which intelligence producers or researchers request collection; the adaptation of collection assets to changing needs; the method by which the intelligence community periodically evaluates its efforts; the military intelligence coordinating machinery, particularly as related to the Department of Defense Reorganization Act of 1958; the implementation of intelligence directives, particularly as related to providing intelligence support to field commanders; and the coordination of the research and development effort of the intelligence community.

Commencing 10 July 1960, the Study Group met 90 times, for periods ranging from two to nine hours each, and received briefings or presentations or engaged in discussions with 51 organizations. A total of 320 individuals appeared before the Study Group.

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The Joint Study Group concluded its sessions with representatives of the intelligence community by meeting with each of the members of the United States Intelligence Board, except the

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representatives of the Federal Bureau of Investigation and the Atomic Energy Commission. In these meetings the Study Group had the opportunity to solicit views on the major proposals incorporated in this report.

The Joint Study Group has made a conscientious effort to meet as a body each time so that all members would have the benefit of hearing the same presentations. Each of the members contributed at least one staff assistant to the Group who indispensably assisted in arranging meetings, doing research and drafting and redrafting many sections to expedite the preparation of this report.

The Joint Study Group has tried to examine the problems of the intelligence community from a national point of view without reference to personalities or parochial interests. Within this over-all approach it has made every effort fully to appreciate departmental interests in the fields of intelligence collection, processing and production. We have endeavored to understand the history and evolution of U. S. foreign intelligence activities, and have found in this history both advantageous and disadvantageous aspects. We have tried to capitalize in our recommendations on the advantages the community has gained from its often

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effective, spontaneous response to the demands of events and circumstances. We have sought corrective measures for these deficiencies in the community that reflect lack of explicitly planned development.

We have reviewed the National Security Act of 1947 (as amended) and other applicable statutes. We have examined those provisions of each National Security Council Intelligence Directive and Director of Central Intelligence Directive within our terms of reference both to determine their appropriateness and their degree of implementation. We have also studied the Department of Defense Reorganization Act of 1958.

Finally, the Joint Study Group has paid particular attention to the future, and carefully examined the extent of long-term planning within the intelligence community.

We particularly want to thank those many members of the intelligence community who spent long hours preparing helpful briefing material for the Study Group. In addition, their very frank discussions of problems and ideas for improvements were invaluable to us in preparing this report.

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II. THE INTELLIGENCE COMMUNITY

The foreign intelligence effort of the United States Government centers in the "intelligence community", which consists of those departments and agencies which are responsible for the collection of information and production of foreign intelligence essential for the security of the United States. The intelligence community includes the Central Intelligence Agency; the intelligence components of the Departments of State, Defense, Army, Navy and Air Force, and of the Joint Staff (JCS); National Security Agency (NSA); the Federal Bureau of Investigation; and the Atomic Energy Commission. In addition to these departments and agencies, there are many other elements of the government which collect or produce information useful in the intelligence process and which contribute to the foreign intelligence effort; these elements are brought into community activities on an ad hoc basis.

The heart of the intelligence community is in Washington (including Fort Meade), although considerable activity occurs elsewhere in the continental United States.

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The latter includes the major intelligence elements of the Strategic Air Command, the Commander-in-Chief Atlantic Fleet, Continental Air Command, Continental Armies, individual Army headquarters, Strategic Army Corps, Air Technical Intelligence Center, Army Map Service, Aeronautical Chart and Information Service, and the Air Force Security Service. The Army and Navy cryptological agencies are in Washington. All three military services maintain regional intelligence offices, largely engaged in security investigative and counterintelligence work throughout the United States. The Central Intelligence Agency (CIA) also has regional field offices and resident agencies.

The following table will provide an order-of-magnitude impression of the location of the nation's foreign intelligence manpower. Of particular interest are the facts that more than 80 per cent of intelligence personnel are related to Department of Defense activities and that over half of the total manpower is engaged in the signal intelligence effort.

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The intelligence community is formally organized under the United States Intelligence Board (USIB). This Board has a total membership of ten, of which six represent the principal producers and processors of intelligence; namely, the Central Intelligence Agency, the Department of State, the Army, the Navy, the Air Force and the National Security Agency. Two other agencies are not extensively engaged in foreign intelligence activities but sit on the USIB as occasional contributors -- the Atomic Energy Commission and the Federal Bureau of Investigation. Finally, there is representation from the Office of the Secretary of Defense (OSD) and from the Joint Chiefs of Staff (JCS). National Security Council Intelligence Directive No. 1 officially lists the USIB membership as follows:

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The Director of Central Intelligence, Chairman
The Director of Intelligence and Research, Department of State
The Assistant to the Secretary of Defense for Special Operations
The Director of the National Security Agency
The Director for Intelligence, the Joint Staff
The Assistant Chief of Staff for Intelligence, Department of the Army
The Assistant Chief of Naval Operations for Intelligence, Department of the Navy
The Assistant Chief of Staff, Intelligence, Department of the Air Force
A representative of the Director of the Federal Bureau of Investigation
A representative of the Atomic Energy Commission

The above list suggests certain observations. Three echelons of the Defense Department are represented on the USIB -- the Army, Navy and Air Force sit on the USIB as equals with the representative of the OSD, their civilian superior, and with the Director of Intelligence, the Joint Staff, representing their military superiors, the JCS. That all are not in fact equal is implicit in the requirement that military services, NSA and JCS representatives are not permitted to appeal USIB actions without prior review by the Secretary of Defense. We would finally note that the USIB has six military member agencies as compared to four civilian agencies and only two of the latter are major collectors and producers of foreign intelligence.

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Functioning directly under and in support of the USIB are 26 committees. Some of these in turn have established sub-committees or working groups through which they discharge part of all of their responsibilities. A number of these committees and their subordinate elements are concerned primarily with the production of finished intelligence; others deal with the coordination of guidance to collection and processing activities and with a variety of reference services and other support activities. The composition of these committees normally reflects the membership of the USIB itself. A chart of the committee and sub-committee structure of the USIB is shown on the following page.

Any evaluation of the USIB structure must necessarily start with an examination of the functions of that body. National Security Council Intelligence Directive (NSCID) No. 1 indicates that this Board is intended primarily to assist the Director of Central Intelligence (DCI) to achieve an effectively coordinated intelligence community, and the Board itself to carry certain coordinating responsibilities. Its responsibilities cross agency boundaries and convey

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both a policy-making and management flavor. The development of program guidance for all agencies, the establishment of community intelligence objectives, requirements and priorities, and the provision of a more effectively integrated national intelligence effort cannot be achieved unless the Board plays a positive, constructive role in assisting the management of the community.

Our study has convinced us that the USIB has been primarily a deliberative body. It has discussed and given final shape to estimates which are recognizedly the capstone of intelligence effort, but it has by no means devoted equally adequate time to its coordinative responsibilities. We are not aware that the Board has ever provided over-all program guidance for the entire community. Problems confronting the Board are all too frequently merely noted or referred to a committee.

We are of the opinion that these deficiences are rooted in several causes, not the least significant of which is the size and makeup of the Board itself. Although all members, except the Chairman, appear to be equal, they are not of equal status. They do not enjoy like authority

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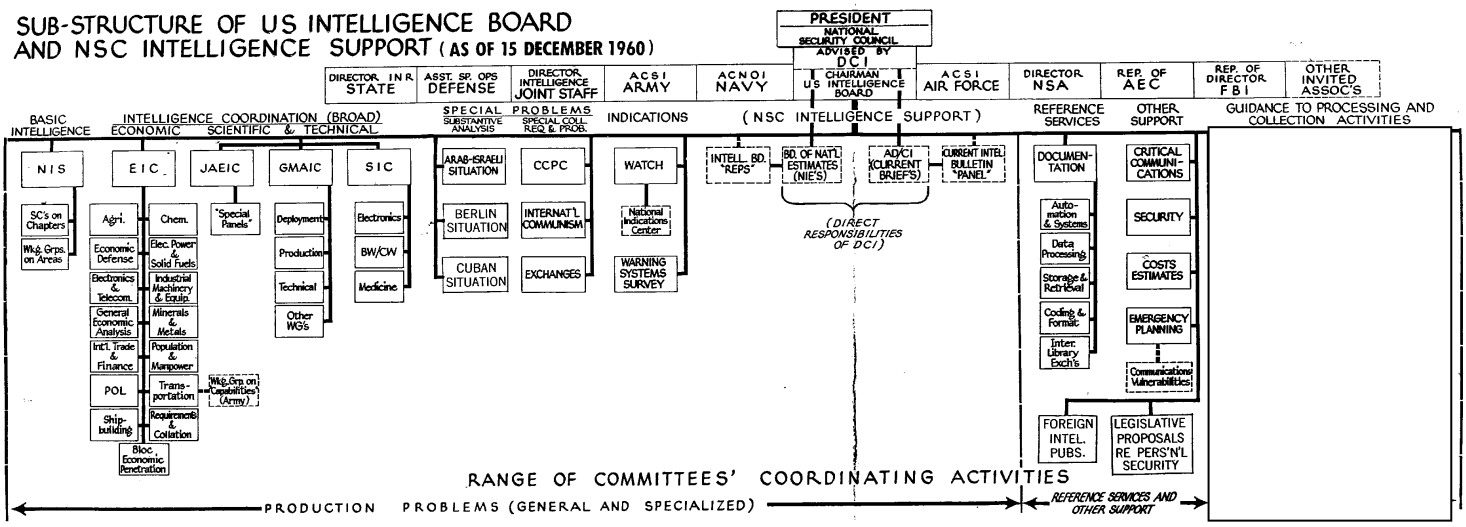

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within their own agencies, nor do they represent similar types of organization. The three echelons of military representation have already been cited; here we would only add that the top Department of Defense echelon commands no intelligence organization, and the Joint Staff intelligence component is comparatively small. The heavy weighting of military representation is itself questionable.

We feel that the Board has slighted its managerial responsibilities. To assist the Board in remedying this situation, we believe there should be a USIB mechanism concerned with management matters. We have particularly in mind major management problems, usually involving several parts of the community.

Finally, we feel there is an opportunity to make better use of the Board's time through more careful screening of matters coming before it. In making this observation we are very conscious of the need for safeguards against lower level groups in effect usurping the powers of the Board.

The Study Group feels that the first purpose of its recommendations should be to build upon the constructive and favorable elements in the present intelligence

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organizations and to correct deficiencies. The Study Group has therefore looked at the major component units in order to discern in each its generally advantageous and disadvantageous characteristics. A quick review of these observations is set forth below as a guide to the over-all direction of the Group's proposals.

The CIA has made progress in developing a corps of well-trained, dedicated personnel. It has demonstrated notable energy in developing projects of common concern which have been assigned to it. However, this same energy has in fact led the Agency into some activities that are competitive with those of other members of the community, and raised in these members continuing fears of increased centralization to a degree that hampers the DCI's coordinating efforts.

The Department of State contributes a fund of expertise in the understanding of foreign affairs. Its information gathering is enhanced by the fact that its collection goes hand in hand with diplomatic negotiation and representation. This same fact, however, complicates the situation in that embassy political and economic activity,

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being in part policy operation, cannot be brought wholly within the cover of intelligence coordination, nor can it easily be separated into the two categories of intelligence and policy. The Foreign Service still shows an indifference to intelligence, in part, because the Service thinks of intelligence in old-fashioned terms as a limited esoteric operation.

The military intelligence services provide the community with specialized knowledge and experience in indispensable areas of intelligence interest. Their dedication and esprit de corps are of high order. They are disciplined and responsive to command. Having direct responsibility for preparing for military action with the potential enemy, they supply to the community a sense of urgency that is unfortunately not always matched elsewhere. On the other hand the participation of three separate military intelligence services in all community activities makes it difficult to achieve an over-all military intelligence view. Further, the frequent rotation of personnel does nothing to encourage greater depth of understanding or collaboration.

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The JCS organization at present bears promise of a stronger mechanism for reconciling the service views. Up to now in the field of intelligence the implementation of the Department of Defense Reorganization Act of 1958 has not progressed far enough to permit immediate reliance upon the Joint Staff contribution to solving intelligence community problems.

The recommendations on problems and issues raised in this section are presented in later sections where they are more fully developed.

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III. MILITARY INTELLIGENCE

The problems in military intelligence identified by the Joint Study Group fall roughly into two main categories -- Defense organization and field operations.

Department of Defense (DOD) Intelligence Organization

In attempting to visualize the future role of military intelligence we note that increasingly powerful, sophisticated and costly weapons systems of mass destruction are becoming available to both the United States and the U.S.S.R. in such quantities as to give each the capability of destroying the other several times over. In such a confrontation, foreign intelligence regarding a technological breakthrough has great significance. Policy makers in government will rely increasingly on intelligence to keep them apprised of enemy research development and over-all capabilities, to insure sound decisions on weapons systems. Moreover, intelligence must be so organized as to give advance warning of both general and limited wars and be able effectively to support U. S. forces. Finally, intelligence must avoid concentrating so exclusively on military aspects of the power balance that it overlooks economic and political aspects both of that balance and of the free world generally.

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The Joint Study Group believes that in the foreign intelligence area a sense of great urgency must be brought to the study of and planning for such a future. It is impressed with the need to make far-reaching decisions now, without further delay, about the kind of intelligence the United States must have -- its size, mission, the resources to be devoted to it, and its organization.

To insure that intelligence will be equal to the great demands placed upon it, it must be viewed as an integrated program demanding an intense effort, closely coordinated planning, and the allocation of resources in money and human skills comparable to weapons systems of the highest priority and on an equal footing with them. In view of the importance of intelligence, we believe the chiefs of the military intelligence services, as well as those in commands and joint staffs, should have equal position and rank to their operational counterparts.

More specifically, the kind of future suggested above will pose for the DOD problems which have already begun to take shape. For example, advanced technology is being applied increasingly to intelligence and involves the expenditure of great sums. In the collection of intelligence information, SAMOS is a system which is expensive to develop and will continue to be

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expensive in operation. The management of this program will involve serious and complicated decisions as to the extent and nature of its use. The operational use of SAMOS will be principally for intelligence and will involve additional outlays for the rapid and efficient handling and processing of the data collected. Two projected photo interpretation centers for carrying on this work, one in CIA and one in the Air Force, are now in the early stages of development. The difficulty is that these agencies have been proceeding without sufficient reference to each other. While the decisions on use of SAMOS must be based on other than solely intelligence factors, the community, probably operating through the USIB, should look forward to having an important share in the responsibility. This problem is discussed further in Section V.

In the data processing, storage and retrieval field there is also great research and development activity. Most of it, however, has been carried out along strictly departmental agency lines, and while Defense-wide coordination is progressing under the direction of the Director of Defense Research and Engineering, coordination for community-wide compatibility is less satisfactory. (See Section IX.)

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In addition to the problems of developing new intelligence systems, there are difficult procurement decisions regarding the modernization and replacement of obsolescent equipment involving considerable cost. For example, United States Air Forces Europe (USAFE) feels it needs to replace worn out and unsuitable aircraft with C-130Bs for the collection of high-priority electronics intelligence (ELINT) data. United States Army Europe (USAREUR) states that it is in great need of modern ELINT equipment of all kinds but funds have not been allocated. Development of a high performance aircraft which Naval Intelligence believes it needs for an air platform for photography and signal intelligence to fill an important intelligence need is not proceeding because funds have not been allocated.

A continuing serious problem is the difficulty in arriving at an accurate cost figure for intelligence for the reason that there is no basis for comparability common to all three military

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service departments. [redacted] As is pointed out in Section VIII, this makes fiscal management very difficult.

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and inefficiency. For this there should be an authoritative focal point within the Office of the Secretary of Defense, which should also be the primary point of contact with the rest of the community.

Among the internal factors influencing U. S. military intelligence is the Department of Defense Reorganization Act of 1958. In general, a process of evolution is taking place in which the strengthened position of the Joint Chiefs of Staff (JCS) in the command line from the Secretary of Defense is gradually emerging.

However, it does not appear that the concept of the Defense Reorganization Act of 1958 has yet been fully realized in the field of intelligence. Essentially the same general methods and procedures for the control of intelligence operations and the exercise of intelligence responsibilities that existed prior to the Defense Reorganization Act of 1958 are still in effect today. In fact, intelligence activities of components of unified and specified commands continue to be as responsive as formerly to direction by the military departments.

It is clear from the concept of the Defense Reorganization Act of 1958 that the JCS can logically assume direction or control over such intelligence activities as are undertaken in

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United States intelligence must be a community effort in fact as well as name, which means that effective coordination of intelligence as a truly national effort must be achieved. By far the preponderant part of U. S. intelligence in terms of manpower and money is that undertaken by the DOD. Great strides toward a more closely integrated community would result from improved intelligence coordination within the DOD.

It has been suggested to the Study Group that a positive solution would be to establish one intelligence service for the whole DOD, reporting directly to the Secretary of Defense. Although this proposal has considerable merit, it is our view that on balance it would be unwise to attempt such an integration of intelligence activities so long as there are three military services having specialized skills and knowledge.

Nonetheless, intelligence management within the DOD must be organized in such a way as to provide adequately for intelligence as a coordinated system of highest priority. Besides increasing JCS responsibility in coordinating over-all defense substantive matters, there is need to establish and maintain cognizance of the over-all program in terms of resources of manpower and money allocated, and to eliminate waste, duplication

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support of the strategic mission of the JCS, whether they are now being performed by the military service departments or by unified and specified commands. However, it is not so specifically stated in DOD directive #5100.1. Furthermore, National Security Council Intelligence Directives (NSCIDs) charge the military departments with certain intelligence responsibilities but fail to do the same regarding J-2 of the JCS, indicating instead that the military service departments produce that intelligence required by the JCS.

The JCS publication "Unified Action Armed Forces (UNAAF)" of 23 November 1959 implements DOD directive #5100.1 and does not limit intelligence responsibilities of the military departments to their departmental missions. Further, departmental missions are not spelled out in sufficiently clear and unmistakable terms, thereby furnishing latitude for interpreting specific intelligence operations and activities as being in support of departmental missions. In this way the chain of command is by-passed with resulting lack of coordination to prevent overlap and duplication and achieve more effective use of resources.

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It seems probable that the situation described above cannot be positively corrected unless the relevant NSCIDs are revised to assign authority and responsibility for military intelligence activities to the Secretary of Defense who can in turn allocate responsibilities to the services and JCS as he sees fit.

Field Operations

In common with other national purposes, U. S. military intelligence is strongly affected by external factors of major importance. Foremost among these is the existence of the cold war, a condition of neither peace nor war which imposes enormous complications on military commanders who must maintain, in a world nominally at peace, a posture of full wartime readiness. Military commanders in these circumstances quite naturally demand that their intelligence support give absolute priority to the security of command and early warning.

The continued threat from an implacable and powerful enemy is a factor which demands an intelligence effort sustained at close to wartime intensity. The effectiveness of this effort is limited by the formidable security system which it must penetrate. The importance of U. S. intelligence operations in

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Berlin and in East Germany is emphasized by the fact that operations there are considerably easier than elsewhere in the bloc. Nevertheless, intelligence information is becoming increasingly hard to collect even there, and political considerations sometimes further restrict intelligence activity. If the United States is to be prepared, it must be assured of the best possible flow of information about enemy strength, disposition, combat readiness, science and technology, and probable intentions in sufficient quantity and detail to support the commander's mission.

It cannot be said with any assurance, short of the actual event, that this flow of information is now sufficient to provide the desirable warning and security of command, or assuming that it is now sufficient, that it will not suddenly dry up sometime in the future. Consequently, only the best coordinated overt and clandestine efforts will suffice.

The Joint Study Group appreciates the desire of commanders to maintain control of intelligence assets which they deem necessary to assure security of their commands. At the same time, intelligence operations, [redacted] 25X1

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The Joint Study Group believes that a solution lies in a new approach to coordination in the field. This is discussed at length in Section VII on Coordination.

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We feel that the creation of the National Strategic Targeting Planning Staff will make possible better utilization of target intelligence, and we are hopeful that comparable procedures will be developed for the coordination and utilization of intelligence for tactical targeting purposes.

There is a great need for improvement in the role of J-2 of the unified commands. The Joint Study Group believes that positive coordination by J-2 of intelligence operations of the component commands would do much to alleviate many existing difficulties. We have in mind particularly the need for coordination by the unified commands of intelligence training and operations, requirements, relations with non-military intelligence agencies, and counterintelligence.

It is recommended that:

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end:

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a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components.

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as:

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority;

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates;

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI);

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII);

c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above.

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate.

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3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense.

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations (particularly military attaches) and personnel so assigned should be given position and rank comparable to their operational counterparts.

5. The military services should be encouraged to maintain and develop a capability for clandestine intelligence collection which would be carried out under the coordination of the Director of Central Intelligence.

6. The Special Security Officer systems should:

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b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems.

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IV. NATIONAL SECURITY AGENCY

The National Security Agency (NSA) is the Department of Defense (DOD) Agency established by the Secretary of Defense to carry out most of the responsibilities now assigned to him by National Security Council Intelligence Directive (NSCID) No. 6 as the executive agent of the government for communications intelligence (COMINT) and electronics intelligence (ELINT), as well as certain responsibilities in the field of communications security. In order that NSA can carry out both the COMINT and ELINT missions, the COMINT and ELINT activities of the United States are placed under the operational and technical control of the Director, NSA. [redacted] 25X1

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It is recommended that:

7. The Department of Defense re-examine the assignment of Defense ELINT resources to unified and specified commands to determine the feasibility of placing more of these particular resources under the operational and technical control of the Director, NSA.

8. The Department of Defense review the NSA concept of partnership with the service cryptologic agencies in COMINT and ELINT activities with a view to strengthening the control of the Director of NSA over the service cryptologic agencies.

9. The Department of Defense reappraise the adequacy of research and development programs for ELINT purposes with the objectives of developing more adequate ELINT equipment at the earliest feasible time.

10. USIB reappraise the security clearance standards for foreign born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices.

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V. COLLECTION - RESOURCES

For the purposes of this report we have divided the collection of intelligence information into four major fields: overt, signal intelligence, visual-aerial, and clandestine.

The principal collectors of overt intelligence information are the diplomatic and consular officers of the United States and the military and civilian attaches. Their reporting is largely based upon official and non-official contacts, general observation and research. Other overt sources include the monitoring of open radio broadcasts, the exploitation of foreign publications, and the interrogation of defectors and refugees, all of which provide considerable valuable information.

A secondary source for overt collection involves United States business organizations and individual travellers who receive or obtain information from abroad. Similarly the East-West exchange program has provided the opportunity to obtain some significant information in recent years.

The Study Group wishes to emphasize that the information collected through overt means is the foundation of all

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intelligence and should not be neglected through over-concentration on less conventional modes of collection. We anticipate no change in this in the future.

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[redacted] Among the specific fields of signal intelligence is communications intelligence (COMINT) which is the interception of communications transmitted by electrical means both by voice and in code. The emission of electromagnetic emanations and radiations by various types of electrical machinery and vehicles, including missiles, provides a second source of signal intelligence known as electronics intelligence (ELINT).

Taken together, signal intelligence, although very expensive in both human and material resources, offers great potential opportunities for increased collection of valuable intelligence. Recommendations regarding the collection of signal intelligence are made in other sections, particularly the section on the National Security Agency (Section IV).

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One serious problem relating to signal intelligence, but also present in the photographic intelligence field, results from the security classification system currently in use. Entirely apart from the well-known tendency throughout the intelligence community to over-classify, the special handling required for a very significant portion of intelligence information has at times deprived key personnel of information vital to the successful discharge of their responsibilities. Among United States agencies, practices vary regarding the granting of special intelligence security clearances.

Even the National Indications Center (NIC) is sometimes deprived of vital information on security grounds, despite its assigned role of informing promptly and fully top U. S. officials on critical events affecting the national security. The NIC (in the Pentagon) is the central point which is intended to receive, analyze and transmit all-source information which may indicate hostile intentions anywhere in the world. It is staffed by USIB representatives and provides intelligence support to the Watch

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Committee, an inter-agency body which publishes a weekly summary of available information related to the imminence of hostilities. The extreme importance of these activities is self-evident. Despite this fact, the Study Group observed that the NIC on occasion has had to resort to informal channels and personal contacts to obtain vital information.

A third major source of foreign intelligence is photographic and other visual-aerial observation. This is probably the most precise form of intelligence collection, inasmuch as photographs provide accurate information. The U-2 program provided what was probably the greatest amount of valuable information obtainable from any single source, and the Study Group heard consistent requests that this program or something similar to it be resumed at the earliest possible date. The possibilities of aerial observations from missiles and satellites were examined and while they have substantial potentialities for the future, left the impression that accuracy similar to that of the U-2 will not be obtained for some time.

The Study Group has spent many hours discussing the problem of processing and interpreting aerial photography

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for intelligence purposes. The CIA, with the active participation of the Army and the Navy, is administering an expanding operation which is now in effect a photographic intelligence center of common concern. However, this center is still operated today on the basis of informal arrangements originating at the time of the U-2 which could be terminated at any time. The Air Force (including the Strategic Air Command) has extensive photographic processing facilities involving several times the number of personnel now at the CIA center. Formal understandings should be reached soon as to the respective roles of CIA and the Air Force in the photography field to insure that maximum intelligence value will be extracted at reasonable cost from the new sources of photography now being developed, particularly SAMOS.

There is agreement within the community that when the raw film is chemically processed, the photography should be distributed immediately to all parties of interest. There is also agreement in most of the community that a central photographic intelligence center of common concern should

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be established. Opinions vary, however, as to (a) how much interpretation and analysis should take place at such a center, and (b) who should run it.

It is the consensus of the Study Group that a photographic center of common concern should be established. It would be responsible for rapid identification of items of intelligence interest and achieving a quick initial interdepartmental evaluation of important items.

Personnel of the center representing different parts of the community would jointly examine the photography, using collateral information as necessary, only up to the point where the objects in the picture had been definitely identified. Based on such identification, the center would then distribute its initial identification, together with related collateral information supporting the identification, to interested parts of the community for more detailed interpretation by specialists.

The most difficult problem is to determine whether CIA or the Department of Defense should run such a center. If the decision is to be based on probable developments in the near future plus the assumption (which may be invalid)

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that this photography will provide reliable and timely early warning intelligence, then a strong case can be made to locate the center in the Department of Defense. It can be argued that responsibilities of the JCS or the Air Force for instant retaliation are such that early warning intelligence resources should be under its direct control. Furthermore, various elements of the Department of Defense have photographic centers anyway in connection with targeting activities and other related needs, thus suggesting that it may be more economical for the DOD or the JCS to run the center. From another point of view, possible Congressional reaction to further major increases in CIA's budget suggests caution in expanding CIA's operational responsibilities beyond current levels.

