

XPJ-74-4557

6 August 1974

The Honorable Robert D. Murphy
Chairman of the Board
Corning International Corporation
717 Fifth Avenue
New York, N. Y. 10022

Dear Ambassador Murphy:

Pursuant to our conversation, herewith is a rough draft of a possible approach to your study of the role of intelligence in foreign policy. I am sure you would want to expand this with some of the more specific suggestions given to you by the staff, but this might provide an overall approach. If you have any further questions on it, I would be delighted to respond.

Thank you again for your courtesy in consulting with me on this important matter. I will give it every support possible.

Sincerely,

/s/ Bill

W. E. Colby
Director

Attachment

WEC:blp

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D R A F T

Dear Bill:

As the Commission on the Organization of the Government for the Conduct of Foreign Policy moves from the briefing phase to the phase of study in depth of some selected features, I would like to outline for you our approach in the area of intelligence. Intelligence obviously plays a major role in the formulation and execution of foreign policy. We would like to identify that role clearly and look at various ways intelligence could make an even better contribution to foreign policy deliberations. This will require us to be aware of some of the organizational aspects of the intelligence relationship to foreign policy and to assess the ways in which intelligence contributes to foreign policy, from the raw report to the finished estimate. We must also cover the degree of success our intelligence has and can hope to have in accurately reporting events abroad and projecting their likely future directions. Lastly, I think we must include a review of the political costs involved in intelligence operations where they do cause problems for foreign policy. As a related but somewhat separable issue, we will need to identify the role in our foreign policy of what is called covert action and come to some judgments on its desirability, extent and decision-making process.

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On the other hand, I do not view the Commission's function as reviewing and making recommendations on the organization of our intelligence services and community, its budgets, personnel strengths, etc., or the details of its operations and procedures. The Commission will not be conducting an investigation of the organization of intelligence itself but, rather, the role of intelligence as it affects the conduct of our foreign policy. In order to make informed judgments on the latter, of course, we must be aware of some of these matters as necessary background, but I want to assure you that the thrust of our work will be in the latter category. I share what I know is your great concern about the necessity to protect the sensitive operational aspects of the intelligence effort. We will conduct our inquiry and maintain our records so as not to expose such matters.

As I believe you are aware, Mr. Kent Crane will be directing the intelligence aspects of our inquiries. He will commission several studies by individuals within the intelligence community or by acknowledged experts outside of it. I would like him to discuss with you the specifics of these studies and the individuals who will undertake them to be sure that the appropriate clearances can be obtained and to discuss with you the appropriate staff support and access arrangements to the intelligence community which will be necessary. I would expect Kent to work with your officers in dealing with the other elements

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of the intelligence community in addition to the CIA, under the general charter of the Commission, of course. I have attached a first cut at an outline of some of the matters Kent will be studying, and I hope that you and he can discuss this and any improvements which might be useful.

Sincerely,

Robert D. Murphy

INTELLIGENCE COMMUNITY STUDIES

1. Statutory and Other Authority. A review of the statutory base for the intelligence community, to include the authority of the CIA, the directives of the NSC, and Presidential instructions such as the November 5, 1971, directive. This should also include a review of the special legislation applicable to intelligence (such as the unique authorities of the Director of CIA over personnel and finances), the espionage and communications intelligence legislation, and current proposals for modification of the legislative authority of the intelligence community and its protection of intelligence sources and methods.

2. Organization. A study of the way in which the intelligence community interfaces with foreign policy formulation; the independence of the CIA, the roles of the departmental intelligence entities such as DIA and INR; intelligence relationships at working departmental levels, field entities, and national policy levels (e.g., WSAG, etc.); the role of the Ambassadors.

3. Congress and the Public. To what extent does the Congress benefit from intelligence? To what extent can intelligence be made available to assist the Congress in decision-making? To what extent can intelligence better inform the American public?

4. Control of Intelligence. Executive and Congressional controls on intelligence operations; executive and Congressional influence on intelligence appreciations; procedures for evaluation of intelligence risks and resources.

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5. The Utility of Intelligence. The accuracy of intelligence reports and judgments; to what extent does intelligence contribute to policy formulation? How is its utility affected by its palatability, presentation, participation in sensitive policy deliberations, etc?

6. Covert Action. Review of the arguments for and against covert action; procedures for control; alternatives to association with intelligence.