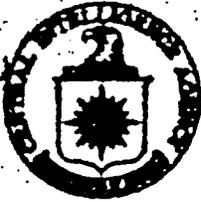


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CENTRAL INTELLIGENCE AGENCY

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR



4LE MR Case No. 95-29
Document No. 12

16 FEB 1959

MEMORANDUM FOR: The Executive Secretary
National Security Council

SUBJECT : Third Report to the President by the President's
Board of Consultants on Foreign Intelligence
Activities, dated October 30, 1958.

REFERENCE : Memorandum to Director of Central Intelligence,
Same Subject, from Mr. James S. Lay, Jr.,
dated December 29, 1958.

1. The subject report as presented to the President on
December 16, 1958, contained the following recommendation:

"The present mission of the Plans Group of the CIA be reviewed
with consideration given to relieving that Group of, and placing
elsewhere in the Agency, the responsibilities (1) for the review
of (i. e., reporting on and evaluating) the Political, Psychological
and Para-Military operations of the Agency, and (2) for the
formulation of the intelligence estimates and recommendations
upon which the plans for such operations are based."

2. Reference memorandum stated that the President requested
my views and comments before taking action on this recommendation. This
memorandum is in response to that request.

3. The text of the report of December 16, 1958, to the President
explained some of the reasoning of the Board resulting in this recommenda-
tion. This report refers to "some of the virtually autonomous functions
assigned to this Group," and states, "From evidence we have seen, it is our
feeling that, within this frame of reference, the Plans Group (for the Agency)
may be incapable of making objective appraisals of its own intelligence
information as well as of its own operations when it is involved in Cold War

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activities which are the subject of the report. It is also important to note the implications of this not only because of possible impacts on the programs of the Agency but, more importantly, because of the influences which may be brought to bear on foreign policy determinations which, in large measure, may be based upon Agency reporting.

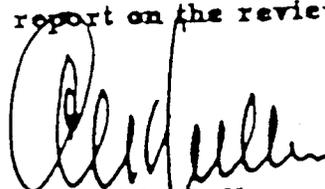
4. The Board of Consultants may feel that there is a greater degree of autonomy or independence possessed by the Deputy Director for Plans (Plans Group) than actually exists. Final responsibility and authority for all activities of the Clandestine Services, just as is true with respect to the activities of other Deputy Directors, rests with the Director of the Central Intelligence Agency. It is a fact that the DD/P, as well as the other Deputies, may take action on behalf of the Director, but in case of operations of the DD/P under NSC 5412, only after the necessary policy guidance has been obtained from the 5412 Committee.

5. It is particularly important to note that before CIA cold war (5412) activities are initiated all available intelligence, including National Intelligence Estimates, prepared on a community-wide basis, is taken into account. Further, while we recognize that in covert operations a major source of information on the accomplishments of the project may be clandestine, we are constantly on the alert to analyze all available information to guard against subjectivity or self-serving reports.

6. To the above comment I would add that we fully concur with the Board's recommendation to review the mission of the DD/P (Plans Group), and that such a review is currently in progress. A new Deputy Director for Plans assumed his position on January 1, 1959. He is undertaking a complete review of the mission and organization of the Clandestine Services. In concert with this the Inspector General of the Agency is reviewing the overall organization of the DD/P.

7. Further, several steps have already been taken in reorganizing the DD/P area. The Inspection and Review Staff will be abolished as of March 1959. The Southeast Europe Division [redacted] will be abolished, with its country desks incorporated into existing area divisions. The Near East Asia Division (Near East and Africa) is being split up to create a new Africa Division and thus place greater emphasis on that vital area. A new division is being created to centralize new projects [redacted]

8. It is suggested that a full report on the review of the DD/P area be submitted on June 30, 1959.


Allen W. Dulles
Director

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