On the other hand, strong doubts have been expressed as to whether, for example, SAMOS would provide enough reliable and significant early warning information to justify the very high cost of collecting and processing photography at frequent intervals for the same areas. Regardless of who runs the center, the Strategic Air Command would receive the raw take immediately for a quick screening

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for early warning indications. Second, use of high-level aerial photography to date has shown that, while it provides intelligence information of high operational value to the Air Force, it also provides vital information for other members of the community. Future photography from sources such as SAMOS will even concern others besides the Air Force for it will cover the globe and thus provide intelligence information of general value to the entire community, and requiring collateral information for analysis which is available only at the seat of government. Third, CIA has already demonstrated its ability to run an inter-agency photographic center.

The Joint Study Group believes that a decision on the executive direction of such a center should be determined by consultation between the Director of Central Intelligence and the Secretary of Defense and thereafter a new National Security Council Intelligence Directive issued.

The last form of collection is that by clandestine means through espionage and counterespionage. This, however, is one of the most difficult forms of collection and requires a considerable expenditure of manpower carefully trained

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over a long period of time.

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The Study Group did learn that the agencies concerned are now endeavoring to improve their security through more frequent "sweeps", better equipment and secure communications rooms; we urge continuation of these efforts.

We were impressed in several instances by the intensity and scope of Communist efforts to penetrate U. S. classified operations overseas. In some cases studies on this subject are neglected; in others, known facts appear to be disregarded. We doubt that clandestine operations will ever reach the desired level of effectiveness without more stress on counterespionage; in this field the Director of Central Intelligence should focus more positive attention on this problem through the United States Intelligence Board. Lacking this, many operations will continue to be "blown", almost before they get started.

It is recommended that:

11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel.

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence

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for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations.

13. The Central Intelligence Agency should open its clandestine training facilities to other agencies as a service of common concern.

14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities.

15. The United States Intelligence Board should review the situation in the National Indications Center to determine the adequacy and level of its staffing and to assure that all information pertinent to the National Indications Center's mission (including highly classified and sensitive information now withheld) will be transmitted to the Center promptly on its receipt.

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC).

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18. The Director of Central Intelligence should focus community attention on the important area of counter-intelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board.

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20. The Central Intelligence Agency should increase intelligence support to unified and component commanders by direct dissemination of all information reports from pertinent field stations.

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VI. REQUIREMENTS AND EVALUATION

Present Procedures

The Joint Study Group is concerned with the inadequacy of current mechanisms within the intelligence community for the guidance of collection efforts by selective levying of requirements, and subsequent evaluation of the intelligence generated by these requests for information. While we acknowledge that considerable decentralized effort is being expended by the various departments and agencies in these fields, we believe that the effort is frustrated through lack of coordination and that the total personnel assigned to this work is excessive in relation to the results achieved.

Within the intelligence community in Washington there exists no single general requirements system, and no single place where an analyst or agency may determine if needed information has already been collected and how it may be located for exploitation, or if a requirement for the same information is outstanding on the part of an analyst from a second agency, although some approximation exists in

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Central Intelligence Agency's (CIA) Office of Central Reference. This same lack of central reference exists in the field.

In Washington, the three military intelligence organizations and J-2 maintain separate units for the coordination of requirements and evaluation of intelligence reports. There is no place within the Department of Defense for centralized reviewing and screening or for the coordination of all military requirements.

Each military intelligence organization prepares and issues to its field collectors its own guide-type collection manuals, statements of interest, long-range requirements and ad hoc requests for information. In general, each military intelligence organization does its own evaluation of reports received from its field collection effort.

The same situation prevails within CIA notwithstanding the existence of the Office of Central Reference, which was created for the purpose of centralizing and coordinating all Agency requirements. Each major component of CIA maintains its own requirements office as well as requirements personnel at division and branch levels. Requirements for

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Requirements levied on the National Security Agency (NSA) and the service cryptologic agencies are controlled by the United States Intelligence Board (USIB) through its communications intelligence (COMINT) and electronics intelligence (ELINT) committees. Additional specific requirements are passed to NSA for collection through NSA's requirements unit which maintains liaison with other members of the USIB for this purpose.

Requirements within the Department of State are coordinated on a geographical basis by the various policy desk officers through whom flow all requirements to the respective embassies and consulates. An Intelligence Collection Division within the Bureau of Intelligence and Research coordinates all formal requirements from or to other members of the intelligence community and coordinates interagency

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evaluations of Foreign Service reporting. The same organization prepares country statements of guidance for each embassy or principal post as an aid to political, sociological, scientific, and in some instances economic reporting. Owing to the Department of State's extra burden of responsibility to the numerous other non-intelligence departments active in the economic field, economic requirements on countries outside the Sino-Soviet bloc are handled by a special division of the Department, the Foreign Reporting Staff. This staff coordinates economic intelligence requirements of the community into the Current Economic Reporting Program. It thus does program planning for the economic collection effort, and coordinates community evaluations of Foreign Service economic reporting.

In the main, each department or agency involved in intelligence collection formulates its own specific and general requirements based primarily on its needs to meet its production responsibility on its own behalf and on behalf of the community. These requirements may be divided into standing, serial, or ad hoc requirements, and are sent to

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the field in the form of guide-type all-inclusive shopping lists requesting basic information about a country or subject, or more selective but still general "statements of interest" or, as last mentioned, as special requests for information. The following lists the various standing and serial-type requirements publications of the member agencies of USIB involved in the collection of foreign intelligence; i. e., requirements chiefly of the comprehensive guide-line type.

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Evaluation of reports is closely tied to collection requirements because evaluations serve as encouragement to the collector, as well as a form of guidance. Raw intelligence reports are evaluated by Washington end-users on a request basis and provide a spot-check of the usefulness of the reports. However, collectors feel that there are too few evaluations of their reports. On the other hand, consumers find the task of evaluating reports burdensome and time-consuming. In any event, the present decentralized system for the evaluation of field reports fails to provide an adequate means for an over-all assessment of the responsiveness of field collectors to levied requirements or to the quality of the information submitted.

Finished intelligence is evaluated in a more systematic manner. The Board of National Estimates conducts periodic reviews or post-mortems on National Intelligence Estimates, including assessments as to gaps in existing information. These post-mortems are in turn reviewed by the USIB. Some of the USIB committees also evaluate intelligence in specific areas. A generally useful committee in this regard has been the Critical Collection Problems Committee (CCPC), which

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not only analyzes capabilities for intelligence collection, but also actually stimulates collection mechanisms, primarily in the field of missiles.

The Role of USIB

The USIB as an important part of its responsibility for managing the national intelligence effort is charged with the establishment of appropriate intelligence objectives, requirements and priorities. One of the principal means by which the USIB meets this responsibilities is its annual statement of Priority National Intelligence Objectives (PNIOs) which set forth specific subjects "requiring priority attention and effort". The introduction to the PNIOs states, "...the following list of Priority National Intelligence Objectives is established as a guide for the coordination of intelligence collection and production".* The nature of these objectives is importantly qualified in the same introduction: "Although a given subject may be listed as a matter of priority, not every bit of information relating to it will be required with equal urgency and some may be procurable by routine means. It is therefore incumbent upon research personnel to exercise discrimination in allocating analytical

*Underlining added

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resources and in formulating information requirements so as to accord priority only to those aspects of the listed subject which actually require a priority research or collection effort". Again, in identifying the criteria for selecting these objectives, the Directive states: "Most of the intelligence required in the formulation and execution of national security policy will be the product of normal intelligence collection and research. Priority National Intelligence Objectives should be limited to those critical factors which require special attention and effort". It is clear that the PNIOs are not intended to replace or exclude broad regular coverage of the world. Indeed, the PNIOs would be ineffective without such background.

The Group found that these limitations on the application of the PNIOs as stated are not generally understood. It is worth noting at this point that one of the difficulties observed by the Group was a tendency among collecting units to concentrate heavily upon some central area of concern at the expense of matters within their responsibility which, although of minor interest to them, are yet of high priority value to one or more other agencies. This finding

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combined with the tendency to give exclusive authority to the PNIOs has had serious effects in distorting the collection of intelligence information. It is common practice for individual requirements prepared and levied through the decentralized mechanisms described above to claim a priority derived directly from the PNIOs. The main complaint of this practice is that a requirement related to a "first priority" objective is not necessarily more important in itself than another requirement related to a "second priority" objective. Further, it is illogical to suppose that every single item of information has an importance proportionate to the importance of the priority objective on which it bears, however remotely. It should be noted that USIB likewise has responsibilities in the field of evaluation under the provisions of NSCID No. 1, that it shall "Ensure that the pertinence, extent and quality of the available foreign intelligence and intelligence information relating to the national security is continually reviewed as a basis for improving the quality of intelligence and the correction of deficiencies".

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Certain committees of the USIB devote considerable time and attention to coordination of collection requirements on specific subjects or in reference to special types of collection organizations. These include the Economic Intelligence Committee, the Scientific Intelligence Committee, the Guided Missile and Astronautics Intelligence Committee, the Critical Collection Problems Committee, the Joint Atomic Energy Intelligence Committee, the ELINT and COMINT, and the Interagency Clandestine Collection Priorities Committees.

Field Coordination

In addition to the above mechanisms for the coordination of requirements at the Washington level, we noted that each of the commands in Europe has personnel attempting to coordinate requirements of the command, requirements received from Washington, and requests received from other field organizations.

In the embassies visited, the Joint Study Group found no arrangements in existence for the coordination of all collection requirements. At no one point within the embassies could anyone see the complete requirements picture relating to the country in question. Each of the several agencies represented in the various embassies handles its own requirements and

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determines for itself whether or not coordination of a given requirement or program is desirable.

Outstanding Problems

At the Washington level and in the field the Joint Study Group found numerous problems in the requirements field. Most are predicated on the lack of central coordination of requirements. The difficulties include some general to the community at large and others relating to the individual departments and agencies.

Requirements in general are not sufficiently tailored to collection assets or resources. [redacted] An urgent need in the intelligence community today is a much closer correlation between requirements or needs and collection resources. (See also Section V)

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Another general problem is that too often requests for collection are duplicative, incomplete relative to community needs, are scattered out to collectors in

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excessive numbers, and too often are without indication of priority in relation to other outstanding requirements of the same general urgency. Field collectors are anxious to have less requirements, clearer indication of priority, and more precise requirements. The unilateral production by the departments and agencies of collection requirements guides causes further duplication and excessive numbers of outstanding requirements.

The Department of State is relatively small in size compared to the other departments and agencies interested in intelligence collection, and perhaps for this reason is without serious problems in the requirements field. The other departments and agencies are not as fortunate. The Department of Defense has the most people involved in intelligence and its collection means are the most diverse among all the members of the USIB, [redacted] 25X1

A serious problem exists in the form of barriers erected between signal intelligence and other forms of

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intelligence. While we recognize the need to protect communications intelligence, we feel there is need for closer integration of signal intelligence requirements and evaluation with those of the rest of the community.

The levying of requirements within the Department of Defense largely follows patterns that existed before the Department of Defense Reorganization Act of 1958 -- individual military departments levy them directly on their overseas components.

There has not yet emerged, pursuant to this reorganization, a fully established program either within the JCS or The Office of the Secretary of Defense (OSD) for the development of requirements designed to support their presently assigned missions, in part because, as has been pointed out in Section III, the NSCIDs have not been appropriately readjusted. There is also no mechanism within the JCS or the OSD for reviewing and managing military service requirements which would serve both to assure the most efficient

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utilization of military intelligence resources and to provide support for JCS and OSD over-all missions.

The Joint Study Group notes the duplication of requirements levied on military intelligence collectors. This can be traced to the absence of over-all coordination within DOD. We have credible information from the DOD that duplication exists in the areas of space, electronics, geodesy, nuclear weapons and missiles; among unified commands there is some duplication in serving requirements regarding armed forces, missiles and scientific and technical intelligence; this situation exists both with regard to requirements and reporting in political, sociological and economic areas; among component commands there is duplication in levying requirements for counterintelligence, guided missiles, logistics, mapping, scientific and technical, transportation and telecommunications.

CIA's main requirements problem, as might be expected, relates to clandestine collection and concerns the great number of requirements served on the

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Agency without benefit of screening to determine priority or the necessity for clandestine collection. One of the reasons this problem exists is CIA's own failure to insist that its customers use the machinery established to handle the problem, and use it properly.

The IPC is supposed to determine the essential foreign information requirements whose fulfillment necessitates clandestine collection. The USIB specifies that these requirements must be of such a nature that they cannot normally be covered by non-clandestine collection methods. The committee is required to prepare requirements lists and to provide special guidance to CIA to meet unusual, critical or emergency situations. Each member of the USIB has a member on the IPC, and these individuals are expected to pay particular attention to requirements submitted by their respective departments and agencies for clandestine collection.

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With respect to the IPC lists, some participants believe that their interests are not properly represented on the lists because they have been unable to get community agreement on the priority they desire. They have in consequence too often attempted to short circuit the procedures.

We believe that the key to this problem is a more active and across-the-board use of a coordinating mechanism.

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While there remain some instances of duplicative activity in a given field of collection, the Group found none that could not be cured by normal coordination. One case deserves special mention. 25X1

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Another problem is the large number of requirements that results from the inclusion in general collection

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guides of everything that everybody wants to know. Ideally such statements of interest might better be called "programs" and the word requirement reserved for short-term specific ad hoc questions. In any case, while some such programmatic statements are needed for general training and orderly planning, it should be possible to reduce the number and overlap of these guides. We believe that all collection requirements manuals should be integrated into a compatible series of coordinated guides. Further, the Group urges the creation of integrated requirements guides which on a country-by-country basis would set forth the specific collection requirements and responsibilities of each department and agency concerned.

Although departmental production and collection responsibilities have been allocated in terms of subject, geographic and functional, such as world military, or Soviet bloc economic, there cuts across this allocation an overlay of requirements labelled with the term "departmental". This term is frequently interpreted to include everything a department decides to be necessary or desirable to support its mission. It should be clearly understood that

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departmental intelligence must lie within the subject fields allocated to the departments by the NSCIDs. At the present time these subject fields need to be more clearly defined by the NSCIDs especially in the military areas. A department's collection efforts should normally be confined to those subject fields so allocated to it.

The Joint Study Group believes that the described individual efforts of the members of the intelligence community to handle their own requirements and evaluations are inadequate to properly coordinate the collection activities of the community, and that the USIB must, as a part of its management responsibility, require that coordination be done on a community-wide basis, both at the Washington level and in the field.

At the Washington level, we believe that there should be a central body for reviewing requirements, manned by top quality experts from the intelligence community representing all the agencies which either produce intelligence reports or collect intelligence information. This would in effect become a central clearing house for the most effective tying together of all requests for

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information with all resources for collecting that information. We recognize that this is a large undertaking and therefore suggest that its development be evolutionary. We would suggest that such a center for the time being concern itself with collection by clandestine and signal intelligence assets.

In such a center the agencies would endeavor to identify their assets in the collection fields indicated and to select or stimulate relevant requirements. Therefore, this center would concern itself basically with two aspects of collection: first, modification and correlation of the basic collection guides; second, the handling of current requirements. The collection resources would be tabulated on performance. There would also be a tabulation of relevant requirements. We would suggest that an inter-agency clearing house be established representing each of the collection and production agencies, which would review all requirements when received and determine which collection medium is best adapted to satisfy the requirement. Such a facility using available resources should reduce the number of personnel engaged in requirements work.

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Such a center should be very closely tied in to the CIA Office of Central Reference (OCR) in which there should be a record of all of the information collected through intelligence media. The first effort of such a clearing house would naturally be to check the available information in OCR and the usual public repositories and insure that the required information is not already available in Washington.

In order to insure that the center be kept apprised of new assets and be informed about every form of collection resources, it should be manned by high-level, experienced and fully cleared professionals from each agency. These professionals should be thoroughly acquainted with all of the collection resources of their respective organizations to assure that their requirements are not unnecessarily directed to other agencies. Consequently, it would be most important that they spend a considerable amount of their time with their own agency as well as in the center. Finally all collection requirements in the indicated fields should be screened by the center prior to issuance to the collectors.

We believe that the center should be responsible for reporting to USIB any failure to act upon assigned

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requirements. Finally, the proposed clearing house would develop data on collection that would assist USIB in carrying out its assigned management responsibility.

We strongly urge that the USIB in its annual evaluation of community effort prepared for the NSC pay specific attention to collection. This evaluation might be associated with periodic evaluation at embassy and command level of collection requirements and collection assets.

It is recommended that:

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies.

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility.

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned.

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24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all [redacted] intelligence requirements concerning that area.

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25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command.

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets.

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VII. COORDINATION

Basic Philosophy

Much effective coordination has been accomplished in the dozen years that the intelligence community has existed as a recognized entity. The Study Group finds, however, that two major elements of misunderstanding and confusion in regard to the philosophy of coordination have impeded and continue seriously to impede the growth of much needed further coordination. There is, on the one hand, no common understanding of how coordination should be achieved. On the other hand, there has been a lack of clarity regarding the relation of the Director of Central Intelligence (DCI) and of the Central Intelligence Agency (CIA) to the responsibilities of coordination. Finally, throughout the government the philosophy of coordination ranges from a concept of command to one of persuasion.

Confusion over how coordination should be achieved arises in large part because many people see need for a different degree of coordination in the clandestine field as compared with most other areas of intelligence activity.

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Thus, the term "centralized direction" appears in No. 5 alone among the National Security Council Intelligence Directives (NSCIDs). Although in that directive, the term is equated with coordination, the Study Group sees no reason to doubt that coordination in the clandestine field should be more mandatory than in other fields. The Group feels that while "centralized direction" by the DCI cannot mean outright command in relation to the intelligence activities of independent departments, coordination should tend toward "direction" in clandestine intelligence, and focus more on leadership, initiative and cooperative action elsewhere.

We feel that adequate coordination can be achieved by the coordinator following the list of principles below:

1) Leadership in developing and adapting new intelligence programs;

2) Initiative in identifying problem areas and instances of duplicate effort or missing effort;

3) Investigation of these problem areas, if necessary through use of the right to survey intelligence activities;

4) Solution of these problems to the extent possible by agreed cooperative action of relevant parties under leadership of the coordinator;

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5) Recommendation of solutions to higher authority when common agreement is not promptly forthcoming, with indication of the position of the various parties.

The Joint Study Group is confident that if all members of the intelligence community were to become convinced that the coordinative authority envisaged in the basic laws of the community were of the above nature much of the reluctance and apprehension that now remain would disappear.

If one obstacle to full development of coordination has been uncertainty about the nature of coordination itself, the second major obstacle has been uncertainty about the nature of the coordinator. There is, of course, no doubt anywhere that the coordinator is and must be the Director of Central Intelligence. The media through which he is to practice coordination are less clear. The Joint Study Group is aware that the Director of Central Intelligence has several responsibilities, one of which is to command the CIA, and another is to coordinate foreign intelligence activities both within and outside the CIA.

We have given lengthy consideration to the possible separation of the role of the DCI from that of the head of the CIA.

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This separation could be accomplished in two different ways: first, by separating the DCI and a small staff of personnel assistants; second, by separating the DCI plus estimating, current intelligence and planning and coordination staffs.

Such a separation would eliminate objections raised to an arrangement whereby the DCI commands one of the agencies he is responsible for coordinating. Furthermore, through such separation the DCI could spend more time on coordinating foreign intelligence activities.

Although the potential advantages outlined above for separation are impressive, such a step has a number of disadvantages. The President could no longer look to one man to brief him across the board on intelligence and covert action matters. Furthermore, if the DCI were separated as proposed, there is the danger that he and his staff would tend to get out of touch with the practical operational problems of the community. In addition, if he is assisted by only a small staff, he may in fact be able to achieve less coordination of the community than is possible under present conditions. It is also possible that the result would be that the DCI would

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end up with a large staff but with little or no offsetting reductions in CIA or elsewhere in the community. Finally, it is noted that such a separation would require a change in the basic law for the CIA.

The Study Group feels that included in this report are recommended actions which should help to eliminate objections to the present organization arrangements for the DCI. For example, it is proposed that the DCI use a staff drawn from the entire community and attached directly to his office to assist him in his coordinating purposes. Corrective actions are recommended which lead to resolution of the Army-CIA dispute over clandestine collection.

In summary, the Joint Study Group feels that the actions recommended in this report should go a long way toward removing impediments to the success of the present arrangement, and should be given a fair trial. If after a reasonable period of time the role of the DCI is still in question, then serious consideration should be given to complete separation of the DCI from CIA.

However, the representative of the Secretary of Defense on the Joint Study Group does not agree with the above views

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and believes that some of the arguments against separation of the DCI and the CIA are invalid. He would note that the present system has been in existence for ten years and has failed to achieve proper coordination. He would recommend making a separation at this time, in accordance with the second alternative proposed above.

The fact is and has been that the DCI has used elements of the CIA as instruments of community coordination. Since August of 1957 he has had a staff of three officers within the CIA charged with improving coordination within the national intelligence effort which has worked primarily on the revision of the NSCIDs and their implementing Director of Central Intelligence Directives (DCIDs), but has been unable to devote any major effort to day to day coordination in the intelligence community. Furthermore, the community has never had occasion to look upon this staff as anything other than a part of the Central Intelligence Agency.

Clearly from the first the CIA has been engaged in coordination. To take one of the conspicuously successful examples, the work of the Office of National Estimates (ONE) in coordinating community knowledge and views in the

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National Intelligence Estimates (NIEs) is surely one of the activities that derives from the Agency's specific responsibility under the National Security Act of 1947. The CIA chairmanship of a large proportion of the United States Intelligence Board (USIB) committees is another aspect of the same recognized responsibility.

At headquarters just as in the field, this essential coordinating activity of the CIA has meant that the other agencies found themselves being coordinated by an organization which from time to time appeared as a vigorous competitor of theirs. In the process of developing the agreed areas of action, the CIA has also raised apprehensions in other agencies. It does appear that some of the assigned functions of CIA have been expanded to the point where there is overlap with the activities of other agencies, e. g.,

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In all fairness it should be noted that some of these CIA activities were originally requested by other agencies or were mounted to fill gaps.

In considering this situation as of the present and future, the Joint Study Group concludes that the community

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has by now matured, and has reached an understanding of functional responsibilities sufficiently stable to permit a frank facing of the problems involved. In consequence the Joint Study Group believes that there are two kinds of coordination which can be practiced separately. Although the familiar operating elements under both the Deputy Director/Plans and the Deputy Director/Intelligence of the CIA must more than ever look upon their substantive relations with the community as factors in over-all coordination, there is need for a different unit, apart from the CIA operations and which, responding immediately to the DCI may work on major problems that arise in the over-all management of the community. It is these prospects that are discussed in this section.

Directives

The duties assigned by Congress to the CIA under the National Security Act of 1947 and by the National Security Council (NSC) to the DCI and the USIB under the provisions of NSCID No. 1, are for the declared purpose of coordinating the intelligence activities of the several departments and agencies in the interest of national security.

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In the preamble of NSCID No. 1, the NSC enunciates the philosophy that the intelligence effort of the United States is a national responsibility; that it must be organized and managed; that it must achieve maximum exploitation of the available resources of the Government; and that it must satisfy the intelligence requirements of the NSC, and of the departments and agencies of the Government. To realize these intentions, the Directives set forth a basic purpose of coordinating the intelligence activities of the several departments and agencies, and to accomplish this basic purpose the NSC has provided for a variety of actions and conditions which are all a part of and equally essential to the achievement of effective coordination:

Coordination in terms of a specific action responsibility -- "The Director of Central Intelligence shall coordinate the foreign intelligence activities of the United States...." (NSCID No. 1, paragraph 1.)

Coordination in terms of the governmental framework in which it shall be accomplished -- "To maintain the relationship necessary for a fully coordinated intelligence community and to provide for a more effective integration of and guidance

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to the national intelligence effort, a United States Intelligence Board (USIB) is hereby established under the directives of the National Security Council and under the chairmanship of the Director of Central Intelligence." (NSCID No. 1, paragraph 2. a.)

Coordination in terms of corporate participation in the development of rules and procedures -- NSCIDs are to be based upon recommendations made to the Council by the DCI, in each case indicating the concurrence or non-concurring views of those members of the USIB concerned; detailed implementation of the NSCIDs is provided for by the DCIDs, which have been agreed to by the USIB under the same procedures as are used for resolving the content of the NSCIDs. The DCI may issue them unless a dissenting member requests referral to the NSC. (NSCID No. 1, paragraphs 2. d. and 3.)

Coordination in terms of authority -- NSCIDs having been approved by the President in consultation with the heads of the departments chiefly concerned, shall, as applicable, be promulgated and implemented by the intelligence departments and agencies; within the framework of these directives,

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including the implementing DCIDs, decisions of the USIB shall be binding, as applicable, on all departments and agencies of the Government.

Coordination in terms of management responsibility -- the USIB is directed to establish policies and develop programs for the guidance of all departments and agencies concerned; the DCI is authorized to make such surveys of departmental intelligence activities of the various departments and agencies as he may deem necessary in connection with his duty to advise the NSC and coordinate the intelligence effort of the United States. (NSCID No. 1, paragraph 3. c.)

Some members of the intelligence community, especially the military services, believe that the coordinating authority of the DCI is qualified by the clause in the National Security Act of 1947 permitting each department and agency to collect, produce and disseminate departmental intelligence required to support its mission. We believe, however, that it was the clear intent of the Congress and the NSC that it is the departmental intelligence activities of the several departments and agencies which are to be coordinated. Furthermore, it was clearly not the intent of this clause

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that these activities be exempted from coordination: notably, for example, the allocation of substantive responsibilities in NSCIDs No. 2 and No. 3; and the general principle that an agency look to other agencies for any intelligence it needs that lies in their fields of responsibility.

We believe that the authority and responsibility assigned to the USIB make that body the principal mechanism for assisting the DCI in coordinating the foreign intelligence activities of the United States. The Board participates in the development of the directives under which the intelligence community operates. The Board in its own right is directed to establish policies and develop programs for the guidance of all departments and agencies concerned. Decisions of the Board within the National Security Council Intelligence Directives in which the heads of departments participated are binding on all departments and agencies. A first step in detailed examination of community coordination should therefore be a consideration of the USIB.

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The United States Intelligence Board

On the national level formal coordination is achieved through the meetings of the USIB and its 26 standing committees. Many of these committees in turn have sub-committees, working groups and other ad hoc groups which are again forums for a comparison of views and the development of procedures where inter-departmental or other types of joint action are required. Among the most active USIB organisms in the field of coordination are the Watch Committee, the Guided Missiles and Astronautics Committee, the Joint Atomic Energy Intelligence Committee, the Communications Intelligence Committee, the Electronics Intelligence Committee, the Economic Intelligence Committee and the Committee on Overhead Reconnaissance. These committees have, in addition to their responsibilities for producing inter-departmental intelligence, in some instances coordinated requirements for collection, and in other instances developed common activities.

An important task of the USIB is the managerial responsibility assigned to it under the terms of NSCID No. 1, paragraph 2. a. (1), to "establish policies and develop programs for the guidance of all departments and

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agencies concerned." We feel most strongly that the intelligence programs developed by the individual member agencies of the community, especially their planned allocations of effort, should be reviewed by the USIB for consistency and guidance prior to the submission of budget estimates within the departments and agencies. However, we do not believe that the USIB is now organized in such a way that it can achieve truly effective management.

We suggest that the USIB establish a group composed of senior officers of USIB members for purposes of (a) more carefully screening matters and papers to be presented to the Board other than estimates and substantive intelligence matters, making decisions themselves on matters of lesser importance to save the Board's time; and (b) staffing out major management problems for the Board's consideration. This group should also review the USIB committee structure and functions for purposes of stimulating more regular and worthwhile reporting to the Board, generating more interest in management problems, and determining if there can be any worthwhile consolidation or rearrangement of the committee structure.

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The Director of Central Intelligence

The key to the coordination problem in the intelligence community is the role of the DCI. We have previously discussed the position of the DCI as the coordinator.

We believe that the Director's authority to command is limited to the CIA, including those services of common concern assigned to the Agency by the NSCIDs. However, under the terms of the National Security Act of 1947, as amended, NSCIDs, and the Executive Orders of the President, the Director has a combination of authority and responsibility which we believe enables him to achieve through the normal command channels of the departments and agencies concerned the practical coordination effect of strong centralized direction of all foreign intelligence activities. In this connection he has the following basic powers:

he can make such surveys of departmental intelligence activities as he may deem necessary (although he has never used this important authority);

he can make recommendations to the National Security Council with or without the approval of the intelligence community, his only obligation in this regard being to

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transmit a statement indicating the concurrence or the non-concurring view of those members of USIB concerned;

his recommendations to the NSC, when approved by that body and specifically by the President, are issued as NSCIDs and, as applicable, shall be promulgated and implemented by the departments and agencies of the Government;

he acts for the NSC when issuing DCIDs to provide for the detailed implementation of the NSCIDs and these directives, when approved by the USIB and/or the NSC, are required to be promulgated and issued through the normal command channels of the departments and agencies concerned. Although the DCI must have the concurrence of the USIB before he can directly issue a DCID, dissenting members cannot block the action, because any non-concurrence in the USIB may be referred either by the DCI or dissenting members to the NSC for final decision.

We believe that the DCI now has ample authority to carry out his assigned role as coordinator of the foreign intelligence effort of the United States to whatever degree may be required to ensure the effective coordination of departmental intelligence activities.

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We are convinced that the DCI and the USIB together have a combination of assigned authorities and responsibilities which enable and require them to exercise a stronger role in improving the management of the foreign intelligence activities of the member agencies of the intelligence community. The effort of the Joint Study Group has been to suggest means of more fully carrying out these responsibilities.

Coordination Overseas

The DCI has over-all responsibility for the coordination of United States foreign intelligence activities. The NSCIDs provide three lines of authority for achieving coordination of intelligence activities overseas:

under NSCID No. 2 the senior U. S. representative in each country is responsible for the coordination of all collection activities not covered by other NSCIDs;

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We believe that chiefs of mission generally should take more positive steps in connection with their responsibility to coordinate overt collection and reporting activities. To do so would not entail any great problem with respect to these activities being conducted by those U. S. personnel

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directly connected with an embassy. However, there are complications with respect to the coordination of overt collection and reporting activities conducted by military commands which have areas of responsibility which cover many countries and therefore involve a number of chiefs of mission. This problem is further complicated by the somewhat confused situation concerning the coordinating responsibilities of unified commanders with respect to the intelligence activities conducted by their component commands. The component commands at present appear to receive most of their guidance and direction directly from their respective service departments at the Washington level.

The implementing provisions contained in the NSCIDs and the DCIDs are consistent with the concept that intelligence is a function of command; i. e., these directives are required to be promulgated and disseminated through normal command channels. Therefore, it would appear that unified commanders should, at least, coordinate the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters, including that originating in the service departments at the Washington level.

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None of these considerations, of course, affect the principle that day to day coordination of operations in detail by case officers must continue to be a responsibility of CIA stations at the working level.

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Despite the problems indicated above, a great deal of effort has gone into coordination of foreign intelligence activities and real progress has been made over the past ten years.

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In the clandestine field the problem of the conflict of interest is the most serious one. However, from an over-all standpoint the key factor as we see it is that coordination in every case is being done by individuals who have other important duties.

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National Level: Conclusions

The DCI should continue to be coordinator of all U. S. foreign intelligence activities and directly responsible to the NSC and the President.

The USIB should continue to be the principal mechanism for assisting the DCI in carrying out his coordination responsibilities. However, we believe this Board should be reorganized so as to become more efficient and assume a stronger role in the management of the foreign intelligence activities conducted by those departments and agencies which comprise the intelligence community. (See page 100 of this section.)

We have recommended in Section III that the Joint Chiefs of Staff be given a stronger role in substantive military intelligence matters, and that a focal point be established in the Office of the Secretary of Defense for improved management of military intelligence activities. In phase with implementation of these changes, the size of the USIB should be reduced to four members. The reorganized Board should include the Director of Central Intelligence (Chairman), and one representative each of the Secretary of State, the Secretary of Defense and the Joint Chiefs of Staff with

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ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. Such a reorganized Board should assume a stronger role in the management of the foreign intelligence activities of the United States, in addition to their substantive responsibilities. The three military service intelligence chiefs and the Director of NSA should serve as advisors to the two representatives of Defense, as appropriate.

To provide for including full-time professionals into the field of coordination and minimizing the conflict of interest problem, we propose that the DCI organize under his Assistant for Coordination and as part of his personal staff, a full-time group of intelligence professionals owing primary allegiance to the intelligence community rather than to any one member agency. Membership on the staff would be drawn from the foreign intelligence community-at-large.

We believe that this coordination staff should be charged with assisting the DCI in his community-wide responsibilities for the coordination of U. S. foreign intelligence activities, including the surveys of departmental

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With respect to military intelligence activities overseas, we have recommended in Section III that unified commanders should exercise a more positive coordinating authority over the intelligence activities of their component commands and should be the primary channel through which the latter receive advice and guidance on intelligence matters, including requests that originate in the service departments at the national level.

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intelligence activities authorized in NSCID No. 1, paragraph 3. c. The staff and its entire membership should be responsible to the DCI as coordinator and they should be separated from any operational responsibility of the CIA or other department or agency.

Overseas: Conclusions

Chiefs of mission should more affirmatively exercise the responsibility for the coordination of overt collection activities assigned to them by NSCID No. 2. At the smaller posts the chief of mission can usually assume full responsibility himself. Where this coordination problem is more complex he should delegate this responsibility to the deputy chief of mission and, if it requires full time attention, a special officer for coordination should be assigned to the post to carry on these duties on behalf of the chief of mission. Further, as recommended in Section VI, we believe that at all posts the chief of mission should ensure the effective coordination of all requirements received for the [redacted] 25X1

25X1 [redacted] collection of intelligence information so that the most efficient use can be made of the manpower and resources available.

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The unified commanders should work out with the chiefs of mission concerned an appropriate plan for the coordination of those overt collection activities of the component commands which are subject to coordination by the chief of mission under NSCID No. 2. In addition, there are overt collection [redacted] activities conducted by military elements overseas who are directly responsible to the service departments at the Washington level; chiefs of mission responsible for areas in which such activities are being conducted should ensure that these activities are included in their over-all coordination plan. 25X1

In submitting the following recommendations, attention is again invited to recommendations particularly in the Sections on Military Intelligence, Collection - Resources, and Requirements and Evaluation, which also deal with coordination matters and are not repeated here.

It is recommended that:

28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned.

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29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. *

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission.

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board.

32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should serve as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually.

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.

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33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures.

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2).

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments.

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility.

37. The Central Intelligence Agency's stations and bases should continue day to day coordination of clandestine activities at the case officer level. The Director of Central Intelligence should relieve them of the authority to veto another agency's proposed operation. Before a proposed operation or activity is rejected, it should be referred to the Director of Central Intelligence.

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VIII. COST OF FOREIGN INTELLIGENCE EFFORT

The Group has been unable to ascertain with any degree of accuracy the cost of the foreign intelligence effort for the following reasons:

1) Accounting systems differ in the departments and agencies concerned with the foreign intelligence effort and are not designed to separately identify and measure the total intelligence costs.

2) There are varying interpretations within those departments and agencies as to what should be included or excluded from any foreign intelligence costing effort.

3) Certain activities are of a mixed nature which makes it difficult to distinguish intelligence from non-intelligence elements.

4) Intelligence receives direct or indirect support, such as communications and transportation, which is hard to separate out as intelligence cost.

5) Some new and expensive projects are initially justified as being primarily in support of the foreign intelligence effort but later turn out to be primarily or exclusively operational activities.

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Even after the best available figures have been put together there remain certain complexities involved in the analysis of the cost of intelligence. The total cost cannot be appraised exclusively in terms of the output of finished intelligence because the costs cover important and expensive activities of training and operations of units designed largely to maintain an essential capability for wartime. Furthermore, some of the research and development expenses attached to intelligence projects have valuable by-products in other areas of the government and even in the private economy; e. g., communications security devices, automatic data processing.

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The Group urges the vital importance of carrying through to the best feasible result in the continuing process of cost accounting for the intelligence effort.

In recent years progress has been made in developing procedures for determing annually the order of magnitude of the costs of the foreign intelligence effort. The Study Group feels the time has now arrived to refine these estimates and develop cost breakdowns which would provide a better basis

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for USIB coordinating and guiding the efforts of various parts of the community. [redacted] 25X1

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It is recommended that:

38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means:

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board.

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32.

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IX. RESEARCH AND DEVELOPMENT

Research and development activities for intelligence purposes are conducted primarily by the Department of Defense (DOD) and the Central Intelligence Agency (CIA). Within the DOD, these activities are conducted by the three military departments and the National Security Agency (NSA). All of these defense activities, as a result of the Defense Reorganization Act of 1958, as amended, are under the general supervision of the Director of Defense Research and Engineering, and the Assistant to the Secretary of Defense for Special Operations participates in this review. In the case of research and development for signal intelligence purposes, the Director of NSA performs a number of functions on behalf of the Director of Defense Research and Engineering. As a result of the above steps, a more effective coordination of research and development activities has been achieved within the DOD.

Within CIA research and development is conducted primarily by two units, the Technical Services Division and the Office of Communications. In addition to the above

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two, the Photographic Intelligence Center conducts research and development in the broad field of photography directed both at better cameras and better processing. These three units of CIA work closely together in coordinating their activities in the field of intelligence.

Current coordination of research and development activities between the CIA and members of the Defense Establishment varies according to the subject under review. It ranges from close coordination on signal intelligence matters at the operational level to informal exchanges of information on other matters, sometimes by means of the USIB committee structure. While the Joint Study Group believes that the intelligence community should develop a better system for exchanging research and development information, it also notes that such exchange of information is no effective substitute for coordination. In view of this fact, DOD and the CIA should seek means for effecting better coordination.

Several problems of special concern to the members of the intelligence community were revealed in the course of the general review conducted by the Joint Study Group.

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These included: (1) the general problem of automatic data processing and handling; (2) current efforts in the field of information storage and retrieval; (3) mechanical translation projects; and (4) research and development projects in such related areas as communications and operational support.

At the risk of over-simplification, we make the following observations on these problems:

1) In regard to automatic data processing and handling, it is believed that the capabilities of the equipments being developed are often ahead of the techniques and procedures for utilizing these equipments effectively. These equipments, for example, are viewed in some areas primarily as reservoirs of material rather than as filters, in spite of the fantastic increases in the volumes of material to be processed or handled. The Joint Study Group urges that the intelligence community promote the use of such machines as selective filters rather than mass reservoirs.

2) Major efforts are currently being expended to develop automatic systems to store and retrieve information. However, it is the feeling of the Joint Study Group that these efforts have not always been coordinated as effectively as they

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might have been. Furthermore, the concept of the compatibility of automatic systems appears to have been occasionally overlooked as new systems were being developed. The USIB Committee on Documentation (CODIB) should examine this situation and report promptly to the USIB on the compatibility between the various systems.

3) In the field of research and development on mechanical translation we have heard evidence of eleven projects but we have not examined any one of them for its utility. We have the impression that the research effort is at a reasonable level.

4) There is considerable research in the intelligence community, together with the communications branches of the various departments and agencies, in the field of communications. The Group has been impressed with the progress made by the DOD and the CIA in improving the existing CRITIC system within available resources. However, it believes that additional research and resources are required to insure the timely transmission forward of CRITIC communications data. In addition, the intelligence community is concerned with the cryptological aspects of communications, for which

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NSA has exclusive responsibility, and with agent communications, for which CIA has primary jurisdiction. We do not believe that in these specific areas of communications there are major problems. We are concerned, however, that due attention be directed toward foreign developments, inasmuch

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It is recommended that:

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes.

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured.

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X. THE FUTURE

The Joint Study Group wishes to emphasize the necessity for policy makers to recognize intelligence as an instrument not only for use in the probing of areas of current interest to the United States, but also and especially for exploring those areas which may be in the future of great concern to the national security of the United States. We feel that too often intelligence is used as the handmaiden of current operations to the detriment of long-range considerations. Historically, conflict has been normal to all societies and although we may strive for more stable international relations it would be unrealistic and extremely dangerous for the United States to ignore the lessons of history that conflicts are ever present and also ever changing. It is likely that conflicts of the future will not be limited to those with our current major antagonists. In 1942 few Americans could have foreseen our present close alliance with Germany and Japan or, on the other hand, the current menace of mainland China.

U. S. intelligence should be sharpened as to the quality of its collection, production and estimates in support

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of current operations.

We foresee no dimunition in the importance of the role of intelligence in support of our national security. It will require great resources in manpower and money. Management of this effort will continue to demand leadership of the highest order if the intelligence needs are to be met from resources available.

There is reason to be doubly concerned over the likelihood of declining effectiveness of certain collection techniques which in the future may result in less intelligence, owing to improvements in the security of the Soviet bloc. This is a matter of considerable substantive and technical concern to the entire intelligence community. The community's concern must go further in that this prospect is indicative of the heavy dependence which has been placed on particular sources

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despite the likelihood that results from any one type of intelligence collection will wax and wane over the years as technological changes occur. Collection of overt intelligence is also subject to dramatic variations.

Intelligence must be careful to take into account anticipated technological developments. These developments should be imaginatively utilized by U. S. intelligence itself for foreign positive intelligence and counterintelligence purposes. The use of similar developments by other nations will require constant tightening of our total security in order to frustrate their espionage efforts aimed at the United States.

A tremendous advance has been made during the past ten years in the fields of transportation and delivery of weapons, making it imperative that equal advance be made in the field of electronic communications. In the future the existing time lag between collection in the field and the receipt of intelligence in Washington will be unacceptable if our CRITIC communication system is to be effective.

All these prospects point to one final conclusion -- that a primary responsibility before the intelligence community is long-range planning. Both in respect of how to carry on its

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business through processes of management, and in respect of the area and subjects in which effort shall be expended, the community is obligated to look forward as far as it can, and to make the best possible forecasts.

> The Group's last recommendation (No. 43) urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems.

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SUMMARY OF RECOMMENDATIONS

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end: . . . . . Page 31

a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components. . . . . Page 32

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as: . . . . . Page 32

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority; . . . . . Page 32

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates; . . . Page 32

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI); . . . . . Page 32

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII); . . . . . Page 32

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c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above. . . . . Page 32

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate. Page 32

3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense. . . . . Page 33

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations (particularly military attaches) and personnel so assigned should be given position and rank comparable to their operational counterparts. . . . . Page 33

5. The military services should be encouraged to maintain and develop a capability for clandestine intelligence collection which would be carried out under the coordination of the Director of Central Intelligence. . . . . Page 33

6. The Special Security Officer systems should:

a. avoid duplication of channels to non-military consumers;

b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems. . . . . Page 33

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7. The Department of Defense re-examine the assignment of Defense electronics intelligence resources to unified and specified commands to determine the feasibility of placing more of these particular resources under the operational and technical control of the Director, National Security Agency. . . . . Page 42

8. The Department of Defense review the National Security Agency concept of partnership with the service cryptologic agencies in communications intelligence and electronics intelligence activities with a view to strengthening the control of the Director of the National Security Agency over the service cryptologic agencies. . . . . Page 42

9. The Department of Defense reappraise the adequacy of research and development programs for electronics intelligence purposes with the objectives of developing more adequate electronics intelligence equipment at the earliest feasible time. . . . . Page 42

10. The United States Intelligence Board reappraise the security clearance standards for foreign born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices. . . . . Page 42

11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel. . . . . Page 60

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations. . . . . Page 60

13. The Central Intelligence Agency should open its clandestine training facilities to other agencies as a service of common concern. . . . . Page 61

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14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities. . . . . Page 61

15. The United States Intelligence Board should review the situation in the National Indications Center to determine the adequacy and level of its staffing and to assure that all information pertinent to the National Indications Center's mission (including highly classified and sensitive information now withheld) will be transmitted to the Center promptly on its receipt. . . . . Page 61

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC). . . . . Page 61

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18. The Director of Central Intelligence should focus community attention on the important area of counterintelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board. . . . . Page 61

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20. The Central Intelligence Agency should increase intelligence support to unified and component commanders by direct dissemination of all information reports from pertinent field stations. . . . . Page 62

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies. Page 85

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility. . . . . Page 85

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned. . . . . Page 85

24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all overt and clandestine intelligence requirements concerning that area. . . . . Page 86

25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command. . . . . Page 86

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets. . . . . Page 86

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28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned. . . . . Page 113

29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. * . . . . . Page 114

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. . . . . Page 114

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board. . . . . Page 114

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32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should service as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually. . . . . Page 114

33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures. . . . . Page 115

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38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means: . . . . . Page 121

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board. . . . . Page 121

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32. . . . . Page 121

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes. . . . . Page 128

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured. . . . . Page 128

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43. The Group's last recommendation urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems. . . . . Page 132

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THE JOINT STUDY GROUP REPORT
ON
FOREIGN INTELLIGENCE ACTIVITIES
OF THE UNITED STATES GOVERNMENT

15 December 1960

THE VICE PRESIDENT

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THE JOINT STUDY GROUP REPORT

ON

FOREIGN INTELLIGENCE ACTIVITIES

OF THE UNITED STATES GOVERNMENT

15 December 1960

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THE JOINT STUDY GROUP REPORT

ON

FOREIGN INTELLIGENCE ACTIVITIES

OF THE UNITED STATES GOVERNMENT

15 December 1960

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15 December 1960

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

We present herewith the report of the Joint Study Group on Foreign Intelligence Activities of the United States Government. In conducting this study we have been guided by the attached terms of reference. We would note, however, that we inevitably came across matters of national security interest in the foreign intelligence field not specifically covered in the terms of reference and that we felt obligated to comment on these.

In preparing this report we have earnestly endeavored to consider what is best for the nation. In submitting the report we recognize that in the time allotted it was impossible to cover in detail the vast foreign intelligence effort of the United States Government, but we have endeavored to identify the major problem areas and have recommended solutions.

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Lyman B. Kirkpatrick (Chairman)
Inspector General, Central Intelligence Agency
Representing the Director of Central Intelligence

Allan Evans
Special Assistant to the Director of Intelligence & Research,
Department of State
Representing the Secretary of State

General Graves B. Erskine, USMC (Ret.)
Assistant to the Secretary of Defense
for Special Operations
Representing the Secretary of Defense

Robert M. Macy
Chief of the International Division, Bureau of the Budget
Representing the Director, Bureau of the Budget

James S. Lay, Jr.
Executive Secretary, National Security Council
Representing the Special Assistant to the President
for National Security Affairs

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APPROVED TERMS OF REFERENCE

JOINT STUDY GROUP

1. To promote the most effective and efficient use of intelligence resources and to assist the DCI in carrying out his responsibilities for coordinating the foreign intelligence activities of the U. S. Government, an ad hoc Study Group is established by agreement of the following principals, who will be represented on the Group:

The Director of Central Intelligence, who will provide the Chairman
The Secretary of State
The Secretary of Defense
The Director, Bureau of the Budget
The Special Assistant to the President for National Security Affairs

The President's Board of Consultants on Foreign Intelligence Activities will have a representative sit as an observer on the Joint Study Group and the Board will be given an opportunity to comment on the Group's report.

2. The Group, under the direction of the DCI, shall concentrate its attention primarily upon organizational and management aspects of the following areas within the intelligence effort. For this purpose all aspects of foreign intelligence shall be within the purview of the Group.

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a. Inter-departmental, departmental, agency and military service procedures for handling of intelligence requirements and related guidance to collectors -- with particular attention to:

(1) Procedures for keeping down the volume of, and avoiding any unprofitable duplication in, such guidance, and the feasibility of establishing a central registry of outstanding intelligence requirements and of collection responses thereto.

(2) Inter-departmental arrangements for selective levying of requirements on the most appropriate collection facility or facilities.

b. USIB arrangements for:

(1) Ensuring rapid adaptation, adjustment or re-direction of existing collection assets to meet changes in current priority requirements, and for deciding upon and supporting expansion of existing collection facilities or development of new facilities needed to meet new agreed high-priority requirements.

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(2) Periodic community evaluation (including the appraisal of dollar and man-year inputs) of the foreign intelligence effort as a whole -- with particular attention to improving the total program balance, from the geographic and functional points of view, and to increasing efficiency and eliminating any unprofitable duplication in the utilization of intelligence resources.

c. The present military intelligence coordinating machinery and its relationship to the intelligence community -- with particular attention to possibilities for closer integration under the authority of the Department of Defense Reorganization Act of 1958.

d. The effectiveness of current implementation of intelligence coordination directives and procedures -- with special attention to the field coordination of overseas intelligence activities, and to community support for the intelligence needs of senior U. S. representatives abroad, including military commanders.

e. Present arrangements for coordinating research and development conducted in support of the foreign intelligence

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effort and for determining the intelligence community interest in, and providing support to, any R & D for other primary purposes which may also have significant potential usefulness to intelligence.

3. The Group shall present, by 15 December 1960, its findings and recommendations for appropriate action to the DCI for consideration by the Principals, after which time it shall be dissolved. Any actions to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned.

14 July 1960

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I. INTRODUCTION

A meeting on 6 May 1960 between the Director of Central Intelligence, the Secretary of Defense, the Director of the Bureau of Budget, the Special Assistant to the President for National Security Affairs, and the President's Board of Consultants on Foreign Intelligence Activities resulted in a decision to establish an ad hoc Joint Study Group to review specified aspects of the foreign intelligence effort of the United States Government. By 12 July 1960 the terms of reference had been agreed upon by the principals and approved by the President of the United States.

The terms of reference provided that the membership of the Study Group would consist of representatives of the Director of Central Intelligence (who would provide the Chairman), the Secretary of State, the Secretary of Defense, the Special Assistant to the President for National Security Affairs and the Director of the Bureau of Budget. In addition, the terms of reference provided that the President's Board of Consultants on Foreign Intelligence Activities would have a representative sit as an observer with the Group and that the

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President's Board would be given an opportunity to comment on the Group's report following its submission. By general agreement of the members of the Study Group, the Assistant to the Director of Central Intelligence for Coordination was invited to participate with the Group in an observer capacity.

The Group's terms of reference provided that the attention of the Study Group would be focused primarily on the organizational and management aspects of the foreign intelligence effort. More specifically, the Study Group was directed to examine requirements, which are the means by which intelligence producers or researchers request collection; the adaptation of collection assets to changing needs; the method by which the intelligence community periodically evaluates its efforts; the military intelligence coordinating machinery, particularly as related to the Department of Defense Reorganization Act of 1958; the implementation of intelligence directives, particularly as related to providing intelligence support to field commanders; and the coordination of the research and development effort of the intelligence community.

Commencing 10 July 1960, the Study Group met 90 times, for periods ranging from two to nine hours each, and received briefings or presentations or engaged in discussions with 51 organizations. A total of 320 individuals appeared before the Study Group.

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The Joint Study Group concluded its sessions with representatives of the intelligence community by meeting with each of the members of the United States Intelligence Board, except the

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representatives of the Federal Bureau of Investigation and the Atomic Energy Commission. In these meetings the Study Group had the opportunity to solicit views on the major proposals incorporated in this report.

The Joint Study Group has made a conscientious effort to meet as a body each time so that all members would have the benefit of hearing the same presentations. Each of the members contributed at least one staff assistant to the Group who indispensably assisted in arranging meetings, doing research and drafting and redrafting many sections to expedite the preparation of this report.

The Joint Study Group has tried to examine the problems of the intelligence community from a national point of view without reference to personalities or parochial interests. Within this over-all approach it has made every effort fully to appreciate departmental interests in the fields of intelligence collection, processing and production. We have endeavored to understand the history and evolution of U. S. foreign intelligence activities, and have found in this history both advantageous and disadvantageous aspects. We have tried to capitalize in our recommendations on the advantages the community has gained from its often

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effective, spontaneous response to the demands of events and circumstances. We have sought corrective measures for these deficiencies in the community that reflect lack of explicitly planned development.

We have reviewed the National Security Act of 1947 (as amended) and other applicable statutes. We have examined those provisions of each National Security Council Intelligence Directive and Director of Central Intelligence Directive within our terms of reference both to determine their appropriateness and their degree of implementation. We have also studied the Department of Defense Reorganization Act of 1958.

Finally, the Joint Study Group has paid particular attention to the future, and carefully examined the extent of long-term planning within the intelligence community.

We particularly want to thank those many members of the intelligence community who spent long hours preparing helpful briefing material for the Study Group. In addition, their very frank discussions of problems and ideas for improvements were invaluable to us in preparing this report.

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II. THE INTELLIGENCE COMMUNITY

The foreign intelligence effort of the United States Government centers in the "intelligence community", which consists of those departments and agencies which are responsible for the collection of information and production of foreign intelligence essential for the security of the United States. The intelligence community includes the Central Intelligence Agency; the intelligence components of the Departments of State, Defense, Army, Navy and Air Force, and of the Joint Staff (JCS); National Security Agency (NSA); the Federal Bureau of Investigation; and the Atomic Energy Commission. In addition to these departments and agencies, there are many other elements of the government which collect or produce information useful in the intelligence process and which contribute to the foreign intelligence effort; these elements are brought into community activities on an ad hoc basis.

The heart of the intelligence community is in Washington (including Fort Meade), although considerable activity occurs elsewhere in the continental United States.

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The latter includes the major intelligence elements of the Strategic Air Command, the Commander-in-Chief Atlantic Fleet, Continental Air Command, Continental Armies, individual Army headquarters, Strategic Army Corps, Air Technical Intelligence Center, Army Map Service, Aeronautical Chart and Information Service, and the Air Force Security Service. The Army and Navy cryptological agencies are in Washington. All three military services maintain regional intelligence offices, largely engaged in security investigative and counterintelligence work throughout the United States. The Central Intelligence Agency (CIA) also has regional field offices and resident agencies.

The following table will provide an order-of-magnitude impression of the location of the nation's foreign intelligence manpower. Of particular interest are the facts that more than 80 per cent of intelligence personnel are related to Department of Defense activities and that over half of the total manpower is engaged in the signal intelligence effort.

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The intelligence community is formally organized under the United States Intelligence Board (USIB). This Board has a total membership of ten, of which six represent the principal producers and processors of intelligence; namely, the Central Intelligence Agency, the Department of State, the Army, the Navy, the Air Force and the National Security Agency. Two other agencies are not extensively engaged in foreign intelligence activities but sit on the USIB as occasional contributors -- the Atomic Energy Commission and the Federal Bureau of Investigation. Finally, there is representation from the Office of the Secretary of Defense (OSD) and from the Joint Chiefs of Staff (JCS). National Security Council Intelligence Directive No. 1 officially lists the USIB membership as follows:

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The Director of Central Intelligence, Chairman
The Director of Intelligence and Research, Department of State
The Assistant to the Secretary of Defense for Special Operations
The Director of the National Security Agency
The Director for Intelligence, the Joint Staff
The Assistant Chief of Staff for Intelligence, Department of the Army
The Assistant Chief of Naval Operations for Intelligence, Department of the Navy
The Assistant Chief of Staff, Intelligence, Department of the Air Force
A representative of the Director of the Federal Bureau of Investigation
A representative of the Atomic Energy Commission

The above list suggests certain observations. Three echelons of the Defense Department are represented on the USIB -- the Army, Navy and Air Force sit on the USIB as equals with the representative of the OSD, their civilian superior, and with the Director of Intelligence, the Joint Staff, representing their military superiors, the JCS. That all are not in fact equal is implicit in the requirement that military services, NSA and JCS representatives are not permitted to appeal USIB actions without prior review by the Secretary of Defense. We would finally note that the USIB has six military member agencies as compared to four civilian agencies and only two of the latter are major collectors and producers of foreign intelligence.

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Functioning directly under and in support of the USIB are 26 committees. Some of these in turn have established sub-committees or working groups through which they discharge part of all of their responsibilities. A number of these committees and their subordinate elements are concerned primarily with the production of finished intelligence; others deal with the coordination of guidance to collection and processing activities and with a variety of reference services and other support activities. The composition of these committees normally reflects the membership of the USIB itself. A chart of the committee and sub-committee structure of the USIB is shown on the following page.

Any evaluation of the USIB structure must necessarily start with an examination of the functions of that body. National Security Council Intelligence Directive (NSCID) No. 1 indicates that this Board is intended primarily to assist the Director of Central Intelligence (DCI) to achieve an effectively coordinated intelligence community, and the Board itself to carry certain coordinating responsibilities. Its responsibilities cross agency boundaries and convey

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both a policy-making and management flavor. The development of program guidance for all agencies, the establishment of community intelligence objectives, requirements and priorities, and the provision of a more effectively integrated national intelligence effort cannot be achieved unless the Board plays a positive, constructive role in assisting the management of the community.

Our study has convinced us that the USIB has been primarily a deliberative body. It has discussed and given final shape to estimates which are recognizedly the capstone of intelligence effort, but it has by no means devoted equally adequate time to its coordinative responsibilities. We are not aware that the Board has ever provided over-all program guidance for the entire community. Problems confronting the Board are all too frequently merely noted or referred to a committee.

We are of the opinion that these deficiences are rooted in several causes, not the least significant of which is the size and makeup of the Board itself. Although all members, except the Chairman, appear to be equal, they are not of equal status. They do not enjoy like authority

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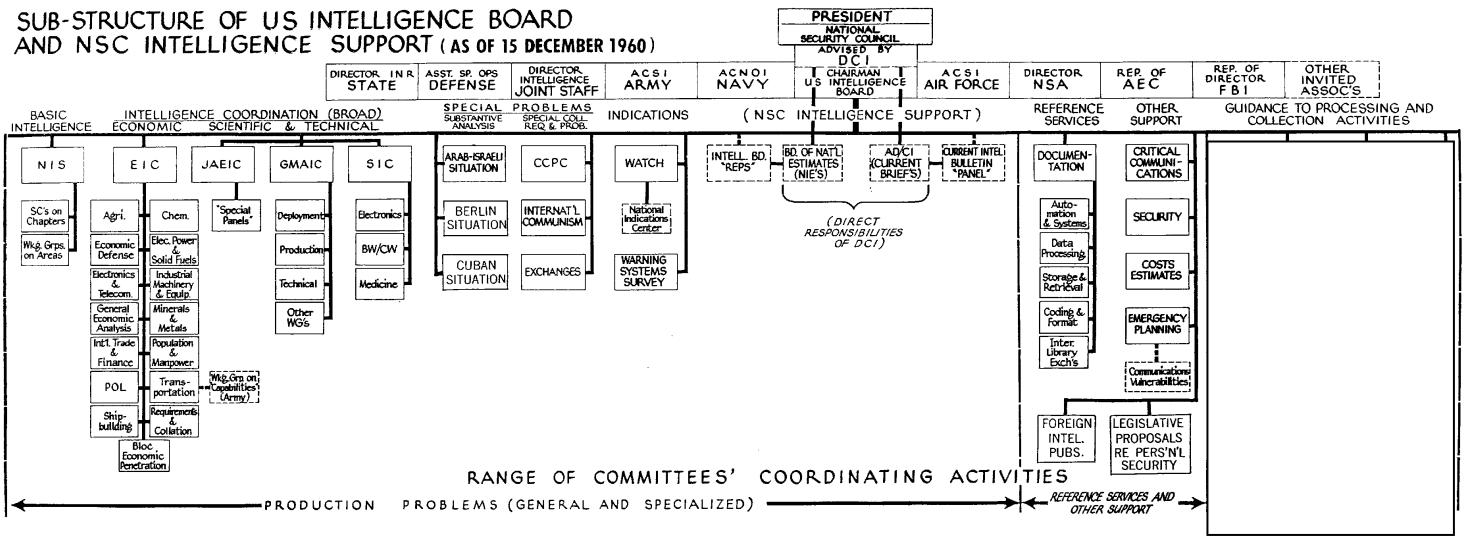

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within their own agencies, nor do they represent similar types of organization. The three echelons of military representation have already been cited; here we would only add that the top Department of Defense echelon commands no intelligence organization, and the Joint Staff intelligence component is comparatively small. The heavy weighting of military representation is itself questionable.

We feel that the Board has slighted its managerial responsibilities. To assist the Board in remedying this situation, we believe there should be a USIB mechanism concerned with management matters. We have particularly in mind major management problems, usually involving several parts of the community.

Finally, we feel there is an opportunity to make better use of the Board's time through more careful screening of matters coming before it. In making this observation we are very conscious of the need for safeguards against lower level groups in effect usurping the powers of the Board.

The Study Group feels that the first purpose of its recommendations should be to build upon the constructive and favorable elements in the present intelligence

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organizations and to correct deficiencies. The Study Group has therefore looked at the major component units in order to discern in each its generally advantageous and disadvantageous characteristics. A quick review of these observations is set forth below as a guide to the over-all direction of the Group's proposals.

The CIA has made progress in developing a corps of well-trained, dedicated personnel. It has demonstrated notable energy in developing projects of common concern which have been assigned to it. However, this same energy has in fact led the Agency into some activities that are competitive with those of other members of the community, and raised in these members continuing fears of increased centralization to a degree that hampers the DCI's coordinating efforts.

The Department of State contributes a fund of expertise in the understanding of foreign affairs. Its information gathering is enhanced by the fact that its collection goes hand in hand with diplomatic negotiation and representation. This same fact, however, complicates the situation in that embassy political and economic activity,

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being in part policy operation, cannot be brought wholly within the cover of intelligence coordination, nor can it easily be separated into the two categories of intelligence and policy. The Foreign Service still shows an indifference to intelligence, in part, because the Service thinks of intelligence in old-fashioned terms as a limited esoteric operation.

The military intelligence services provide the community with specialized knowledge and experience in indispensable areas of intelligence interest. Their dedication and esprit de corps are of high order. They are disciplined and responsive to command. Having direct responsibility for preparing for military action with the potential enemy, they supply to the community a sense of urgency that is unfortunately not always matched elsewhere. On the other hand the participation of three separate military intelligence services in all community activities makes it difficult to achieve an over-all military intelligence view. Further, the frequent rotation of personnel does nothing to encourage greater depth of understanding or collaboration.

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The JCS organization at present bears promise of a stronger mechanism for reconciling the service views. Up to now in the field of intelligence the implementation of the Department of Defense Reorganization Act of 1958 has not progressed far enough to permit immediate reliance upon the Joint Staff contribution to solving intelligence community problems.

The recommendations on problems and issues raised in this section are presented in later sections where they are more fully developed.

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III. MILITARY INTELLIGENCE

The problems in military intelligence identified by the Joint Study Group fall roughly into two main categories -- Defense organization and field operations.

Department of Defense (DOD) Intelligence Organization

In attempting to visualize the future role of military intelligence we note that increasingly powerful, sophisticated and costly weapons systems of mass destruction are becoming available to both the United States and the U. S. S. R. in such quantities as to give each the capability of destroying the other several times over. In such a confrontation, foreign intelligence regarding a technological breakthrough has great significance. Policy makers in government will rely increasingly on intelligence to keep them apprised of enemy research development and over-all capabilities, to insure sound decisions on weapons systems. Moreover, intelligence must be so organized as to give advance warning of both general and limited wars and be able effectively to support U. S. forces. Finally, intelligence must avoid concentrating so exclusively on military aspects of the power balance that it overlooks economic and political aspects both of that balance and of the free world generally.

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The Joint Study Group believes that in the foreign intelligence area a sense of great urgency must be brought to the study of and planning for such a future. It is impressed with the need to make far-reaching decisions now, without further delay, about the kind of intelligence the United States must have -- its size, mission, the resources to be devoted to it, and its organization.

To insure that intelligence will be equal to the great demands placed upon it, it must be viewed as an integrated program demanding an intense effort, closely coordinated planning, and the allocation of resources in money and human skills comparable to weapons systems of the highest priority and on an equal footing with them. In view of the importance of intelligence, we believe the chiefs of the military intelligence services, as well as those in commands and joint staffs, should have equal position and rank to their operational counterparts.

More specifically, the kind of future suggested above will pose for the DOD problems which have already begun to take shape. For example, advanced technology is being applied increasingly to intelligence and involves the expenditure of great sums. In the collection of intelligence information, SAMOS is a system which is expensive to develop and will continue to be

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expensive in operation. The management of this program will involve serious and complicated decisions as to the extent and nature of its use. The operational use of SAMOS will be principally for intelligence and will involve additional outlays for the rapid and efficient handling and processing of the data collected. Two projected photo interpretation centers for carrying on this work, one in CIA and one in the Air Force, are now in the early stages of development. The difficulty is that these agencies have been proceeding without sufficient reference to each other. While the decisions on use of SAMOS must be based on other than solely intelligence factors, the community, probably operating through the USIB, should look forward to having an important share in the responsibility. This problem is discussed further in Section V.

In the data processing, storage and retrieval field there is also great research and development activity. Most of it, however, has been carried out along strictly departmental agency lines, and while Defense-wide coordination is progressing under the direction of the Director of Defense Research and Engineering, coordination for community-wide compatibility is less satisfactory. (See Section IX.)

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In addition to the problems of developing new intelligence systems, there are difficult procurement decisions regarding the modernization and replacement of obsolescent equipment involving considerable cost. For example, United States Air Forces Europe (USAFE) feels it needs to replace worn out and unsuitable aircraft with C-130Bs for the collection of high-priority electronics intelligence (ELINT) data. United States Army Europe (USAREUR) states that it is in great need of modern ELINT equipment of all kinds but funds have not been allocated. Development of a high performance aircraft which Naval Intelligence believes it needs for an air platform for photography and signal intelligence to fill an important intelligence need is not proceeding because funds have not been allocated.

A continuing serious problem is the difficulty in arriving at an accurate cost figure for intelligence for the reason that there is no basis for comparability common to all three military service departments. [redacted] As is pointed out in Section VIII, this makes fiscal management very difficult.

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United States intelligence must be a community effort in fact as well as name, which means that effective coordination of intelligence as a truly national effort must be achieved. By far the preponderant part of U. S. intelligence in terms of manpower and money is that undertaken by the DOD. Great strides toward a more closely integrated community would result from improved intelligence coordination within the DOD.

It has been suggested to the Study Group that a positive solution would be to establish one intelligence service for the whole DOD, reporting directly to the Secretary of Defense. Although this proposal has considerable merit, it is our view that on balance it would be unwise to attempt such an integration of intelligence activities so long as there are three military services having specialized skills and knowledge.

Nonetheless, intelligence management within the DOD must be organized in such a way as to provide adequately for intelligence as a coordinated system of highest priority. Besides increasing JCS responsibility in coordinating over-all defense substantive matters, there is need to establish and maintain cognizance of the over-all program in terms of resources of manpower and money allocated, and to eliminate waste, duplication

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and inefficiency. For this there should be an authoritative focal point within the Office of the Secretary of Defense, which should also be the primary point of contact with the rest of the community.

Among the internal factors influencing U. S. military intelligence is the Department of Defense Reorganization Act of 1958. In general, a process of evolution is taking place in which the strengthened position of the Joint Chiefs of Staff (JCS) in the command line from the Secretary of Defense is gradually emerging.

However, it does not appear that the concept of the Defense Reorganization Act of 1958 has yet been fully realized in the field of intelligence. Essentially the same general methods and procedures for the control of intelligence operations and the exercise of intelligence responsibilities that existed prior to the Defense Reorganization Act of 1958 are still in effect today. In fact, intelligence activities of components of unified and specified commands continue to be as responsive as formerly to direction by the military departments.

It is clear from the concept of the Defense Reorganization Act of 1958 that the JCS can logically assume direction or control over such intelligence activities as are undertaken in

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support of the strategic mission of the JCS, whether they are now being performed by the military service departments or by unified and specified commands. However, it is not so specifically stated in DOD directive #5100.1. Furthermore, National Security Council Intelligence Directives (NSCIDs) charge the military departments with certain intelligence responsibilities but fail to do the same regarding J-2 of the JCS, indicating instead that the military service departments produce that intelligence required by the JCS.

The JCS publication "Unified Action Armed Forces (UNAAF)" of 23 November 1959 implements DOD directive #5100.1 and does not limit intelligence responsibilities of the military departments to their departmental missions. Further, departmental missions are not spelled out in sufficiently clear and unmistakable terms, thereby furnishing latitude for interpreting specific intelligence operations and activities as being in support of departmental missions. In this way the chain of command is by-passed with resulting lack of coordination to prevent overlap and duplication and achieve more effective use of resources.

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It seems probable that the situation described above cannot be positively corrected unless the relevant NSCIDs are revised to assign authority and responsibility for military intelligence activities to the Secretary of Defense who can in turn allocate responsibilities to the services and JCS as he sees fit.

Field Operations

In common with other national purposes, U. S. military intelligence is strongly affected by external factors of major importance. Foremost among these is the existence of the cold war, a condition of neither peace nor war which imposes enormous complications on military commanders who must maintain, in a world nominally at peace, a posture of full wartime readiness. Military commanders in these circumstances quite naturally demand that their intelligence support give absolute priority to the security of command and early warning.

The continued threat from an implacable and powerful enemy is a factor which demands an intelligence effort sustained at close to wartime intensity. The effectiveness of this effort is limited by the formidable security system which it must penetrate. The importance of U. S. intelligence operations in

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Berlin and in East Germany is emphasized by the fact that operations there are considerably easier than elsewhere in the bloc. Nevertheless, intelligence information is becoming increasingly hard to collect even there, and political considerations sometimes further restrict intelligence activity. If the United States is to be prepared, it must be assured of the best possible flow of information about enemy strength, disposition, combat readiness, science and technology, and probable intentions in sufficient quantity and detail to support the commander's mission.

It cannot be said with any assurance, short of the actual event, that this flow of information is now sufficient to provide the desirable warning and security of command, or assuming that it is now sufficient, that it will not suddenly dry up sometime in the future. Consequently, only the best coordinated overt and clandestine efforts will suffice.

The Joint Study Group appreciates the desire of commanders to maintain control of intelligence assets which they deem necessary to assure security of their commands. At the same time, intelligence operations, [redacted] 25X1

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25X1 [redacted] must be closely coordinated not only

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The Joint Study Group believes that a solution lies in a new approach to coordination in the field. This is discussed at length in Section VII on Coordination. [redacted] 25X1

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There is a great need for improvement in the role of J-2 of the unified commands. The Joint Study Group believes that positive coordination by J-2 of intelligence operations of the component commands would do much to alleviate many existing difficulties. We have in mind particularly the need for coordination by the unified commands of intelligence training and operations, requirements, relations with non-military intelligence agencies, and counterintelligence.

It is recommended that:

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end:

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a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components.

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as:

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority;

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates;

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI);

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII);

c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above.

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate.

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3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense.

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations (particularly military attaches) and personnel so assigned should be given position and rank comparable to their operational counterparts.

5. The military services should be encouraged to maintain and develop a capability for clandestine intelligence collection which would be carried out under the coordination of the Director of Central Intelligence.

6. The Special Security Officer systems should:

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b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems.

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IV. NATIONAL SECURITY AGENCY

The National Security Agency (NSA) is the Department of Defense (DOD) Agency established by the Secretary of Defense to carry out most of the responsibilities now assigned to him by National Security Council Intelligence Directive (NSCID) No. 6 as the executive agent of the government for communications intelligence (COMINT) and electronics intelligence (ELINT), as well as certain responsibilities in the field of communications security. In order that NSA can carry out both the COMINT and ELINT missions, the COMINT and ELINT activities of the United States are placed under the operational and technical control of the Director, NSA. [redacted] 25X1

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V. COLLECTION - RESOURCES

For the purposes of this report we have divided the collection of intelligence information into four major fields: overt, signal intelligence, visual-aerial, and clandestine.

The principal collectors of overt intelligence information are the diplomatic and consular officers of the United States and the military and civilian attaches. Their reporting is largely based upon official and non-official contacts, general observation and research. Other overt sources include the monitoring of open radio broadcasts, the exploitation of foreign publications, and the interrogation of defectors and refugees, all of which provide considerable valuable information.

A secondary source for overt collection involves United States business organizations and individual travellers who receive or obtain information from abroad. Similarly the East-West exchange program has provided the opportunity to obtain some significant information in recent years.

The Study Group wishes to emphasize that the information collected through overt means is the foundation of all

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intelligence and should not be neglected through over-concentration on less conventional modes of collection. We anticipate no change in this in the future.

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[redacted]. Among the specific fields of signal intelligence is communications intelligence (COMINT) which is the interception of communications transmitted by electrical means both by voice and in code. The emission of electromagnetic emanations and radiations by various types of electrical machinery and vehicles, including missiles, provides a second source of signal intelligence known as electronics intelligence (ELINT).

Taken together, signal intelligence, although very expensive in both human and material resources, offers great potential opportunities for increased collection of valuable intelligence. Recommendations regarding the collection of signal intelligence are made in other sections, particularly the section on the National Security Agency (Section IV).

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One serious problem relating to signal intelligence, but also present in the photographic intelligence field, results from the security classification system currently in use. Entirely apart from the well-known tendency throughout the intelligence community to over-classify, the special handling required for a very significant portion of intelligence information has at times deprived key personnel of information vital to the successful discharge of their responsibilities. Among United States agencies, practices vary regarding the granting of special intelligence security clearances.

Even the National Indications Center (NIC) is sometimes deprived of vital information on security grounds, despite its assigned role of informing promptly and fully top U. S. officials on critical events affecting the national security. The NIC (in the Pentagon) is the central point which is intended to receive, analyze and transmit all-source information which may indicate hostile intentions anywhere in the world. It is staffed by USIB representatives and provides intelligence support to the Watch

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Committee, an inter-agency body which publishes a weekly summary of available information related to the imminence of hostilities. The extreme importance of these activities is self-evident. Despite this fact, the Study Group observed that the NIC on occasion has had to resort to informal channels and personal contacts to obtain vital information.

A third major source of foreign intelligence is photographic and other visual-aerial observation. This is probably the most precise form of intelligence collection, inasmuch as photographs provide accurate information. The U-2 program provided what was probably the greatest amount of valuable information obtainable from any single source, and the Study Group heard consistent requests that this program or something similar to it be resumed at the earliest possible date. The possibilities of aerial observations from missiles and satellites were examined and while they have substantial potentialities for the future, left the impression that accuracy similar to that of the U-2 will not be obtained for some time.

The Study Group has spent many hours discussing the problem of processing and interpreting aerial photography

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for intelligence purposes. The CIA, with the active participation of the Army and the Navy, is administering an expanding operation which is now in effect a photographic intelligence center of common concern. However, this center is still operated today on the basis of informal arrangements originating at the time of the U-2 which could be terminated at any time. The Air Force (including the Strategic Air Command) has extensive photographic processing facilities involving several times the number of personnel now at the CIA center. Formal understandings should be reached soon as to the respective roles of CIA and the Air Force in the photography field to insure that maximum intelligence value will be extracted at reasonable cost from the new sources of photography now being developed, particularly SAMOS.

There is agreement within the community that when the raw film is chemically processed, the photography should be distributed immediately to all parties of interest. There is also agreement in most of the community that a central photographic intelligence center of common concern should

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be established. Opinions vary, however, as to (a) how much interpretation and analysis should take place at such a center, and (b) who should run it.

It is the consensus of the Study Group that a photographic center of common concern should be established. It would be responsible for rapid identification of items of intelligence interest and achieving a quick initial interdepartmental evaluation of important items.

Personnel of the center representing different parts of the community would jointly examine the photography, using collateral information as necessary, only up to the point where the objects in the picture had been definitely identified. Based on such identification, the center would then distribute its initial identification, together with related collateral information supporting the identification, to interested parts of the community for more detailed interpretation by specialists.

The most difficult problem is to determine whether CIA or the Department of Defense should run such a center. If the decision is to be based on probable developments in the near future plus the assumption (which may be invalid)

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that this photography will provide reliable and timely early warning intelligence, then a strong case can be made to locate the center in the Department of Defense. It can be argued that responsibilities of the JCS or the Air Force for instant retaliation are such that early warning intelligence resources should be under its direct control. Furthermore, various elements of the Department of Defense have photographic centers anyway in connection with targeting activities and other related needs, thus suggesting that it may be more economical for the DOD or the JCS to run the center. From another point of view, possible Congressional reaction to further major increases in CIA's budget suggests caution in expanding CIA's operational responsibilities beyond current levels.

On the other hand, strong doubts have been expressed as to whether, for example, SAMOS would provide enough reliable and significant early warning information to justify the very high cost of collecting and processing photography at frequent intervals for the same areas. Regardless of who runs the center, the Strategic Air Command would receive the raw take immediately for a quick screening

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for early warning indications. Second, use of high-level aerial photography to date has shown that, while it provides intelligence information of high operational value to the Air Force, it also provides vital information for other members of the community. Future photography from sources such as SAMOS will even concern others besides the Air Force for it will cover the globe and thus provide intelligence information of general value to the entire community, and requiring collateral information for analysis which is available only at the seat of government. Third, CIA has already demonstrated its ability to run an interagency photographic center.

The Joint Study Group believes that a decision on the executive direction of such a center should be determined by consultation between the Director of Central Intelligence and the Secretary of Defense and thereafter a new National Security Council Intelligence Directive issued.

The last form of collection is that by clandestine means through espionage and counterespionage. This, however, is one of the most difficult forms of collection and requires a considerable expenditure of manpower carefully trained

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over a long period of time. [redacted]

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The Study Group did learn that the agencies concerned are now endeavoring to improve their security through more frequent "sweeps", better equipment and secure communications rooms; we urge continuation of these efforts.

We were impressed in several instances by the intensity and scope of Communist efforts to penetrate U. S. classified operations overseas. In some cases studies on this subject are neglected; in others, known facts appear to be disregarded. We doubt that clandestine operations will ever reach the desired level of effectiveness without more stress on counterespionage; in this field the Director of Central Intelligence should focus more positive attention on this problem through the United States Intelligence Board. Lacking this, many operations will continue to be "blown", almost before they get started.

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It is recommended that:

11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel.

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence

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for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations.

13. The Central Intelligence Agency should open its clandestine training facilities to other agencies as a service of common concern.

14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities.

15. The United States Intelligence Board should review the situation in the National Indications Center to determine the adequacy and level of its staffing and to assure that all information pertinent to the National Indications Center's mission (including highly classified and sensitive information now withheld) will be transmitted to the Center promptly on its receipt.

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC).

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18. The Director of Central Intelligence should focus community attention on the important area of counter-intelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board.

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20. The Central Intelligence Agency should increase intelligence support to unified and component commanders by direct dissemination of all information reports from pertinent field stations.

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VI. REQUIREMENTS AND EVALUATION

Present Procedures

The Joint Study Group is concerned with the inadequacy of current mechanisms within the intelligence community for the guidance of collection efforts by selective levying of requirements, and subsequent evaluation of the intelligence generated by these requests for information. While we acknowledge that considerable decentralized effort is being expended by the various departments and agencies in these fields, we believe that the effort is frustrated through lack of coordination and that the total personnel assigned to this work is excessive in relation to the results achieved.

Within the intelligence community in Washington there exists no single general requirements system, and no single place where an analyst or agency may determine if needed information has already been collected and how it may be located for exploitation, or if a requirement for the same information is outstanding on the part of an analyst from a second agency, although some approximation exists in

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Central Intelligence Agency's (CIA) Office of Central Reference. This same lack of central reference exists in the field.

In Washington, the three military intelligence organizations and J-2 maintain separate units for the coordination of requirements and evaluation of intelligence reports. There is no place within the Department of Defense for centralized reviewing and screening or for the coordination of all military requirements.

Each military intelligence organization prepares and issues to its field collectors its own guide-type collection manuals, statements of interest, long-range requirements and ad hoc requests for information. In general, each military intelligence organization does its own evaluation of reports received from its field collection effort.

The same situation prevails within CIA notwithstanding the existence of the Office of Central Reference, which was created for the purpose of centralizing and coordinating all Agency requirements. Each major component of CIA maintains its own requirements office as well as requirements personnel at division and branch levels. Requirements for

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Requirements levied on the National Security Agency (NSA) and the service cryptologic agencies are controlled by the United States Intelligence Board (USIB) through its communications intelligence (COMINT) and electronics intelligence (ELINT) committees. Additional specific requirements are passed to NSA for collection through NSA's requirements unit which maintains liaison with other members of the USIB for this purpose.

Requirements within the Department of State are coordinated on a geographical basis by the various policy desk officers through whom flow all requirements to the respective embassies and consulates. An Intelligence Collection Division within the Bureau of Intelligence and Research coordinates all formal requirements from or to other members of the intelligence community and coordinates interagency

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evaluations of Foreign Service reporting. The same organization prepares country statements of guidance for each embassy or principal post as an aid to political, sociological, scientific, and in some instances economic reporting. Owing to the Department of State's extra burden of responsibility to the numerous other non-intelligence departments active in the economic field, economic requirements on countries outside the Sino-Soviet bloc are handled by a special division of the Department, the Foreign Reporting Staff. This staff coordinates economic intelligence requirements of the community into the Current Economic Reporting Program. It thus does program planning for the economic collection effort, and coordinates community evaluations of Foreign Service economic reporting.

In the main, each department or agency involved in intelligence collection formulates its own specific and general requirements based primarily on its needs to meet its production responsibility on its own behalf and on behalf of the community. These requirements may be divided into standing, serial, or ad hoc requirements, and are sent to

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the field in the form of guide-type all-inclusive shopping lists requesting basic information about a country or subject, or more selective but still general "statements of interest" or, as last mentioned, as special requests for information. The following lists the various standing and serial-type requirements publications of the member agencies of USIB involved in the collection of foreign intelligence; i. e., requirements chiefly of the comprehensive guide-line type.

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Evaluation of reports is closely tied to collection requirements because evaluations serve as encouragement to the collector, as well as a form of guidance. Raw intelligence reports are evaluated by Washington end-users on a request basis and provide a spot-check of the usefulness of the reports. However, collectors feel that there are too few evaluations of their reports. On the other hand, consumers find the task of evaluating reports burdensome and time-consuming. In any event, the present decentralized system for the evaluation of field reports fails to provide an adequate means for an over-all assessment of the responsiveness of field collectors to levied requirements or to the quality of the information submitted.

Finished intelligence is evaluated in a more systematic manner. The Board of National Estimates conducts periodic reviews or post-mortems on National Intelligence Estimates, including assessments as to gaps in existing information. These post-mortems are in turn reviewed by the USIB. Some of the USIB committees also evaluate intelligence in specific areas. A generally useful committee in this regard has been the Critical Collection Problems Committee (CCPC), which

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not only analyzes capabilities for intelligence collection, but also actually stimulates collection mechanisms, primarily in the field of missiles.

The Role of USIB

The USIB as an important part of its responsibility for managing the national intelligence effort is charged with the establishment of appropriate intelligence objectives, requirements and priorities. One of the principal means by which the USIB meets this responsibilities is its annual statement of Priority National Intelligence Objectives (PNIOs) which set forth specific subjects "requiring priority attention and effort". The introduction to the PNIOs states, "...the following list of Priority National Intelligence Objectives is established as a guide for the coordination of intelligence collection and production".* The nature of these objectives is importantly qualified in the same introduction: "Although a given subject may be listed as a matter of priority, not every bit of information relating to it will be required with equal urgency and some may be procurable by routine means. It is therefore incumbent upon research personnel to exercise discrimination in allocating analytical

*Underlining added

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resources and in formulating information requirements so as to accord priority only to those aspects of the listed subject which actually require a priority research or collection effort". Again, in identifying the criteria for selecting these objectives, the Directive states: "Most of the intelligence required in the formulation and execution of national security policy will be the product of normal intelligence collection and research. Priority National Intelligence Objectives should be limited to those critical factors which require special attention and effort". It is clear that the PNIOs are not intended to replace or exclude broad regular coverage of the world. Indeed, the PNIOs would be ineffective without such background.

The Group found that these limitations on the application of the PNIOs as stated are not generally understood. It is worth noting at this point that one of the difficulties observed by the Group was a tendency among collecting units to concentrate heavily upon some central area of concern at the expense of matters within their responsibility which, although of minor interest to them, are yet of high priority value to one or more other agencies. This finding

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combined with the tendency to give exclusive authority to the PNIOs has had serious effects in distorting the collection of intelligence information. It is common practice for individual requirements prepared and levied through the decentralized mechanisms described above to claim a priority derived directly from the PNIOs. The main complaint of this practice is that a requirement related to a "first priority" objective is not necessarily more important in itself than another requirement related to a "second priority" objective. Further, it is illogical to suppose that every single item of information has an importance proportionate to the importance of the priority objective on which it bears, however remotely. It should be noted that USIB likewise has responsibilities in the field of evaluation under the provisions of NSCID No. 1, that it shall "Ensure that the pertinence, extent and quality of the available foreign intelligence and intelligence information relating to the national security is continually reviewed as a basis for improving the quality of intelligence and the correction of deficiencies".

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Certain committees of the USIB devote considerable time and attention to coordination of collection requirements on specific subjects or in reference to special types of collection organizations. These include the Economic Intelligence Committee, the Scientific Intelligence Committee, the Guided Missile and Astronautics Intelligence Committee, the Critical Collection Problems Committee, the Joint Atomic Energy Intelligence Committee, the ELINT and COMINT, and the Interagency Clandestine Collection Priorities Committees.

Field Coordination

In addition to the above mechanisms for the coordination of requirements at the Washington level, we noted that each of the commands in Europe has personnel attempting to coordinate requirements of the command, requirements received from Washington, and requests received from other field organizations.

In the embassies visited, the Joint Study Group found no arrangements in existence for the coordination of all collection requirements. At no one point within the embassies could anyone see the complete requirements picture relating to the country in question. Each of the several agencies represented in the various embassies handles its own requirements and

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determines for itself whether or not coordination of a given requirement or program is desirable.

Outstanding Problems

At the Washington level and in the field the Joint Study Group found numerous problems in the requirements field. Most are predicated on the lack of central coordination of requirements. The difficulties include some general to the community at large and others relating to the individual departments and agencies.

Requirements in general are not sufficiently tailored to collection assets or resources. [redacted] An urgent need in the intelligence community today is a much closer correlation between requirements or needs and collection resources. (See also Section V)

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Another general problem is that too often requests for collection are duplicative, incomplete relative to community needs, are scattered out to collectors in

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excessive numbers, and too often are without indication of priority in relation to other outstanding requirements of the same general urgency. Field collectors are anxious to have less requirements, clearer indication of priority, and more precise requirements. The unilateral production by the departments and agencies of collection requirements guides causes further duplication and excessive numbers of outstanding requirements.

The Department of State is relatively small in size compared to the other departments and agencies interested in intelligence collection, and perhaps for this reason is without serious problems in the requirements field. The other departments and agencies are not as fortunate. The Department of Defense has the most people involved in intelligence and its collection means are the most diverse among all the members of the USIB, 25X1

A serious problem exists in the form of barriers erected between signal intelligence and other forms of

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intelligence. While we recognize the need to protect communications intelligence, we feel there is need for closer integration of signal intelligence requirements and evaluation with those of the rest of the community.

The levying of requirements within the Department of Defense largely follows patterns that existed before the Department of Defense Reorganization Act of 1958 -- individual military departments levy them directly on their overseas components.

There has not yet emerged, pursuant to this reorganization, a fully established program either within the JCS or The Office of the Secretary of Defense (OSD) for the development of requirements designed to support their presently assigned missions, in part because, as has been pointed out in Section III, the NSCIDs have not been appropriately readjusted. There is also no mechanism within the JCS or the OSD for reviewing and managing military service requirements which would serve both to assure the most efficient

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utilization of military intelligence resources and to provide support for JCS and OSD over-all missions.

The Joint Study Group notes the duplication of requirements levied on military intelligence collectors. This can be traced to the absence of over-all coordination within DOD. We have credible information from the DOD that duplication exists in the areas of space, electronics, geodesy, nuclear weapons and missiles; among unified commands there is some duplication in serving requirements regarding armed forces, missiles and scientific and technical intelligence; this situation exists both with regard to requirements and reporting in political, sociological and economic areas; among component commands there is duplication in levying requirements for counterintelligence, guided missiles, logistics, mapping, scientific and technical, transportation and telecommunications.

CIA's main requirements problem, as might be expected, relates to clandestine collection and concerns the great number of requirements served on the

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Agency without benefit of screening to determine priority or the necessity for clandestine collection. One of the reasons this problem exists is CIA's own failure to insist that its customers use the machinery established to handle the problem, and use it properly.

The IPC is supposed to determine the essential foreign information requirements whose fulfillment necessitates clandestine collection. The USIB specifies that these requirements must be of such a nature that they cannot normally be covered by non-clandestine collection methods. The committee is required to prepare requirements lists and to provide special guidance to CIA to meet unusual, critical or emergency situations. Each member of the USIB has a member on the IPC, and these individuals are expected to pay particular attention to requirements submitted by their respective departments and agencies for clandestine collection.

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With respect to the IPC lists, some participants believe that their interests are not properly represented on the lists because they have been unable to get community agreement on the priority they desire. They have in consequence too often attempted to short circuit the procedures.

We believe that the key to this problem is a more active and across-the-board use of a coordinating mechanism.

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While there remain some instances of duplicative activity in a given field of collection, the Group found none that could not be cured by normal coordination.

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Another problem is the large number of requirements that results from the inclusion in general collection

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guides of everything that everybody wants to know. Ideally such statements of interest might better be called "programs" and the word requirement reserved for short-term specific ad hoc questions. In any case, while some such programmatic statements are needed for general training and orderly planning, it should be possible to reduce the number and overlap of these guides. We believe that all collection requirements manuals should be integrated into a compatible series of coordinated guides. Further, the Group urges the creation of integrated requirements guides which on a country-by-country basis would set forth the specific collection requirements and responsibilities of each department and agency concerned.

Although departmental production and collection responsibilities have been allocated in terms of subject, geographic and functional, such as world military, or Soviet bloc economic, there cuts across this allocation an overlay of requirements labelled with the term "departmental". This term is frequently interpreted to include everything a department decides to be necessary or desirable to support its mission. It should be clearly understood that

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departmental intelligence must lie within the subject fields allocated to the departments by the NSCIDs. At the present time these subject fields need to be more clearly defined by the NSCIDs especially in the military areas. A department's collection efforts should normally be confined to those subject fields so allocated to it.

The Joint Study Group believes that the described individual efforts of the members of the intelligence community to handle their own requirements and evaluations are inadequate to properly coordinate the collection activities of the community, and that the USIB must, as a part of its management responsibility, require that coordination be done on a community-wide basis, both at the Washington level and in the field.

At the Washington level, we believe that there should be a central body for reviewing requirements, manned by top quality experts from the intelligence community representing all the agencies which either produce intelligence reports or collect intelligence information. This would in effect become a central clearing house for the most effective tying together of all requests for

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information with all resources for collecting that information. We recognize that this is a large undertaking and therefore suggest that its development be evolutionary. We would suggest that such a center for the time being concern itself with collection by clandestine and signal intelligence assets.

In such a center the agencies would endeavor to identify their assets in the collection fields indicated and to select or stimulate relevant requirements. Therefore, this center would concern itself basically with two aspects of collection: first, modification and correlation of the basic collection guides; second, the handling of current requirements. The collection resources would be tabulated on performance. There would also be a tabulation of relevant requirements. We would suggest that an inter-agency clearing house be established representing each of the collection and production agencies, which would review all requirements when received and determine which collection medium is best adapted to satisfy the requirement. Such a facility using available resources should reduce the number of personnel engaged in requirements work.

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Such a center should be very closely tied in to the CIA Office of Central Reference (OCR) in which there should be a record of all of the information collected through intelligence media. The first effort of such a clearing house would naturally be to check the available information in OCR and the usual public repositories and insure that the required information is not already available in Washington.

In order to insure that the center be kept apprised of new assets and be informed about every form of collection resources, it should be manned by high-level, experienced and fully cleared professionals from each agency. These professionals should be thoroughly acquainted with all of the collection resources of their respective organizations to assure that their requirements are not unnecessarily directed to other agencies. Consequently, it would be most important that they spend a considerable amount of their time with their own agency as well as in the center. Finally all collection requirements in the indicated fields should be screened by the center prior to issuance to the collectors.

We believe that the center should be responsible for reporting to USIB any failure to act upon assigned

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requirements. Finally, the proposed clearing house would develop data on collection that would assist USIB in carrying out its assigned management responsibility.

We strongly urge that the USIB in its annual evaluation of community effort prepared for the NSC pay specific attention to collection. This evaluation might be associated with periodic evaluation at embassy and command level of collection requirements and collection assets.

It is recommended that:

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies.

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility.

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned.

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24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all [redacted] intelligence requirements concerning that area.

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25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command.

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets.

[redacted]

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VII. COORDINATION

Basic Philosophy

Much effective coordination has been accomplished in the dozen years that the intelligence community has existed as a recognized entity. The Study Group finds, however, that two major elements of misunderstanding and confusion in regard to the philosophy of coordination have impeded and continue seriously to impede the growth of much needed further coordination. There is, on the one hand, no common understanding of how coordination should be achieved. On the other hand, there has been a lack of clarity regarding the relation of the Director of Central Intelligence (DCI) and of the Central Intelligence Agency (CIA) to the responsibilities of coordination. Finally, throughout the government the philosophy of coordination ranges from a concept of command to one of persuasion.

Confusion over how coordination should be achieved arises in large part because many people see need for a different degree of coordination in the clandestine field as compared with most other areas of intelligence activity.

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Thus, the term "centralized direction" appears in No. 5 alone among the National Security Council Intelligence Directives (NSCIDs). Although in that directive, the term is equated with coordination, the Study Group sees no reason to doubt that coordination in the clandestine field should be more mandatory than in other fields. The Group feels that while "centralized direction" by the DCI cannot mean outright command in relation to the intelligence activities of independent departments, coordination should tend toward "direction" in clandestine intelligence, and focus more on leadership, initiative and cooperative action elsewhere.

We feel that adequate coordination can be achieved by the coordinator following the list of principles below:

1) Leadership in developing and adapting new intelligence programs;

2) Initiative in identifying problem areas and instances of duplicate effort or missing effort;

3) Investigation of these problem areas, if necessary through use of the right to survey intelligence activities;

4) Solution of these problems to the extent possible by agreed cooperative action of relevant parties under leadership of the coordinator;

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5) Recommendation of solutions to higher authority when common agreement is not promptly forthcoming, with indication of the position of the various parties. //

The Joint Study Group is confident that if all members of the intelligence community were to become convinced that the coordinative authority envisaged in the basic laws of the community were of the above nature much of the reluctance and apprehension that now remain would disappear.

If one obstacle to full development of coordination has been uncertainty about the nature of coordination itself, the second major obstacle has been uncertainty about the nature of the coordinator. There is, of course, no doubt anywhere that the coordinator is and must be the Director of Central Intelligence. The media through which he is to practice coordination are less clear. The Joint Study Group is aware that the Director of Central Intelligence has several responsibilities, one of which is to command the CIA, and another is to coordinate foreign intelligence activities both within and outside the CIA.

We have given lengthy consideration to the possible separation of the role of the DCI from that of the head of the CIA.

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This separation could be accomplished in two different ways: first, by separating the DCI and a small staff of personnel assistants; second, by separating the DCI plus estimating, current intelligence and planning and coordination staffs.

Such a separation would eliminate objections raised to an arrangement whereby the DCI commands one of the agencies he is responsible for coordinating. Furthermore, through such separation the DCI could spend more time on coordinating foreign intelligence activities.

Although the potential advantages outlined above for separation are impressive, such a step has a number of disadvantages. The President could no longer look to one man to brief him across the board on intelligence and covert action matters. Furthermore, if the DCI were separated as proposed, there is the danger that he and his staff would tend to get out of touch with the practical operational problems of the community. In addition, if he is assisted by only a small staff, he may in fact be able to achieve less coordination of the community than is possible under present conditions. It is also possible that the result would be that the DCI would

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end up with a large staff but with little or no offsetting reductions in CIA or elsewhere in the community. Finally, it is noted that such a separation would require a change in the basic law for the CIA.

The Study Group feels that included in this report are recommended actions which should help to eliminate objections to the present organization arrangements for the DCI. For example, it is proposed that the DCI use a staff drawn from the entire community and attached directly to his office to assist him in his coordinating purposes. Corrective actions are recommended which lead to resolution of the Army-CIA dispute over clandestine collection.

In summary, the Joint Study Group feels that the actions recommended in this report should go a long way toward removing impediments to the success of the present arrangement, and should be given a fair trial. If after a reasonable period of time the role of the DCI is still in question, then serious consideration should be given to complete separation of the DCI from CIA.

However, the representative of the Secretary of Defense on the Joint Study Group does not agree with the above views

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and believes that some of the arguments against separation of the DCI and the CIA are invalid. He would note that the present system has been in existence for ten years and has failed to achieve proper coordination. He would recommend making a separation at this time, in accordance with the second alternative proposed above.

The fact is and has been that the DCI has used elements of the CIA as instruments of community coordination. Since August of 1957 he has had a staff of three officers within the CIA charged with improving coordination within the national intelligence effort which has worked primarily on the revision of the NSCIDs and their implementing Director of Central Intelligence Directives (DCIDs), but has been unable to devote any major effort to day to day coordination in the intelligence community. Furthermore, the community has never had occasion to look upon this staff as anything other than a part of the Central Intelligence Agency.

Clearly from the first the CIA has been engaged in coordination. To take one of the conspicuously successful examples, the work of the Office of National Estimates (ONE) in coordinating community knowledge and views in the

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National Intelligence Estimates (NIEs) is surely one of the activities that derives from the Agency's specific responsibility under the National Security Act of 1947. The CIA chairmanship of a large proportion of the United States Intelligence Board (USIB) committees is another aspect of the same recognized responsibility.

At headquarters just as in the field, this essential coordinating activity of the CIA has meant that the other agencies found themselves being coordinated by an organization which from time to time appeared as a vigorous competitor of theirs. In the process of developing the agreed areas of action, the CIA has also raised apprehensions in other agencies. It does appear that some of the assigned functions of CIA have been expanded to the point where there is overlap with the activities of other agencies, e. g.,

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In all fairness it should be noted that some of these CIA activities were originally requested by other agencies or were mounted to fill gaps.

In considering this situation as of the present and future, the Joint Study Group concludes that the community

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has by now matured, and has reached an understanding of functional responsibilities sufficiently stable to permit a frank facing of the problems involved. In consequence the Joint Study Group believes that there are two kinds of coordination which can be practiced separately. Although the familiar operating elements under both the Deputy Director/Plans and the Deputy Director/Intelligence of the CIA must more than ever look upon their substantive relations with the community as factors in over-all coordination, there is need for a different unit, apart from the CIA operations and which, responding immediately to the DCI may work on major problems that arise in the over-all management of the community. It is these prospects that are discussed in this section.

Directives

The duties assigned by Congress to the CIA under the National Security Act of 1947 and by the National Security Council (NSC) to the DCI and the USIB under the provisions of NSCID No. 1, are for the declared purpose of coordinating the intelligence activities of the several departments and agencies in the interest of national security.

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In the preamble of NSCID No. 1, the NSC enunciates the philosophy that the intelligence effort of the United States is a national responsibility; that it must be organized and managed; that it must achieve maximum exploitation of the available resources of the Government; and that it must satisfy the intelligence requirements of the NSC, and of the departments and agencies of the Government. To realize these intentions, the Directives set forth a basic purpose of coordinating the intelligence activities of the several departments and agencies, and to accomplish this basic purpose the NSC has provided for a variety of actions and conditions which are all a part of and equally essential to the achievement of effective coordination:

Coordination in terms of a specific action responsibility -- "The Director of Central Intelligence shall coordinate the foreign intelligence activities of the United States...." (NSCID No. 1, paragraph 1.)

Coordination in terms of the governmental framework in which it shall be accomplished -- "To maintain the relationship necessary for a fully coordinated intelligence community and to provide for a more effective integration of and guidance

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to the national intelligence effort, a United States Intelligence Board (USIB) is hereby established under the directives of the National Security Council and under the chairmanship of the Director of Central Intelligence." (NSCID No. 1, paragraph 2. a.)

Coordination in terms of corporate participation in the development of rules and procedures -- NSCIDs are to be based upon recommendations made to the Council by the DCI, in each case indicating the concurrence or non-concurring views of those members of the USIB concerned; detailed implementation of the NSCIDs is provided for by the DCIDs, which have been agreed to by the USIB under the same procedures as are used for resolving the content of the NSCIDs. The DCI may issue them unless a dissenting member requests referral to the NSC. (NSCID No. 1, paragraphs 2. d. and 3.)

Coordination in terms of authority -- NSCIDs having been approved by the President in consultation with the heads of the departments chiefly concerned, shall, as applicable, be promulgated and implemented by the intelligence departments and agencies; within the framework of these directives,

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including the implementing DCIDs, decisions of the USIB shall be binding, as applicable, on all departments and agencies of the Government.

Coordination in terms of management responsibility -- the USIB is directed to establish policies and develop programs for the guidance of all departments and agencies concerned; the DCI is authorized to make such surveys of departmental intelligence activities of the various departments and agencies as he may deem necessary in connection with his duty to advise the NSC and coordinate the intelligence effort of the United States. (NSCID No. 1, paragraph 3. c.)

Some members of the intelligence community, especially the military services, believe that the coordinating authority of the DCI is qualified by the clause in the National Security Act of 1947 permitting each department and agency to collect, produce and disseminate departmental intelligence required to support its mission. We believe, however, that it was the clear intent of the Congress and the NSC that it is the departmental intelligence activities of the several departments and agencies which are to be coordinated. Furthermore, it was clearly not the intent of this clause

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that these activities be exempted from coordination: notably, for example, the allocation of substantive responsibilities in NSCIDs No. 2 and No. 3; and the general principle that an agency look to other agencies for any intelligence it needs that lies in their fields of responsibility.

We believe that the authority and responsibility assigned to the USIB make that body the principal mechanism for assisting the DCI in coordinating the foreign intelligence activities of the United States. The Board participates in the development of the directives under which the intelligence community operates. The Board in its own right is directed to establish policies and develop programs for the guidance of all departments and agencies concerned. Decisions of the Board within the National Security Council Intelligence Directives in which the heads of departments participated are binding on all departments and agencies. A first step in detailed examination of community coordination should therefore be a consideration of the USIB.

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The United States Intelligence Board

On the national level formal coordination is achieved through the meetings of the USIB and its 26 standing committees. Many of these committees in turn have sub-committees, working groups and other ad hoc groups which are again forums for a comparison of views and the development of procedures where inter-departmental or other types of joint action are required. Among the most active USIB organisms in the field of coordination are the Watch Committee, the Guided Missiles and Astronautics Committee, the Joint Atomic Energy Intelligence Committee, the Communications Intelligence Committee, the Electronics Intelligence Committee, the Economic Intelligence Committee and the Committee on Overhead Reconnaissance. These committees have, in addition to their responsibilities for producing inter-departmental intelligence, in some instances coordinated requirements for collection, and in other instances developed common activities.

An important task of the USIB is the managerial responsibility assigned to it under the terms of NSCID No. 1, paragraph 2. a. (1), to "establish policies and develop programs for the guidance of all departments and

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agencies concerned." We feel most strongly that the intelligence programs developed by the individual member agencies of the community, especially their planned allocations of effort, should be reviewed by the USIB for consistency and guidance prior to the submission of budget estimates within the departments and agencies. However, we do not believe that the USIB is now organized in such a way that it can achieve truly effective management.

We suggest that the USIB establish a group composed of senior officers of USIB members for purposes of (a) more carefully screening matters and papers to be presented to the Board other than estimates and substantive intelligence matters, making decisions themselves on matters of lesser importance to save the Board's time; and (b) staffing out major management problems for the Board's consideration. This group should also review the USIB committee structure and functions for purposes of stimulating more regular and worthwhile reporting to the Board, generating more interest in management problems, and determining if there can be any worthwhile consolidation or rearrangement of the committee structure.

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The Director of Central Intelligence

The key to the coordination problem in the intelligence community is the role of the DCI. We have previously discussed the position of the DCI as the coordinator.

We believe that the Director's authority to command is limited to the CIA, including those services of common concern assigned to the Agency by the NSCIDs. However, under the terms of the National Security Act of 1947, as amended, NSCIDs, and the Executive Orders of the President, the Director has a combination of authority and responsibility which we believe enables him to achieve through the normal command channels of the departments and agencies concerned the practical coordination effect of strong centralized direction of all foreign intelligence activities. In this connection he has the following basic powers:

he can make such surveys of departmental intelligence activities as he may deem necessary (although he has never used this important authority);

he can make recommendations to the National Security Council with or without the approval of the intelligence community, his only obligation in this regard being to

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transmit a statement indicating the concurrence or the non-concurring view of those members of USIB concerned;

his recommendations to the NSC, when approved by that body and specifically by the President, are issued as NSCIDs and, as applicable, shall be promulgated and implemented by the departments and agencies of the Government;

he acts for the NSC when issuing DCIDs to provide for the detailed implementation of the NSCIDs and these directives, when approved by the USIB and/or the NSC, are required to be promulgated and issued through the normal command channels of the departments and agencies concerned. Although the DCI must have the concurrence of the USIB before he can directly issue a DCID, dissenting members cannot block the action, because any non-concurrence in the USIB may be referred either by the DCI or dissenting members to the NSC for final decision.

We believe that the DCI now has ample authority to carry out his assigned role as coordinator of the foreign intelligence effort of the United States to whatever degree may be required to ensure the effective coordination of departmental intelligence activities.

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We are convinced that the DCI and the USIB together have a combination of assigned authorities and responsibilities which enable and require them to exercise a stronger role in improving the management of the foreign intelligence activities of the member agencies of the intelligence community. The effort of the Joint Study Group has been to suggest means of more fully carrying out these responsibilities.

Coordination Overseas

The DCI has over-all responsibility for the coordination of United States foreign intelligence activities. The NSCIDs provide three lines of authority for achieving coordination of intelligence activities overseas:

under NSCID No. 2 the senior U. S. representative in each country is responsible for the coordination of all collection activities not covered by other NSCIDs;

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We believe that chiefs of mission generally should take more positive steps in connection with their responsibility to coordinate overt collection and reporting activities. To do so would not entail any great problem with respect to these activities being conducted by those U. S. personnel

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directly connected with an embassy. However, there are complications with respect to the coordination of overt collection and reporting activities conducted by military commands which have areas of responsibility which cover many countries and therefore involve a number of chiefs of mission. This problem is further complicated by the somewhat confused situation concerning the coordinating responsibilities of unified commanders with respect to the intelligence activities conducted by their component commands. The component commands at present appear to receive most of their guidance and direction directly from their respective service departments at the Washington level.

The implementing provisions contained in the NSCIDs and the DCIDs are consistent with the concept that intelligence is a function of command; i. e., these directives are required to be promulgated and disseminated through normal command channels. Therefore, it would appear that unified commanders should, at least, coordinate the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters, including that originating in the service departments at the Washington level.

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None of these considerations, of course, affect the principle that day to day coordination of operations in detail by case officers must continue to be a responsibility of CIA stations at the working level.

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Despite the problems indicated above, a great deal of effort has gone into coordination of foreign intelligence activities and real progress has been made over the past ten years.

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In the clandestine field the problem of the conflict of interest is the most serious one. However, from an over-all standpoint the key factor as we see it is that coordination in every case is being done by individuals who have other important duties.

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National Level: Conclusions

The DCI should continue to be coordinator of all U. S. foreign intelligence activities and directly responsible to the NSC and the President.

The USIB should continue to be the principal mechanism for assisting the DCI in carrying out his coordination responsibilities. However, we believe this Board should be reorganized so as to become more efficient and assume a stronger role in the management of the foreign intelligence activities conducted by those departments and agencies which comprise the intelligence community. (See page 100 of this section.)

We have recommended in Section III that the Joint Chiefs of Staff be given a stronger role in substantive military intelligence matters, and that a focal point be established in the Office of the Secretary of Defense for improved management of military intelligence activities. In phase with implementation of these changes, the size of the USIB should be reduced to four members. The reorganized Board should include the Director of Central Intelligence (Chairman), and one representative each of the Secretary of State, the Secretary of Defense and the Joint Chiefs of Staff with

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ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. Such a reorganized Board should assume a stronger role in the management of the foreign intelligence activities of the United States, in addition to their substantive responsibilities. The three military service intelligence chiefs and the Director of NSA should serve as advisors to the two representatives of Defense, as appropriate.

To provide for including full-time professionals into the field of coordination and minimizing the conflict of interest problem, we propose that the DCI organize under his Assistant for Coordination and as part of his personal staff, a full-time group of intelligence professionals owing primary allegiance to the intelligence community rather than to any one member agency. Membership on the staff would be drawn from the foreign intelligence community-at-large.

We believe that this coordination staff should be charged with assisting the DCI in his community-wide responsibilities for the coordination of U. S. foreign intelligence activities, including the surveys of departmental

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intelligence activities authorized in NSCID No. 1, paragraph 3. c. The staff and its entire membership should be responsible to the DCI as coordinator and they should be separated from any operational responsibility of the CIA or other department or agency.

Overseas: Conclusions

Chiefs of mission should more affirmatively exercise the responsibility for the coordination of overt collection activities assigned to them by NSCID No. 2. At the smaller posts the chief of mission can usually assume full responsibility himself. Where this coordination problem is more complex he should delegate this responsibility to the deputy chief of mission and, if it requires full time attention, a special officer for coordination should be assigned to the post to carry on these duties on behalf of the chief of mission. Further, as recommended in Section VI, we believe that at all posts the chief of mission should ensure the effective coordination of all requirements received for the [redacted] 25X1

25X1 [redacted] collection of intelligence information so that the most efficient use can be made of the manpower and resources available.

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With respect to military intelligence activities overseas, we have recommended in Section III that unified commanders should exercise a more positive coordinating authority over the intelligence activities of their component commands and should be the primary channel through which the latter receive advice and guidance on intelligence matters, including requests that originate in the service departments at the national level.

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The unified commanders should work out with the chiefs of mission concerned an appropriate plan for the coordination of those overt collection activities of the component commands which are subject to coordination by the chief of mission under NSCID No. 2. In addition, there are overt collection [redacted] activities conducted by military elements overseas who are directly responsible to the service departments at the Washington level; chiefs of mission responsible for areas in which such activities are being conducted should ensure that these activities are included in their over-all coordination plan. 25X1

In submitting the following recommendations, attention is again invited to recommendations particularly in the Sections on Military Intelligence, Collection - Resources, and Requirements and Evaluation, which also deal with coordination matters and are not repeated here.

It is recommended that:

28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned.

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29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. *

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission.

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board.

32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should serve as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually.

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.

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33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures.

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2).

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments.

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility.

37. The Central Intelligence Agency's stations and bases should continue day to day coordination of clandestine activities at the case officer level. The Director of Central Intelligence should relieve them of the authority to veto another agency's proposed operation. Before a proposed operation or activity is rejected, it should be referred to the Director of Central Intelligence.

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VIII. COST OF FOREIGN INTELLIGENCE EFFORT

The Group has been unable to ascertain with any degree of accuracy the cost of the foreign intelligence effort for the following reasons:

1) Accounting systems differ in the departments and agencies concerned with the foreign intelligence effort and are not designed to separately identify and measure the total intelligence costs.

2) There are varying interpretations within those departments and agencies as to what should be included or excluded from any foreign intelligence costing effort.

3) Certain activities are of a mixed nature which makes it difficult to distinguish intelligence from non-intelligence elements.

4) Intelligence receives direct or indirect support, such as communications and transportation, which is hard to separate out as intelligence cost.

5) Some new and expensive projects are initially justified as being primarily in support of the foreign intelligence effort but later turn out to be primarily or exclusively operational activities.

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Even after the best available figures have been put together there remain certain complexities involved in the analysis of the cost of intelligence. The total cost cannot be appraised exclusively in terms of the output of finished intelligence because the costs cover important and expensive activities of training and operations of units designed largely to maintain an essential capability for wartime. Furthermore, some of the research and development expenses attached to intelligence projects have valuable by-products in other areas of the government and even in the private economy; e. g., communications security devices, automatic data processing.

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The Group urges the vital importance of carrying through to the best feasible result in the continuing process of cost accounting for the intelligence effort.

In recent years progress has been made in developing procedures for determing annually the order of magnitude of the costs of the foreign intelligence effort. The Study Group feels the time has now arrived to refine these estimates and develop cost breakdowns which would provide a better basis

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for USIB coordinating and guiding the efforts of various parts of the community. [redacted] 25X1

It is recommended that:

38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means:

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board.

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32.

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IX. RESEARCH AND DEVELOPMENT

Research and development activities for intelligence purposes are conducted primarily by the Department of Defense (DOD) and the Central Intelligence Agency (CIA). Within the DOD, these activities are conducted by the three military departments and the National Security Agency (NSA). All of these defense activities, as a result of the Defense Reorganization Act of 1958, as amended, are under the general supervision of the Director of Defense Research and Engineering, and the Assistant to the Secretary of Defense for Special Operations participates in this review. In the case of research and development for signal intelligence purposes, the Director of NSA performs a number of functions on behalf of the Director of Defense Research and Engineering. As a result of the above steps, a more effective coordination of research and development activities has been achieved within the DOD.

Within CIA research and development is conducted primarily by two units, the Technical Services Division and the Office of Communications. In addition to the above

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two, the Photographic Intelligence Center conducts research and development in the broad field of photography directed both at better cameras and better processing. These three units of CIA work closely together in coordinating their activities in the field of intelligence.

Current coordination of research and development activities between the CIA and members of the Defense Establishment varies according to the subject under review. It ranges from close coordination on signal intelligence matters at the operational level to informal exchanges of information on other matters, sometimes by means of the USIB committee structure. While the Joint Study Group believes that the intelligence community should develop a better system for exchanging research and development information, it also notes that such exchange of information is no effective substitute for coordination. In view of this fact, DOD and the CIA should seek means for effecting better coordination.

Several problems of special concern to the members of the intelligence community were revealed in the course of the general review conducted by the Joint Study Group.

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These included: (1) the general problem of automatic data processing and handling; (2) current efforts in the field of information storage and retrieval; (3) mechanical translation projects; and (4) research and development projects in such related areas as communications and operational support.

At the risk of over-simplification, we make the following observations on these problems:

1) In regard to automatic data processing and handling, it is believed that the capabilities of the equipments being developed are often ahead of the techniques and procedures for utilizing these equipments effectively. These equipments, for example, are viewed in some areas primarily as reservoirs of material rather than as filters, in spite of the fantastic increases in the volumes of material to be processed or handled. The Joint Study Group urges that the intelligence community promote the use of such machines as selective filters rather than mass reservoirs.

2) Major efforts are currently being expended to develop automatic systems to store and retrieve information. However, it is the feeling of the Joint Study Group that these efforts have not always been coordinated as effectively as they

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might have been. Furthermore, the concept of the compatibility of automatic systems appears to have been occasionally overlooked as new systems were being developed. The USIB Committee on Documentation (CODIB) should examine this situation and report promptly to the USIB on the compatibility between the various systems.

3) In the field of research and development on mechanical translation we have heard evidence of eleven projects but we have not examined any one of them for its utility. We have the impression that the research effort is at a reasonable level.

4) There is considerable research in the intelligence community, together with the communications branches of the various departments and agencies, in the field of communications. The Group has been impressed with the progress made by the DOD and the CIA in improving the existing CRITIC system within available resources. However, it believes that additional research and resources are required to insure the timely transmission forward of CRITIC communications data. In addition, the intelligence community is concerned with the cryptological aspects of communications, for which

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NSA has exclusive responsibility, and with agent communications, for which CIA has primary jurisdiction. We do not believe that in these specific areas of communications there are major problems. We are concerned, however, that due attention be directed toward foreign developments, inasmuch

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It is recommended that:

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes.

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured.

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X. THE FUTURE

The Joint Study Group wishes to emphasize the necessity for policy makers to recognize intelligence as an instrument not only for use in the probing of areas of current interest to the United States, but also and especially for exploring those areas which may be in the future of great concern to the national security of the United States. We feel that too often intelligence is used as the handmaiden of current operations to the detriment of long-range considerations. Historically, conflict has been normal to all societies and although we may strive for more stable international relations it would be unrealistic and extremely dangerous for the United States to ignore the lessons of history that conflicts are ever present and also ever changing. It is likely that conflicts of the future will not be limited to those with our current major antagonists. In 1942 few Americans could have foreseen our present close alliance with Germany and Japan or, on the other hand, the current menace of mainland China.

U. S. intelligence should be sharpened as to the quality of its collection, production and estimates in support

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of current operations. However, at the same time, the Joint Study Group urges that active effort be assigned to the collection of intelligence and the creation of assets in those countries or groupings of countries whose populations and natural resources are such that future developments might bring their interests into conflict with those of the United States and result in danger to our national security.

We foresee no dimunition in the importance of the role of intelligence in support of our national security. It will require great resources in manpower and money. Management of this effort will continue to demand leadership of the highest order if the intelligence needs are to be met from resources available.

There is reason to be doubly concerned over the likelihood of declining effectiveness of certain collection techniques which in the future may result in less intelligence, owing to improvements in the security of the Soviet bloc. This is a matter of considerable substantive and technical concern to the entire intelligence community. The community's concern must go further in that this prospect is indicative of the heavy dependence which has been placed on particular sources

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despite the likelihood that results from any one type of intelligence collection will wax and wane over the years as technological changes occur. Collection of overt intelligence is also subject to dramatic variations.

Intelligence must be careful to take into account anticipated technological developments. These developments should be imaginatively utilized by U. S. intelligence itself for foreign positive intelligence and counterintelligence purposes. The use of similar developments by other nations will require constant tightening of our total security in order to frustrate their espionage efforts aimed at the United States.

A tremendous advance has been made during the past ten years in the fields of transportation and delivery of weapons, making it imperative that equal advance be made in the field of electronic communications. In the future the existing time lag between collection in the field and the receipt of intelligence in Washington will be unacceptable if our CRITIC communication system is to be effective.

All these prospects point to one final conclusion -- that a primary responsibility before the intelligence community is long-range planning. Both in respect of how to carry on its

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business through processes of management, and in respect of the area and subjects in which effort shall be expended, the community is obligated to look forward as far as it can, and to make the best possible forecasts.

The Group's last recommendation (No. 43) urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems.

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SUMMARY OF RECOMMENDATIONS

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end: . . . . . Page 31

a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components. . . . . Page 32

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as: . . . . . Page 32

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority; . . . . . Page 32

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates; . . . Page 32

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI); . . . . . Page 32

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII); . . . . . Page 32

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c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above. . . . . Page 32

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate. Page 32

3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense. . . . . Page 33

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations (particularly military attaches) and personnel so assigned should be given position and rank comparable to their operational counterparts. . . . . Page 33

5. The military services should be encouraged to maintain and develop a capability for clandestine intelligence collection which would be carried out under the coordination of the Director of Central Intelligence. . . . . Page 33

6. The Special Security Officer systems should:

a. avoid duplication of channels to non-military consumers;

b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems. . . . . Page 33

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7. The Department of Defense re-examine the assignment of Defense electronics intelligence resources to unified and specified commands to determine the feasibility of placing more of these particular resources under the operational and technical control of the Director, National Security Agency. . . . . Page 42

8. The Department of Defense review the National Security Agency concept of partnership with the service cryptologic agencies in communications intelligence and electronics intelligence activities with a view to strengthening the control of the Director of the National Security Agency over the service cryptologic agencies. . . . . Page 42

9. The Department of Defense reappraise the adequacy of research and development programs for electronics intelligence purposes with the objectives of developing more adequate electronics intelligence equipment at the earliest feasible time. . . . . Page 42

10. The United States Intelligence Board reappraise the security clearance standards for foreign born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices. . . . . Page 42

11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel. . . . . Page 60

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations. . . . . Page 60

13. The Central Intelligence Agency should open its clandestine training facilities to other agencies as a service of common concern. . . . . Page 61

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14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities. . . . . Page 61

15. The United States Intelligence Board should review the situation in the National Indications Center to determine the adequacy and level of its staffing and to assure that all information pertinent to the National Indications Center's mission (including highly classified and sensitive information now withheld) will be transmitted to the Center promptly on its receipt. . . . . Page 61

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC). . . . . Page 61

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18. The Director of Central Intelligence should focus community attention on the important area of counterintelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board. . . . . Page 61

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20. The Central Intelligence Agency should increase intelligence support to unified and component commanders by direct dissemination of all information reports from pertinent field stations. . . . . Page 62

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies. Page 85

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility. . . . . Page 85

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned. . . . . Page 85

24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all overt and clandestine intelligence requirements concerning that area. . . . . Page 86

25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command. . . . . Page 86

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets. . . . . Page 86

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28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned. . . . . Page 113

29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. * . . . . . Page 114

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. . . . . Page 114

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board. . . . . Page 114

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.

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32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should service as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually. . . . . Page 114

33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures. . . . . Page 115

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2). . . . . Page 115

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments. . . . Page 115

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility. . . . . Page 115

37. The Central Intelligence Agency's stations and bases should continue day to day coordination of clandestine activities at the case officer level. The Director of Central Intelligence should relieve them of the authority to veto another agency's proposed operation. Before a proposed operation or activity is rejected, it should be referred to the Director of Central Intelligence. . . . . Page 115

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38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means: . . . . . Page 121

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board. . . . . Page 121

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32. . . . . Page 121

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes. . . . . Page 128

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured. . . . . Page 128

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43. The Group's last recommendation urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems. . . . . Page 132

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THE JOINT STUDY GROUP REPORT ON FOREIGN INTELLIGENCE ACTIVITIES OF THE UNITED STATES GOVERNMENT

15 December 1960

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EK Report # 5-E

THE DIRECTOR OF CENTRAL INTELLIGENCE

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THE JOINT STUDY GROUP REPORT

ON

FOREIGN INTELLIGENCE ACTIVITIES

OF THE UNITED STATES GOVERNMENT

15 December 1960

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15 December 1960

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

We present herewith the report of the Joint Study Group on Foreign Intelligence Activities of the United States Government. In conducting this study we have been guided by the attached terms of reference. We would note, however, that we inevitably came across matters of national security interest in the foreign intelligence field not specifically covered in the terms of reference and that we felt obligated to comment on these.

In preparing this report we have earnestly endeavored to consider what is best for the nation. In submitting the report we recognize that in the time allotted it was impossible to cover in detail the vast foreign intelligence effort of the United States Government, but we have endeavored to identify the major problem areas and have recommended solutions.

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Lyman B. Kirkpatrick (Chairman)
Inspector General, Central Intelligence Agency
Representing the Director of Central Intelligence

Allan Evans
Special Assistant to the Director of Intelligence & Research,
Department of State
Representing the Secretary of State

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Representing the Special Assistant to the President
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APPROVED TERMS OF REFERENCE

JOINT STUDY GROUP

1. To promote the most effective and efficient use of intelligence resources and to assist the DCI in carrying out his responsibilities for coordinating the foreign intelligence activities of the U. S. Government, an ad hoc Study Group is established by agreement of the following principals, who will be represented on the Group:

The Director of Central Intelligence, who will provide the Chairman
The Secretary of State
The Secretary of Defense
The Director, Bureau of the Budget
The Special Assistant to the President for National Security Affairs

The President's Board of Consultants on Foreign Intelligence Activities will have a representative sit as an observer on the Joint Study Group and the Board will be given an opportunity to comment on the Group's report.

2. The Group, under the direction of the DCI, shall concentrate its attention primarily upon organizational and management aspects of the following areas within the intelligence effort. For this purpose all aspects of foreign intelligence shall be within the purview of the Group.

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a. Inter-departmental, departmental, agency and military service procedures for handling of intelligence requirements and related guidance to collectors -- with particular attention to:

(1) Procedures for keeping down the volume of, and avoiding any unprofitable duplication in, such guidance, and the feasibility of establishing a central registry of outstanding intelligence requirements and of collection responses thereto.

(2) Inter-departmental arrangements for selective levying of requirements on the most appropriate collection facility or facilities.

b. USIB arrangements for:

(1) Ensuring rapid adaptation, adjustment or re-direction of existing collection assets to meet changes in current priority requirements, and for deciding upon and supporting expansion of existing collection facilities or development of new facilities needed to meet new agreed high-priority requirements.

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(2) Periodic community evaluation (including the appraisal of dollar and man-year inputs) of the foreign intelligence effort as a whole -- with particular attention to improving the total program balance, from the geographic and functional points of view, and to increasing efficiency and eliminating any unprofitable duplication in the utilization of intelligence resources.

c. The present military intelligence coordinating machinery and its relationship to the intelligence community -- with particular attention to possibilities for closer integration under the authority of the Department of Defense Reorganization Act of 1958.

d. The effectiveness of current implementation of intelligence coordination directives and procedures -- with special attention to the field coordination of overseas intelligence activities, and to community support for the intelligence needs of senior U. S. representatives abroad, including military commanders.

e. Present arrangements for coordinating research and development conducted in support of the foreign intelligence

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effort and for determining the intelligence community interest in, and providing support to, any R & D for other primary purposes which may also have significant potential usefulness to intelligence.

3. The Group shall present, by 15 December 1960, its findings and recommendations for appropriate action to the DCI for consideration by the Principals, after which time it shall be dissolved. Any actions to implement approved recommendations shall be the exclusive responsibility of the heads of the departments or agencies directly concerned.

14 July 1960

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I. INTRODUCTION

A meeting on 6 May 1960 between the Director of Central Intelligence, the Secretary of Defense, the Director of the Bureau of Budget, the Special Assistant to the President for National Security Affairs, and the President's Board of Consultants on Foreign Intelligence Activities resulted in a decision to establish an ad hoc Joint Study Group to review specified aspects of the foreign intelligence effort of the United States Government. By 12 July 1960 the terms of reference had been agreed upon by the principals and approved by the President of the United States.

The terms of reference provided that the membership of the Study Group would consist of representatives of the Director of Central Intelligence (who would provide the Chairman), the Secretary of State, the Secretary of Defense, the Special Assistant to the President for National Security Affairs and the Director of the Bureau of Budget. In addition, the terms of reference provided that the President's Board of Consultants on Foreign Intelligence Activities would have a representative sit as an observer with the Group and that the

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President's Board would be given an opportunity to comment on the Group's report following its submission. By general agreement of the members of the Study Group, the Assistant to the Director of Central Intelligence for Coordination was invited to participate with the Group in an observer capacity.

The Group's terms of reference provided that the attention of the Study Group would be focused primarily on the organizational and management aspects of the foreign intelligence effort. More specifically, the Study Group was directed to examine requirements, which are the means by which intelligence producers or researchers request collection; the adaptation of collection assets to changing needs; the method by which the intelligence community periodically evaluates its efforts; the military intelligence coordinating machinery, particularly as related to the Department of Defense Reorganization Act of 1958; the implementation of intelligence directives, particularly as related to providing intelligence support to field commanders; and the coordination of the research and development effort of the intelligence community.

Commencing 10 July 1960, the Study Group met 90 times, for periods ranging from two to nine hours each, and received briefings or presentations or engaged in discussions with 51 organizations. A total of 320 individuals appeared before the Study Group.

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The Joint Study Group concluded its sessions with representatives of the intelligence community by meeting with each of the members of the United States Intelligence Board, except the

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representatives of the Federal Bureau of Investigation and the Atomic Energy Commission. In these meetings the Study Group had the opportunity to solicit views on the major proposals incorporated in this report.

The Joint Study Group has made a conscientious effort to meet as a body each time so that all members would have the benefit of hearing the same presentations. Each of the members contributed at least one staff assistant to the Group who indispensably assisted in arranging meetings, doing research and drafting and redrafting many sections to expedite the preparation of this report.

The Joint Study Group has tried to examine the problems of the intelligence community from a national point of view without reference to personalities or parochial interests. Within this over-all approach it has made every effort fully to appreciate departmental interests in the fields of intelligence collection, processing and production. We have endeavored to understand the history and evolution of U. S. foreign intelligence activities, and have found in this history both advantageous and disadvantageous aspects. We have tried to capitalize in our recommendations on the advantages the community has gained from its often

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effective, spontaneous response to the demands of events and circumstances. We have sought corrective measures for these deficiencies in the community that reflect lack of explicitly planned development.

We have reviewed the National Security Act of 1947 (as amended) and other applicable statutes. We have examined those provisions of each National Security Council Intelligence Directive and Director of Central Intelligence Directive within our terms of reference both to determine their appropriateness and their degree of implementation. We have also studied the Department of Defense Reorganization Act of 1958.

Finally, the Joint Study Group has paid particular attention to the future, and carefully examined the extent of long-term planning within the intelligence community.

We particularly want to thank those many members of the intelligence community who spent long hours preparing helpful briefing material for the Study Group. In addition, their very frank discussions of problems and ideas for improvements were invaluable to us in preparing this report.

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II. THE INTELLIGENCE COMMUNITY

The foreign intelligence effort of the United States Government centers in the "intelligence community", which consists of those departments and agencies which are responsible for the collection of information and production of foreign intelligence essential for the security of the United States. The intelligence community includes the Central Intelligence Agency; the intelligence components of the Departments of State, Defense, Army, Navy and Air Force, and of the Joint Staff (JCS); National Security Agency (NSA); the Federal Bureau of Investigation; and the Atomic Energy Commission. In addition to these departments and agencies, there are many other elements of the government which collect or produce information useful in the intelligence process and which contribute to the foreign intelligence effort; these elements are brought into community activities on an ad hoc basis.

The heart of the intelligence community is in Washington (including Fort Meade), although considerable activity occurs elsewhere in the continental United States.

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The latter includes the major intelligence elements of the Strategic Air Command, the Commander-in-Chief Atlantic Fleet, Continental Air Command, Continental Armies, individual Army headquarters, Strategic Army Corps, Air Technical Intelligence Center, Army Map Service, Aeronautical Chart and Information Service, and the Air Force Security Service. The Army and Navy cryptological agencies are in Washington. All three military services maintain regional intelligence offices, largely engaged in security investigative and counterintelligence work throughout the United States. The Central Intelligence Agency (CIA) also has regional field offices and resident agencies.

The following table will provide an order-of-magnitude impression of the location of the nation's foreign intelligence manpower.

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The intelligence community is formally organized under the United States Intelligence Board (USIB). This Board has a total membership of ten, of which six represent the principal producers and processors of intelligence; namely, the Central Intelligence Agency, the Department of State, the Army, the Navy, the Air Force and the National Security Agency. Two other agencies are not extensively engaged in foreign intelligence activities but sit on the USIB as occasional contributors -- the Atomic Energy Commission and the Federal Bureau of Investigation. Finally, there is representation from the Office of the Secretary of Defense (OSD) and from the Joint Chiefs of Staff (JCS). National Security Council Intelligence Directive No. 1 officially lists the USIB membership as follows:

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The Director of Central Intelligence, Chairman
The Director of Intelligence and Research, Department of State
The Assistant to the Secretary of Defense for Special Operations
The Director of the National Security Agency
The Director for Intelligence, the Joint Staff
The Assistant Chief of Staff for Intelligence, Department of the Army
The Assistant Chief of Naval Operations for Intelligence, Department of the Navy
The Assistant Chief of Staff, Intelligence, Department of the Air Force
A representative of the Director of the Federal Bureau of Investigation
A representative of the Atomic Energy Commission

The above list suggests certain observations. Three echelons of the Defense Department are represented on the USIB -- the Army, Navy and Air Force sit on the USIB as equals with the representative of the OSD, their civilian superior, and with the Director of Intelligence, the Joint Staff, representing their military superiors, the JCS. That all are not in fact equal is implicit in the requirement that military services, NSA and JCS representatives are not permitted to appeal USIB actions without prior review by the Secretary of Defense. We would finally note that the USIB has six military member agencies as compared to four civilian agencies and only two of the latter are major collectors and producers of foreign intelligence.

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Functioning directly under and in support of the USIB are [redacted] committees. Some of these in turn have established sub-committees or working groups through which they discharge part of all of their responsibilities. A number of these committees and their subordinate elements are concerned primarily with the production of finished intelligence; others deal with the coordination of guidance to collection and processing activities and with a variety of reference services and other support activities. The composition of these committees normally reflects the membership of the USIB itself. A chart of the committee and sub-committee structure of the USIB is shown on the following page.

Any evaluation of the USIB structure must necessarily start with an examination of the functions of that body. National Security Council Intelligence Directive (NSCID) No. 1 indicates that this Board is intended primarily to assist the Director of Central Intelligence (DCI) to achieve an effectively coordinated intelligence community, and the Board itself to carry certain coordinating responsibilities. Its responsibilities cross agency boundaries and convey

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both a policy-making and management flavor. The development of program guidance for all agencies, the establishment of community intelligence objectives, requirements and priorities, and the provision of a more effectively integrated national intelligence effort cannot be achieved unless the Board plays a positive, constructive role in assisting the management of the community.

Our study has convinced us that the USIB has been primarily a deliberative body. It has discussed and given final shape to estimates which are recognizedly the capstone of intelligence effort, but it has by no means devoted equally adequate time to its coordinative responsibilities. We are not aware that the Board has ever provided over-all program guidance for the entire community. Problems confronting the Board are all too frequently merely noted or referred to a committee.

We are of the opinion that these deficiences are rooted in several causes, not the least significant of which is the size and makeup of the Board itself. Although all members, except the Chairman, appear to be equal, they are not of equal status. They do not enjoy like authority

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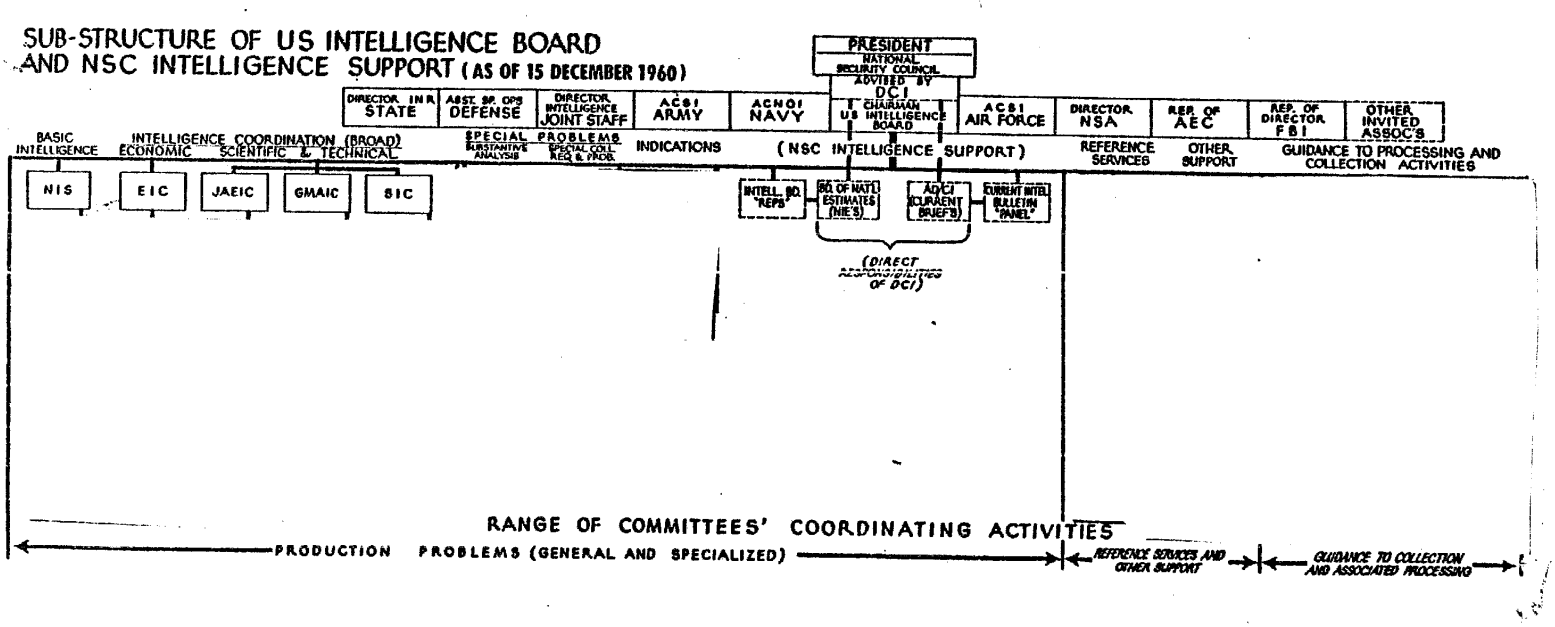

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within their own agencies, nor do they represent similar types of organization. The three echelons of military representation have already been cited; here we would only add that the top Department of Defense echelon commands no intelligence organization, and the Joint Staff intelligence component is comparatively small. The heavy weighting of military representation is itself questionable.

We feel that the Board has slighted its managerial responsibilities. To assist the Board in remedying this situation, we believe there should be a USIB mechanism concerned with management matters. We have particularly in mind major management problems, usually involving several parts of the community.

Finally, we feel there is an opportunity to make better use of the Board's time through more careful screening of matters coming before it. In making this observation we are very conscious of the need for safeguards against lower level groups in effect usurping the powers of the Board.

The Study Group feels that the first purpose of its recommendations should be to build upon the constructive and favorable elements in the present intelligence

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organizations and to correct deficiencies. The Study Group has therefore looked at the major component units in order to discern in each its generally advantageous and disadvantageous characteristics. A quick review of these observations is set forth below as a guide to the over-all direction of the Group's proposals.

The CIA has made progress in developing a corps of well-trained, dedicated personnel. It has demonstrated notable energy in developing projects of common concern which have been assigned to it. However, this same energy has in fact led the Agency into some activities that are competitive with those of other members of the community, and raised in these members continuing fears of increased centralization to a degree that hampers the DCI's coordinating efforts.

The Department of State contributes a fund of expertise in the understanding of foreign affairs.

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The military intelligence services provide the community with specialized knowledge and experience in indispensable areas of intelligence interest. Their dedication and esprit de corps are of high order. They are disciplined and responsive to command. Having direct responsibility for preparing for military action with the potential enemy, they supply to the community a sense of urgency that is unfortunately not always matched elsewhere. On the other hand the participation of three separate military intelligence services in all community activities makes it difficult to achieve an over-all military intelligence view. Further, the frequent rotation of personnel does nothing to encourage greater depth of understanding or collaboration.

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The JCS organization at present bears promise of a stronger mechanism for reconciling the service views. Up to now in the field of intelligence the implementation of the Department of Defense Reorganization Act of 1958 has not progressed far enough to permit immediate reliance upon the Joint Staff contribution to solving intelligence community problems.

The recommendations on problems and issues raised in this section are presented in later sections where they are more fully developed.

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III. MILITARY INTELLIGENCE

The problems in military intelligence identified by the Joint Study Group fall roughly into two main categories -- Defense organization and field operations.

Department of Defense (DOD) Intelligence Organization

In attempting to visualize the future role of military intelligence we note that increasingly powerful, sophisticated and costly weapons systems of mass destruction are becoming available to both the United States and the U.S.S.R. in such quantities as to give each the capability of destroying the other several times over. In such a confrontation, foreign intelligence regarding a technological breakthrough has great significance. Policy makers in government will rely increasingly on intelligence to keep them apprised of enemy research development and over-all capabilities, to insure sound decisions on weapons systems. Moreover, intelligence must be so organized as to give advance warning of both general and limited wars and be able effectively to support U. S. forces. Finally, intelligence must avoid concentrating so exclusively on military aspects of the power balance that it overlooks economic and political aspects both of that balance and of the free world generally.

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The Joint Study Group believes that in the foreign intelligence area a sense of great urgency must be brought to the study of and planning for such a future. It is impressed with the need to make far-reaching decisions now, without further delay, about the kind of intelligence the United States must have -- its size, mission, the resources to be devoted to it, and its organization.

To insure that intelligence will be equal to the great demands placed upon it, it must be viewed as an integrated program demanding an intense effort, closely coordinated planning, and the allocation of resources in money and human skills comparable to weapons systems of the highest priority and on an equal footing with them. In view of the importance of intelligence, we believe the chiefs of the military intelligence services, as well as those in commands and joint staffs, should have equal position and rank to their operational counterparts.

More specifically, the kind of future suggested above will pose for the DOD problems which have already begun to take shape. For example, advanced technology is being applied increasingly to intelligence and involves the expenditure of great sums.

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In addition to the problems of developing new intelligence systems, there are difficult procurement decisions regarding the modernization and replacement of obsolescent equipment involving considerable cost.

A continuing serious problem is the difficulty in arriving at an accurate cost figure for intelligence for the reason that there is no basis for comparability common to all three military service departments.

As is pointed out in Section VIII, this makes fiscal management very difficult.

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United States intelligence must be a community effort in fact as well as name, which means that effective coordination of intelligence as a truly national effort must be achieved. By far the preponderant part of U. S. intelligence in terms of manpower and money is that undertaken by the DOD. Great strides toward a more closely integrated community would result from improved intelligence coordination within the DOD.

It has been suggested to the Study Group that a positive solution would be to establish one intelligence service for the whole DOD, reporting directly to the Secretary of Defense. Although this proposal has considerable merit, it is our view that on balance it would be unwise to attempt such an integration of intelligence activities so long as there are three military services having specialized skills and knowledge.

Nonetheless, intelligence management within the DOD must be organized in such a way as to provide adequately for intelligence as a coordinated system of highest priority. Besides increasing JCS responsibility in coordinating over-all defense substantive matters, there is need to establish and maintain cognizance of the over-all program in terms of resources of manpower and money allocated, and to eliminate waste, duplication

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and inefficiency. For this there should be an authoritative focal point within the Office of the Secretary of Defense, which should also be the primary point of contact with the rest of the community.

Among the internal factors influencing U. S. military intelligence is the Department of Defense Reorganization Act of 1958. In general, a process of evolution is taking place in which the strengthened position of the Joint Chiefs of Staff (JCS) in the command line from the Secretary of Defense is gradually emerging.

However, it does not appear that the concept of the Defense Reorganization Act of 1958 has yet been fully realized in the field of intelligence. Essentially the same general methods and procedures for the control of intelligence operations and the exercise of intelligence responsibilities that existed prior to the Defense Reorganization Act of 1958 are still in effect today. In fact, intelligence activities of components of unified and specified commands continue to be as responsive as formerly to direction by the military departments.

It is clear from the concept of the Defense Reorganization Act of 1958 that the JCS can logically assume direction or control over such intelligence activities as are undertaken in

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support of the strategic mission of the JCS, whether they are now being performed by the military service departments or by unified and specified commands. However, it is not so specifically stated in DOD directive #5100.1. Furthermore, National Security Council Intelligence Directives (NSCIDs) charge the military departments with certain intelligence responsibilities but fail to do the same regarding J-2 of the JCS, indicating instead that the military service departments produce that intelligence required by the JCS.

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It seems probable that the situation described above cannot be positively corrected unless the relevant NSCIDs are revised to assign authority and responsibility for military intelligence activities to the Secretary of Defense who can in turn allocate responsibilities to the services and JCS as he sees fit.

Field Operations

In common with other national purposes, U. S. military intelligence is strongly affected by external factors of major importance. Foremost among these is the existence of the cold war, a condition of neither peace nor war which imposes enormous complications on military commanders who must maintain, in a world nominally at peace, a posture of full wartime readiness. Military commanders in these circumstances quite naturally demand that their intelligence support give absolute priority to the security of command and early warning.

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If the United States is to be prepared, it must be assured of the best possible flow of information about enemy strength, disposition, combat readiness, science and technology, and probable intentions in sufficient quantity and detail to support the commander's mission.

The Joint Study Group appreciates the desire of commanders to maintain control of intelligence assets which they deem necessary to assure security of their commands. At the same time, intelligence operations,

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must be closely coordinated

The Joint Study Group believes that a solution lies in a new approach to coordination in the field. This is discussed at length in Section VII on Coordination.

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There is a great need for improvement in the role of J-2 of the unified commands. The Joint Study Group believes that positive coordination by J-2 of intelligence operations of the component commands would do much to alleviate many existing difficulties.

It is recommended that:

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end:

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a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components.

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as:

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority;

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates;

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI);

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense. (see additional discussion and recommendations on Section VII);

c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above.

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate.

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3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense.

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations and personnel so assigned should be given position and rank comparable to their operational counterparts.

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IV. NATIONAL SECURITY AGENCY

The National Security Agency (NSA) is the Department of Defense (DOD) Agency established by the Secretary of Defense to carry out most of the responsibilities now assigned to him by National Security Council Intelligence Directive (NSCID) No. 6 as the executive agent of the government for communications intelligence (COMINT) and electronics intelligence (ELINT), as well as certain responsibilities in the field of communications security. In order that NSA can carry out both the COMINT and ELINT missions, the COMINT and ELINT activities of the United States are placed under the operational and technical control of the Director, NSA.

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V. COLLECTION - RESOURCES

For the purposes of this report we have divided the collection of intelligence information into four major fields: overt, signal intelligence, visual-aerial, and clandestine.

The principal collectors of overt intelligence information are the diplomatic and consular officers of the United States and the military and civilian attaches. Their reporting is largely based upon official and non-official contacts, general observation and research. Other overt sources include the monitoring of open radio broadcasts, the exploitation of foreign publications

A secondary source for overt collection involves United States business organizations and individual travellers who receive or obtain information from abroad.

The Study Group wishes to emphasize that the information collected through overt means is the foundation of all

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intelligence and should not be neglected through over-concentration on less conventional modes of collection. We anticipate no change in this in the future.

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Among the specific fields of signal intelligence is communications intelligence (COMINT) which is the interception of communications transmitted by electrical means both by voice and in code. The emission of electromagnetic emanations and radiations

provides a second source of signal intelligence known as electronics intelligence (ELINT).

Recommendations regarding the collection of signal intelligence are made in other sections, particularly the section on the National Security Agency (Section IV).

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One serious problem relating to signal intelligence, but also present in the photographic intelligence field, results from the security classification system currently in use. Entirely apart from the well-known tendency throughout the intelligence community to over-classify, the special handling required for a very significant portion of intelligence information has at times deprived key personnel of information vital to the successful discharge of their responsibilities. Among United States agencies, practices vary regarding the granting of special intelligence security clearances.

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A third major source of foreign intelligence is photographic and other visual-aerial observation. This is probably the most precise form of intelligence collection, inasmuch as photographs provide accurate information. The U-2 program provided what was probably the greatest amount of valuable information obtainable from any single source, and the Study Group heard consistent requests that this program or something similar to it be resumed at the earliest possible date.

The Study Group has spent many hours discussing the problem of processing and interpreting aerial photography

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for intelligence purposes.

There is also agreement in most of the community that a central photographic intelligence center of common concern should

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be established. Opinions vary, however, as to (a) how much interpretation and analysis should take place at such a center, and (b) who should run it.

It is the consensus of the Study Group that a photographic center of common concern should be established.

The most difficult problem is to determine whether CIA or the Department of Defense should run such a center.

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The Joint Study Group believes that a decision on the executive direction of such a center should be determined by consultation between the Director of Central Intelligence and the Secretary of Defense and thereafter a new National Security Council Intelligence Directive issued.

The last form of collection is that by clandestine means through espionage and counterespionage. This, however, is one of the most difficult forms of collection and requires a considerable expenditure of manpower carefully trained

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over a long period of time.

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It is recommended that:

11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel.

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence

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for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations.

13.

14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities.

15

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC).

17.

18. The Director of Central Intelligence should focus community attention on the important area of counter-intelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board.

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VI. REQUIREMENTS AND EVALUATION

Present Procedures

The Joint Study Group is concerned with the inadequacy of current mechanisms within the intelligence community for the guidance of collection efforts by selective levying of requirements, and subsequent evaluation of the intelligence generated by these requests for information. While we acknowledge that considerable decentralized effort is being expended by the various departments and agencies in these fields, we believe that the effort is frustrated through lack of coordination and that the total personnel assigned to this work is excessive in relation to the results achieved.

Within the intelligence community in Washington there exists no single general requirements system, and no single place where an analyst or agency may determine if needed information has already been collected and how it may be located for exploitation, or if a requirement for the same information is outstanding on the part of an analyst from a second agency, although some approximation exists in

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Central Intelligence Agency's (CIA) Office of Central Reference.

In Washington, the three military intelligence organizations and J-2 maintain separate units for the coordination of requirements and evaluation of intelligence reports. There is no place within the Department of Defense for centralized reviewing and screening or for the coordination of all military requirements.

Each military intelligence organization prepares and issues to its field collectors its own guide-type collection manuals, statements of interest, long-range requirements and ad hoc requests for information. In general, each military intelligence organization does its own evaluation of reports received from its field collection effort.

The same situation prevails within CIA notwithstanding the existence of the Office of Central Reference, which was created for the purpose of centralizing and coordinating all Agency requirements. Each major component of CIA maintains its own requirements office as well as requirements personnel at division and branch levels.

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Requirements levied on the National Security Agency (NSA) and the service cryptologic agencies are controlled by the United States Intelligence Board (USIB) through its communications intelligence (COMINT) and electronics intelligence (ELINT) committees. Additional specific requirements are passed to NSA for collection through NSA's requirements unit which maintains liaison with other members of the USIB for this purpose.

Requirements within the Department of State are coordinated on a geographical basis by the various policy desk officers through whom flow all requirements to the respective embassies and consulates. An Intelligence Collection Division within the Bureau of Intelligence and Research coordinates all formal requirements from or to other members of the intelligence community and coordinates interagency

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evaluations of Foreign Service reporting. The same organization prepares country statements of guidance for each embassy or principal post as an aid to political, sociological, scientific, and in some instances economic reporting. Owing to the Department of State's extra burden of responsibility to the numerous other non-intelligence departments active in the economic field, economic requirements on countries outside the Sino-Soviet bloc are handled by a special division of the Department, the Foreign Reporting Staff. This staff coordinates economic intelligence requirements of the community into the Current Economic Reporting Program. It thus does program planning for the economic collection effort, and coordinates community evaluations of Foreign Service economic reporting.

In the main, each department or agency involved in intelligence collection formulates its own specific and general requirements based primarily on its needs to meet its production responsibility on its own behalf and on behalf of the community. These requirements may be divided into standing, serial, or ad hoc requirements, and are sent to

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the field in the form of guide-type all-inclusive shopping lists requesting basic information about a country or subject, or more selective but still general "statements of interest" or, as last mentioned, as special requests for information.

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Evaluation of reports is closely tied to collection requirements because evaluations serve as encouragement to the collector, as well as a form of guidance. Raw intelligence reports are evaluated by Washington end-users on a request basis and provide a spot-check of the usefulness of the reports. However, collectors feel that there are too few evaluations of their reports. On the other hand, consumers find the task of evaluating reports burdensome and time-consuming. In any event, the present decentralized system for the evaluation of field reports fails to provide an adequate means for an over-all assessment of the responsiveness of field collectors to levied requirements or to the quality of the information submitted.

Finished intelligence is evaluated in a more systematic manner. The Board of National Estimates conducts periodic reviews or post-mortems on National Intelligence Estimates, including assessments as to gaps in existing information. These post-mortems are in turn reviewed by the USIB. Some of the USIB committees also evaluate intelligence in specific areas.

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The Role of USIB

The USIB as an important part of its responsibility for managing the national intelligence effort is charged with the establishment of appropriate intelligence objectives, requirements and priorities. One of the principal means by which the USIB meets this responsibilities is its annual statement of Priority National Intelligence Objectives (PNIOs) which set forth specific subjects "requiring priority attention and effort". The introduction to the PNIOs states, "...the following list of Priority National Intelligence Objectives is established as a guide for the coordination of intelligence collection and production".* The nature of these objectives is importantly qualified in the same introduction: "Although a given subject may be listed as a matter of priority, not every bit of information relating to it will be required with equal urgency and some may be procurable by routine means. It is therefore incumbent upon research personnel to exercise discrimination in allocating analytical

*Underlining added

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resources and in formulating information requirements so as to accord priority only to those aspects of the listed subject which actually require a priority research or collection effort". Again, in identifying the criteria for selecting these objectives, the Directive states: "Most of the intelligence required in the formulation and execution of national security policy will be the product of normal intelligence collection and research. Priority National Intelligence Objectives should be limited to those critical factors which require special attention and effort". It is clear that the PNIOs are not intended to replace or exclude broad regular coverage of the world. Indeed, the PNIOs would be ineffective without such background.

The Group found that these limitations on the application of the PNIOs as stated are not generally understood. It is worth noting at this point that one of the difficulties observed by the Group was a tendency among collecting units to concentrate heavily upon some central area of concern at the expense of matters within their responsibility which, although of minor interest to them, are yet of high priority value to one or more other agencies. This finding

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combined with the tendency to give exclusive authority to the PNIOs has had serious effects in distorting the collection of intelligence information. It is common practice for individual requirements prepared and levied through the decentralized mechanisms described above to claim a priority derived directly from the PNIOs. The main complaint of this practice is that a requirement related to a "first priority" objective is not necessarily more important in itself than another requirement related to a "second priority" objective. Further, it is illogical to suppose that every single item of information has an importance proportionate to the importance of the priority objective on which it bears, however remotely. It should be noted that USIB likewise has responsibilities in the field of evaluation under the provisions of NSCID No. 1, that it shall "Ensure that the pertinence, extent and quality of the available foreign intelligence and intelligence information relating to the national security is continually reviewed as a basis for improving the quality of intelligence and the correction of deficiencies".

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Certain committees of the USIB devote considerable time and attention to coordination of collection requirements on specific subjects or in reference to special types of collection organizations. These include the Economic Intelligence Committee, the Scientific Intelligence Committee, the Guided Missile and Astronautics Intelligence Committee, the Critical Collection Problems Committee, the Joint Atomic Energy Intelligence Committee, the ELINT and COMINT, and the Interagency Clandestine Collection Priorities Committees.

Field Coordination

In addition to the above mechanisms for the coordination of requirements at the Washington level, we noted that each of the commands in Europe has personnel attempting to coordinate requirements of the command, requirements received from Washington, and requests received from other field organizations.

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Outstanding Problems

At the Washington level and in the field the Joint Study Group found numerous problems in the requirements field. Most are predicated on the lack of central coordination of requirements. The difficulties include some general to the community at large and others relating to the individual departments and agencies.

Requirements in general are not sufficiently tailored to collection assets or resources

An urgent need in the intelligence community today is a much closer correlation between requirements or needs and collection resources. (See also Section V)

Another general problem is that too often requests for collection are duplicative, incomplete relative to community needs, are scattered out to collectors in

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excessive numbers, and too often are without indication of priority in relation to other outstanding requirements of the same general urgency. Field collectors are anxious to have less requirements, clearer indication of priority, and more precise requirements. The unilateral production by the departments and agencies of collection requirements guides causes further duplication and excessive numbers of outstanding requirements.

The Department of State is relatively small in size compared to the other departments and agencies interested in intelligence collection, and perhaps for this reason is without serious problems in the requirements field. The other departments and agencies are not as fortunate.

A serious problem exists in the form of barriers erected between signal intelligence and other forms of

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intelligence. While we recognize the need to protect communications intelligence, we feel there is need for closer integration of signal intelligence requirements and evaluation with those of the rest of the community.

The levying of requirements within the Department of Defense largely follows patterns that existed before the Department of Defense Reorganization Act of 1958 -- individual military departments levy them directly on their overseas components.

There has not yet emerged, pursuant to this reorganization, a fully established program either within the JCS or The Office of the Secretary of Defense (OSD) for the development of requirements designed to support their presently assigned missions, in part because, as has been pointed out in Section III, the NSCIDs have not been appropriately readjusted. There is also no mechanism within the JCS or the OSD for reviewing and managing military service requirements which would serve both to assure the most efficient

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utilization of military intelligence resources and to provide support for JCS and OSD over-all missions.

The Joint Study Group notes the duplication of requirements levied on military intelligence collectors. This can be traced to the absence of over-all coordination within DOD.

CIA's main requirements problem, as might be expected, relates to clandestine collection and concerns the great number of requirements served on the

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Agency without benefit of screening to determine priority or the necessity for clandestine collection. One of the reasons this problem exists is CIA's own failure to insist that its customers use the machinery established to handle the problem, and use it properly.

The IPC is supposed to determine the essential foreign information requirements whose fulfillment necessitates clandestine collection. The USIB specifies that these requirements must be of such a nature that they cannot normally be covered by non-clandestine collection methods. The committee is required to prepare requirements lists and to provide special guidance to CIA to meet unusual, critical or emergency situations. Each member of the USIB has a member on the IPC, and these individuals are expected to pay particular attention to requirements submitted by their respective departments and agencies for clandestine collection.

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With respect to the IPC lists, some participants believe that their interests are not properly represented on the lists because they have been unable to get community agreement on the priority they desire. They have in consequence too often attempted to short circuit the procedures.

We believe that the key to this problem is a more active and across-the-board use of a coordinating mechanism

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While there remain some instances of duplicative activity in a given field of collection, the Group found none that could not be cured by normal coordination.

Another problem is the large number of requirements that results from the inclusion in general collection

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guides of everything that everybody wants to know. Ideally such statements of interest might better be called "programs" and the word requirement reserved for short-term specific ad hoc questions. In any case, while some such programmatic statements are needed for general training and orderly planning, it should be possible to reduce the number and overlap of these guides. We believe that all collection requirements manuals should be integrated into a compatible series of coordinated guides. Further, the Group urges the creation of integrated requirements guides which on a country-by-country basis would set forth the specific collection requirements and responsibilities of each department and agency concerned.

Although departmental production and collection responsibilities have been allocated in terms of subject, geographic and functional, such as world military, or Soviet bloc economic, there cuts across this allocation an overlay of requirements labelled with the term "departmental". This term is frequently interpreted to include everything a department decides to be necessary or desirable to support its mission. It should be clearly understood that

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departmental intelligence must lie within the subject fields allocated to the departments by the NSCIDs. At the present time these subject fields need to be more clearly defined by the NSCIDs especially in the military areas. A department's collection efforts should normally be confined to those subject fields so allocated to it.

The Joint Study Group believes that the described individual efforts of the members of the intelligence community to handle their own requirements and evaluations are inadequate to properly coordinate the collection activities of the community, and that the USIB must, as a part of its management responsibility, require that coordination be done on a community-wide basis, both at the Washington level and in the field.

At the Washington level, we believe that there should be a central body for reviewing requirements, manned by top quality experts from the intelligence community representing all the agencies which either produce intelligence reports or collect intelligence information. This would in effect become a central clearing house for the most effective tying together of all requests for

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information with all resources for collecting that information. We recognize that this is a large undertaking and therefore suggest that its development be evolutionary. We would suggest that such a center for the time being concern itself with collection by clandestine and signal intelligence assets.

In such a center the agencies would endeavor to identify their assets in the collection fields indicated and to select or stimulate relevant requirements. Therefore, this center would concern itself basically with two aspects of collection: first, modification and correlation of the basic collection guides; second, the handling of current requirements. The collection resources would be tabulated on performance. There would also be a tabulation of relevant requirements. We would suggest that an inter-agency clearing house be established representing each of the collection and production agencies, which would review all requirements when received and determine which collection medium is best adapted to satisfy the requirement. Such a facility using available resources should reduce the number of personnel engaged in requirements work.

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Such a center should be very closely tied in to the CIA Office of Central Reference (OCR) in which there should be a record of all of the information collected through intelligence media. The first effort of such a clearing house would naturally be to check the available information in OCR and the usual public repositories and insure that the required information is not already available in Washington.

In order to insure that the center be kept apprised of new assets and be informed about every form of collection resources, it should be manned by high-level, experienced and fully cleared professionals from each agency. These professionals should be thoroughly acquainted with all of the collection resources of their respective organizations to assure that their requirements are not unnecessarily directed to other agencies. Consequently, it would be most important that they spend a considerable amount of their time with their own agency as well as in the center. Finally all collection requirements in the indicated fields should be screened by the center prior to issuance to the collectors.

We believe that the center should be responsible for reporting to USIB any failure to act upon assigned

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requirements. Finally, the proposed clearing house would develop data on collection that would assist USIB in carrying out its assigned management responsibility.

We strongly urge that the USIB in its annual evaluation of community effort prepared for the NSC pay specific attention to collection. This evaluation might be associated with periodic evaluation at embassy and command level of collection requirements and collection assets.

It is recommended that:

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies.

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility.

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned.

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24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all [redacted] intelligence requirements concerning that area.

25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command.

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets.

27.

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VII. COORDINATION

Basic Philosophy

Much effective coordination has been accomplished in the dozen years that the intelligence community has existed as a recognized entity. The Study Group finds, however, that two major elements of misunderstanding and confusion in regard to the philosophy of coordination have impeded and continue seriously to impede the growth of much needed further coordination. There is, on the one hand, no common understanding of how coordination should be achieved. On the other hand, there has been a lack of clarity regarding the relation of the Director of Central Intelligence (DCI) and of the Central Intelligence Agency (CIA) to the responsibilities of coordination. Finally, throughout the government the philosophy of coordination ranges from a concept of command to one of persuasion.

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Thus, the term "centralized direction" appears in No. 5 alone among the National Security Council Intelligence Directives (NSCIDs). Although in that directive, the term is equated with coordination, the Study Group sees no reason to doubt that coordination in the clandestine field should be more mandatory than in other fields. The Group feels that while "centralized direction" by the DCI cannot mean outright command in relation to the intelligence activities of independent departments, coordination should tend toward "direction" in clandestine intelligence, and focus more on leadership, initiative and cooperative action elsewhere..

We feel that adequate coordination can be achieved by the coordinator following the list of principles below:

1) Leadership in developing and adapting new intelligence programs;

2) Initiative in identifying problem areas and instances of duplicate effort or missing effort;

3) Investigation of these problem areas, if necessary through use of the right to survey intelligence activities;

4) Solution of these problems to the extent possible by agreed cooperative action of relevant parties under leadership of the coordinator;

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5) Recommendation of solutions to higher authority when common agreement is not promptly forthcoming, with indication of the position of the various parties.

The Joint Study Group is confident that if all members of the intelligence community were to become convinced that the coordinative authority envisaged in the basic laws of the community were of the above nature much of the reluctance and apprehension that now remain would disappear.

If one obstacle to full development of coordination has been uncertainty about the nature of coordination itself, the second major obstacle has been uncertainty about the nature of the coordinator. There is, of course, no doubt anywhere that the coordinator is and must be the Director of Central Intelligence. The media through which he is to practice coordination are less clear. The Joint Study Group is aware that the Director of Central Intelligence has several responsibilities, one of which is to command the CIA, and another is to coordinate foreign intelligence activities both within and outside the CIA.

We have given lengthy consideration to the possible separation of the role of the DCI from that of the head of the CIA.

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This separation could be accomplished in two different ways: first, by separating the DCI and a small staff of personnel assistants; second, by separating the DCI plus estimating, current intelligence and planning and coordination staffs.

Such a separation would eliminate objections raised to an arrangement whereby the DCI commands one of the agencies he is responsible for coordinating. Furthermore, through such separation the DCI could spend more time on coordinating foreign intelligence activities.

Although the potential advantages outlined above for separation are impressive, such a step has a number of disadvantages. The President could no longer look to one man to brief him across the board on intelligence and covert action matters. Furthermore, if the DCI were separated as proposed, there is the danger that he and his staff would tend to get out of touch with the practical operational problems of the community. In addition, if he is assisted by only a small staff, he may in fact be able to achieve less coordination of the community than is possible under present conditions. It is also possible that the result would be that the DCI would

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end up with a large staff but with little or no offsetting reductions in CIA or elsewhere in the community. Finally, it is noted that such a separation would require a change in the basic law for the CIA.

The Study Group feels that included in this report are recommended actions which should help to eliminate objections to the present organization arrangements for the DCI. For example, it is proposed that the DCI use a staff drawn from the entire community and attached directly to his office to assist him in his coordinating purposes

In summary, the Joint Study Group feels that the actions recommended in this report should go a long way toward removing impediments to the success of the present arrangement, and should be given a fair trial. If after a reasonable period of time the role of the DCI is still in question, then serious consideration should be given to complete separation of the DCI from CIA.

However, the representative of the Secretary of Defense on the Joint Study Group does not agree with the above views

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and believes that some of the arguments against separation of the DCI and the CIA are invalid. He would note that the present system has been in existence for ten years and has failed to achieve proper coordination. He would recommend making a separation at this time, in accordance with the second alternative proposed above.

The fact is and has been that the DCI has used elements of the CIA as instruments of community coordination. Since August of 1957 he has had a staff of three officers within the CIA charged with improving coordination within the national intelligence effort which has worked primarily on the revision of the NSCIDs and their implementing Director of Central Intelligence Directives (DCIDs), but has been unable to devote any major effort to day to day coordination in the intelligence community. Furthermore, the community has never had occasion to look upon this staff as anything other than a part of the Central Intelligence Agency.

Clearly from the first the CIA has been engaged in coordination. To take one of the conspicuously successful examples, the work of the Office of National Estimates (ONE) in coordinating community knowledge and views in the

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National Intelligence Estimates (NIEs) is surely one of the activities that derives from the Agency's specific responsibility under the National Security Act of 1947. The CIA chairmanship of a large proportion of the United States Intelligence Board (USIB) committees is another aspect of the same recognized responsibility.

this essential coordinating activity of the CIA has meant that the other agencies found themselves being coordinated by an organization which from time to time appeared as a vigorous competitor of theirs. In the process of developing the agreed areas of action, the CIA has also raised apprehensions in other agencies. It does appear that some of the assigned functions of CIA have been expanded to the point where there is overlap with the activities of other agencies,

In all fairness it should be noted that some of these CIA activities were originally requested by other agencies or were mounted to fill gaps.

In considering this situation as of the present and future, the Joint Study Group concludes that the community

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has by now matured, and has reached an understanding of functional responsibilities sufficiently stable to permit a frank facing of the problems involved. In consequence the Joint Study Group believes that there are two kinds of coordination which can be practiced separately. Although the familiar operating elements under both the Deputy Director/Plans and the Deputy Director/Intelligence of the CIA must more than ever look upon their substantive relations with the community as factors in over-all coordination, there is need for a different unit, apart from the CIA operations and which, responding immediately to the DCI may work on major problems that arise in the over-all management of the community. It is these prospects that are discussed in this section.

Directives

The duties assigned by Congress to the CIA under the National Security Act of 1947 and by the National Security Council (NSC) to the DCI and the USIB under the provisions of NSCID No. 1, are for the declared purpose of coordinating the intelligence activities of the several departments and agencies in the interest of national security.

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In the preamble of NSCID No. 1, the NSC enunciates the philosophy that the intelligence effort of the United States is a national responsibility; that it must be organized and managed; that it must achieve maximum exploitation of the available resources of the Government; and that it must satisfy the intelligence requirements of the NSC, and of the departments and agencies of the Government. To realize these intentions, the Directives set forth a basic purpose of coordinating the intelligence activities of the several departments and agencies, and to accomplish this basic purpose the NSC has provided for a variety of actions and conditions which are all a part of and equally essential to the achievement of effective coordination:

Coordination in terms of a specific action responsibility -- "The Director of Central Intelligence shall coordinate the foreign intelligence activities of the United States...." (NSCID No. 1, paragraph 1.)

Coordination in terms of the governmental framework in which it shall be accomplished -- "To maintain the relationship necessary for a fully coordinated intelligence community and to provide for a more effective integration of and guidance

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to the national intelligence effort, a United States Intelligence Board (USIB) is hereby established under the directives of the National Security Council and under the chairmanship of the Director of Central Intelligence." (NSCID No. 1, paragraph 2. a.)

Coordination in terms of corporate participation in the development of rules and procedures -- NSCIDs are to be based upon recommendations made to the Council by the DCI, in each case indicating the concurrence or non-concurring views of those members of the USIB concerned; detailed implementation of the NSCIDs is provided for by the DCIDs, which have been agreed to by the USIB under the same procedures as are used for resolving the content of the NSCIDs. The DCI may issue them unless a dissenting member requests referral to the NSC. (NSCID No. 1, paragraphs 2. d. and 3.)

Coordination in terms of authority -- NSCIDs having been approved by the President in consultation with the heads of the departments chiefly concerned, shall, as applicable, be promulgated and implemented by the intelligence departments and agencies; within the framework of these directives,

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including the implementing DCIDs, decisions of the USIB shall be binding, as applicable, on all departments and agencies of the Government.

Coordination in terms of management responsibility -- the USIB is directed to establish policies and develop programs for the guidance of all departments and agencies concerned; the DCI is authorized to make such surveys of departmental intelligence activities of the various departments and agencies as he may deem necessary in connection with his duty to advise the NSC and coordinate the intelligence effort of the United States. (NSCID No. 1, paragraph 3. c.)

Some members of the intelligence community, especially the military services, believe that the coordinating authority of the DCI is qualified by the clause in the National Security Act of 1947 permitting each department and agency to collect, produce and disseminate departmental intelligence required to support its mission. We believe, however, that it was the clear intent of the Congress and the NSC that it is the departmental intelligence activities of the several departments and agencies which are to be coordinated. Furthermore, it was clearly not the intent of this clause

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that these activities be exempted from coordination: notably, for example, the allocation of substantive responsibilities in NSCIDs No. 2 and No. 3; and the general principle that an agency look to other agencies for any intelligence it needs that lies in their fields of responsibility.

We believe that the authority and responsibility assigned to the USIB make that body the principal mechanism for assisting the DCI in coordinating the foreign intelligence activities of the United States. The Board participates in the development of the directives under which the intelligence community operates. The Board in its own right is directed to establish policies and develop programs for the guidance of all departments and agencies concerned. Decisions of the Board within the National Security Council Intelligence Directives in which the heads of departments participated are binding on all departments and agencies. A first step in detailed examination of community coordination should therefore be a consideration of the USIB.

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The United States Intelligence Board

On the national level formal coordination is achieved through the meetings of the USIB and its [redacted] standing committees. Many of these committees in turn have sub-committees, working groups and other ad hoc groups which are again forums for a comparison of views and the development of procedures where inter-departmental or other types of joint action are required. Among the most active USIB organisms in the field of coordination are the Watch Committee, the Guided Missiles and Astronautics Committee, the Joint Atomic Energy Intelligence Committee, the Communications Intelligence Committee, the Electronics Intelligence Committee, the Economic Intelligence Committee and the Committee on Overhead Reconnaissance. These committees have, in addition to their responsibilities for producing inter-departmental intelligence, in some instances coordinated requirements for collection, and in other instances developed common activities.

An important task of the USIB is the managerial responsibility assigned to it under the terms of NSCID No. 1, paragraph 2. a. (1), to "establish policies and develop programs for the guidance of all departments and

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agencies concerned." We feel most strongly that the intelligence programs developed by the individual member agencies of the community, especially their planned allocations of effort, should be reviewed by the USIB for consistency and guidance prior to the submission of budget estimates within the departments and agencies. However, we do not believe that the USIB is now organized in such a way that it can achieve truly effective management.

We suggest that the USIB establish a group composed of senior officers of USIB members for purposes of (a) more carefully screening matters and papers to be presented to the Board other than estimates and substantive intelligence matters, making decisions themselves on matters of lesser importance to save the Board's time; and (b) staffing out major management problems for the Board's consideration. This group should also review the USIB committee structure and functions for purposes of stimulating more regular and worthwhile reporting to the Board, generating more interest in management problems, and determining if there can be any worthwhile consolidation or rearrangement of the committee structure.

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The Director of Central Intelligence

The key to the coordination problem in the intelligence community is the role of the DCI. We have previously discussed the position of the DCI as the coordinator.

We believe that the Director's authority to command is limited to the CIA, including those services of common concern assigned to the Agency by the NSCIDs. However, under the terms of the National Security Act of 1947, as amended, NSCIDs, and the Executive Orders of the President, the Director has a combination of authority and responsibility which we believe enables him to achieve through the normal command channels of the departments and agencies concerned the practical coordination effect of strong centralized direction of all foreign intelligence activities. In this connection he has the following basic powers:

he can make such surveys of departmental intelligence activities as he may deem necessary (although he has never used this important authority);

he can make recommendations to the National Security Council with or without the approval of the intelligence community, his only obligation in this regard being to

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transmit a statement indicating the concurrence or the non-concurring view of those members of USIB concerned;

his recommendations to the NSC, when approved by that body and specifically by the President, are issued as NSCIDs and, as applicable, shall be promulgated and implemented by the departments and agencies of the Government;

he acts for the NSC when issuing DCIDs to provide for the detailed implementation of the NSCIDs and these directives, when approved by the USIB and/or the NSC, are required to be promulgated and issued through the normal command channels of the departments and agencies concerned. Although the DCI must have the concurrence of the USIB before he can directly issue a DCID, dissenting members cannot block the action, because any non-concurrence in the USIB may be referred either by the DCI or dissenting members to the NSC for final decision.

We believe that the DCI now has ample authority to carry out his assigned role as coordinator of the foreign intelligence effort of the United States to whatever degree may be required to ensure the effective coordination of departmental intelligence activities.

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We are convinced that the DCI and the USIB together have a combination of assigned authorities and responsibilities which enable and require them to exercise a stronger role in improving the management of the foreign intelligence activities of the member agencies of the intelligence community. The effort of the Joint Study Group has been to suggest means of more fully carrying out these responsibilities.

Coordination Overseas

The DCI has over-all responsibility for the coordination of United States foreign intelligence activities. The NSCIDs provide three lines of authority for achieving coordination of intelligence activities overseas:

under NSCID No. 2 the senior U. S. representative in each country is responsible for the coordination of all collection activities not covered by other NSCIDs;

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We believe that chiefs of mission generally should take more positive steps in connection with their responsibility to coordinate overt collection and reporting activities. To do so would not entail any great problem with respect to these activities being conducted by those U. S. personnel

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directly connected with an embassy. However, there are complications with respect to the coordination of overt collection and reporting activities conducted by military commands which have areas of responsibility which cover many countries and therefore involve a number of chiefs of mission. This problem is further complicated by the somewhat confused situation concerning the coordinating responsibilities of unified commanders with respect to the intelligence activities conducted by their component commands. The component commands at present appear to receive most of their guidance and direction directly from their respective service departments at the Washington level.

The implementing provisions contained in the NSCIDs and the DCIDs are consistent with the concept that intelligence is a function of command; i. e., these directives are required to be promulgated and disseminated through normal command channels. Therefore, it would appear that unified commanders should, at least, coordinate the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters, including that originating in the service departments at the Washington level.

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Despite the problems indicated above, a great deal of effort has gone into coordination of foreign intelligence activities and real progress has been made over the past ten years. There is still need in our diplomatic missions for a more standard pattern of coordination and, on the part of the senior officials concerned, a more thorough understanding of the problems involved and their responsibilities to achieve coordination.

However, from an over-all standpoint the key factor as we see it is that coordination in every case is being done by individuals who have other important duties.

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National Level: Conclusions

The DCI should continue to be coordinator of all U. S. foreign intelligence activities and directly responsible to the NSC and the President.

The USIB should continue to be the principal mechanism for assisting the DCI in carrying out his coordination responsibilities. However, we believe this Board should be reorganized so as to become more efficient and assume a stronger role in the management of the foreign intelligence activities conducted by those departments and agencies which comprise the intelligence community. (See page 100 of this section.)

We have recommended in Section III that the Joint Chiefs of Staff be given a stronger role in substantive military intelligence matters, and that a focal point be established in the Office of the Secretary of Defense for improved management of military intelligence activities. In phase with implementation of these changes, the size of the USIB should be reduced to four members. The reorganized Board should include the Director of Central Intelligence (Chairman), and one representative each of the Secretary of State, the Secretary of Defense and the Joint Chiefs of Staff with

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ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. Such a reorganized Board should assume a stronger role in the management of the foreign intelligence activities of the United States, in addition to their substantive responsibilities. The three military service intelligence chiefs and the Director of NSA should serve as advisors to the two representatives of Defense, as appropriate.

To provide for including full-time professionals into the field of coordination and minimizing the conflict of interest problem, we propose that the DCI organize under his Assistant for Coordination and as part of his personal staff, a full-time group of intelligence professionals owing primary allegiance to the intelligence community rather than to any one member agency. Membership on the staff would be drawn from the foreign intelligence community-at-large.

We believe that this coordination staff should be charged with assisting the DCI in his community-wide responsibilities for the coordination of U. S. foreign intelligence activities, including the surveys of departmental

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intelligence activities authorized in NSCID No. 1, paragraph 3. c. The staff and its entire membership should be responsible to the DCI as coordinator and they should be separated from any operational responsibility of the CIA or other department or agency.

Overseas: Conclusions

Chiefs of mission should more affirmatively exercise the responsibility for the coordination of overt collection activities assigned to them by NSCID No. 2. At the smaller posts the chief of mission can usually assume full responsibility himself. Where this coordination problem is more complex he should delegate this responsibility to the deputy chief of mission and, if it requires full time attention, a special officer for coordination should be assigned to the post to carry on these duties on behalf of the chief of mission. Further, as recommended in Section VI, we believe that at all posts the chief of mission should ensure the effective coordination of all requirements received for the collection of intelligence information so that the most efficient use can be made of the manpower and resources available.

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With respect to military intelligence activities overseas, we have recommended in Section III that unified commanders should exercise a more positive coordinating authority over the intelligence activities of their component commands and should be the primary channel through which the latter receive advice and guidance on intelligence matters, including requests that originate in the service departments at the national level.

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The unified commanders should work out with the chiefs of mission concerned an appropriate plan for the coordination of those overt collection activities of the component commands which are subject to coordination by the chief of mission under NSCID No. 2. In addition, there are overt collection [redacted] activities conducted by military elements overseas who are directly responsible to the service departments at the Washington level; chiefs of mission responsible for areas in which such activities are being conducted should ensure that these activities are included in their over-all coordination plan.

In submitting the following recommendations, attention is again invited to recommendations particularly in the Sections on Military Intelligence, Collection - Resources, and Requirements and Evaluation, which also deal with coordination matters and are not repeated here.

It is recommended that:

28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned.

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29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. *

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission.

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board.

32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should serve as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually.

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.

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33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures.

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2).

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments.

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility.

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VIII. COST OF FOREIGN INTELLIGENCE EFFORT

The Group has been unable to ascertain with any degree of accuracy the cost of the foreign intelligence effort for the following reasons:

1) Accounting systems differ in the departments and agencies concerned with the foreign intelligence effort and are not designed to separately identify and measure the total intelligence costs.

2) There are varying interpretations within those departments and agencies as to what should be included or excluded from any foreign intelligence costing effort.

3) Certain activities are of a mixed nature which makes it difficult to distinguish intelligence from non-intelligence elements.

4) Intelligence receives direct or indirect support, such as communications and transportation, which is hard to separate out as intelligence cost.

5) Some new and expensive projects are initially justified as being primarily in support of the foreign intelligence effort but later turn out to be primarily or exclusively operational activities.

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Even after the best available figures have been put together there remain certain complexities involved in the analysis of the cost of intelligence. The total cost cannot be appraised exclusively in terms of the output of finished intelligence because the costs cover important and expensive activities of training and operations of units designed largely to maintain an essential capability for wartime. Furthermore, some of the research and development expenses attached to intelligence projects have valuable by-products in other areas of the government and even in the private economy; e. g., communications security devices, automatic data processing.

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The Group urges the vital importance of carrying through to the best feasible result in the continuing process of cost accounting for the intelligence effort.

In recent years progress has been made in developing procedures for determing annually the order of magnitude of the costs of the foreign intelligence effort. The Study Group feels the time has now arrived to refine these estimates and develop cost breakdowns which would provide a better basis

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for USIB coordinating and guiding the efforts of various parts of the community.

It is recommended that:

38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means:

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board.

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32.

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IX. RESEARCH AND DEVELOPMENT

Research and development activities for intelligence purposes are conducted primarily by the Department of Defense (DOD) and the Central Intelligence Agency (CIA).

All of these defense activities, as a result of the Defense Reorganization Act of 1958, as amended, are under the general supervision of the Director of Defense Research and Engineering, and the Assistant to the Secretary of Defense for Special Operations participates in this review.

As a result of the above steps, a more effective coordination of research and development activities has been achieved within the DOD.

Within CIA research and development is conducted primarily by two units,

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Current coordination of research and development activities between the CIA and members of the Defense Establishment varies according to the subject under review. It ranges from close coordination

at the operational level to informal exchanges of information on other matters, sometimes by means of the USIB committee structure. While the Joint Study Group believes that the intelligence community should develop a better system for exchanging research and development information, it also notes that such exchange of information is no effective substitute for coordination. In view of this fact, DOD and the CIA should seek means for effecting better coordination.

Several problems of special concern to the members of the intelligence community were revealed in the course of the general review conducted by the Joint Study Group.

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It is recommended that:

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes.

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured.

41.

42.

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X. THE FUTURE

The Joint Study Group wishes to emphasize the necessity for policy makers to recognize intelligence as an instrument not only for use in the probing of areas of current interest to the United States, but also and especially for exploring those areas which may be in the future of great concern to the national security of the United States. We feel that too often intelligence is used as the handmaiden of current operations to the detriment of long-range considerations. Historically, conflict has been normal to all societies and although we may strive for more stable international relations it would be unrealistic and extremely dangerous for the United States to ignore the lessons of history that conflicts are ever present and also ever changing. It is likely that conflicts of the future will not be limited to those with our current major antagonists. In 1942 few Americans could have foreseen our present close alliance with Germany and Japan or, on the other hand, the current menace of mainland China.

U. S. intelligence should be sharpened as to the quality of its collection, production and estimates in support

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of current operations.

We foresee no dimunition in the importance of the role of intelligence in support of our national security. It will require great resources in manpower and money. Management of this effort will continue to demand leadership of the highest order if the intelligence needs are to be met from resources available.

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Intelligence must be careful to take into account anticipated technological developments. These developments should be imaginatively utilized by U. S. intelligence itself for foreign positive intelligence and counterintelligence purposes.

A tremendous advance has been made during the past ten years in the fields of transportation and delivery of weapons, making it imperative that equal advance be made in the field of electronic communications.

All these prospects point to one final conclusion -- that a primary responsibility before the intelligence community is long-range planning. Both in respect of how to carry on its

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business through processes of management, and in respect of the area and subjects in which effort shall be expended, the community is obligated to look forward as far as it can, and to make the best possible forecasts.

> The Group's last recommendation (No. 43) urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems.

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SUMMARY OF RECOMMENDATIONS

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end: . . . . . Page 31

a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components. . . . . Page 32

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as: . . . . . Page 32

(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority; . . . . . Page 32

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates; . . . Page 32

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI); . . . . . Page 32

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII); . . . . . Page 32

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c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above. . . . . Page 32

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate. Page 32

3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense. . . . . Page 33

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations [redacted] and personnel so assigned should be given position and rank comparable to their operational counterparts. . . . . Page 33

6. [redacted]

a. avoid duplication of channels to non-military consumers;

b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems. . . . . Page 33]

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11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel. . . . . Page 60

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations. . . . . Page 60

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14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities. . . . . Page 61

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC). . . . . Page 61

18. The Director of Central Intelligence should focus community attention on the important area of counterintelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board. . . . . Page 61

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21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies. Page 85

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned. . . . . Page 85

24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all intelligence requirements concerning that area. . . . . Page 86

25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command. . . . . Page 86

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets. . . . . Page 86

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28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned. . . . . Page 113

29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. * . . . . . Page 114

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. . . . . Page 114

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board. . . . . Page 114

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.

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32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should service as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually. . . . . Page 114

33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures. . . . . Page 115

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2). . . . . Page 115

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments. . . . Page 115

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility. . . . . Page 115

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38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means: . . . . . Page 121

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board. . . . . Page 121

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32. . . . . Page 121

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes. . . . . Page 128

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured. . . . . Page 128

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