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23 February 1967

COORDINATION AND POLICY APPROVAL OF COVERT OPERATIONS

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A. Historical Evolution

1. The first formal authority for what is now called "covert action" in the post-World War II era was the National Security Council (NSC) directive NSC 4-A, which was approved on 19 December 1947. Without elaborating coordination procedures, it directed the Director of Central Intelligence to undertake covert action and to ensure that the resulting operations were consistent with U. S. policy. The DCI was to ensure through liaison with State and Defense that operations were consistent with U. S. policy.

2. NSC 4-A was refined and superseded by the issuance on 18 June 1948 of a new NSC directive, NSC 10/2. This defined more clearly the aims and methods of covert action and spelled out with more precision the procedures for ensuring that covert operations conducted under it were consistent with U. S. foreign and military policies. "Designated representatives" of the Secretaries of State and Defense comprised the "Senior Consultants," or "10/2 Panel," which included civilian representatives of State and Defense and a military representative of the JSC. These Senior Consultants met with the Assistant Director for Policy Coordination, the CIA office responsible at that time for planning and conducting covert operations, and reviewed proposed new covert projects to be conducted by CIA.

3. NSC 10/2 was further refined and superseded by the issuance on 23 October 1951 of NSC directive NSC 10/5. This new directive authorized an expansion of world-wide covert operations and changed policy coordination procedures. The Psychological Strategy Board, which had been established on 4 April 1951, was charged with determining the "desirability and feasibility" of proposed covert programs and major covert projects. A new and expanded "10/5 Panel" was established, comprising the members of the earlier 10/2 Panel but adding staff representatives of the Psychological Strategy Board (PSB). It functioned much as the 10/2 Panel had, but the resulting procedures proved cumbersome and potentially insecure. Accordingly, when the PSB was replaced by the Operations Coordination Board (OCB) on 2 September 1953, coordination of covert operations reverted to a smaller group identical with the former 10/2 Panel, without OCB staff participation.

4. There subsequently was some retrogression toward the broader 10/5 Panel principle. On 15 March 1954, the issuance of NSC 5412, which superseded NSC 10/5, required that the DCI consult with the OCB and with

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other U.S. Government departments and agencies as appropriate to ensure that covert operations were consistent with U.S. policies. NSC 5412/1, which superseded NSC 5412 on 12 March 1955, directed the DCI to consult with the Planning and Coordination Group (PCG) of the OCB and made the PCG the "normal channel" for the policy approval of covert operations. (In March 1955, the DCI briefed the PCG of the OCB on those CIA covert action operations which he had previously approved under NSC 4-A, 10/2, 10/5, and 5412.)

5. Covert coordination procedures reverted once more to a smaller and a more streamlined coordinative group with the issuance on 28 December 1955 of NSC 5412/2, superseding NSC 5412/1. NSC 5412/2 has remained in force up to the present. It removed the policy coordination and approval functions from the OCB and transferred them to "designated representatives" of the President and the Secretaries of State and Defense to meet with the DCI as the "normal channel" for policy approval of covert operations. The coordinative body came to be known as the "5412/2 Designated Representatives" or the "Special Group." It comprised (and comprises) representatives of the rank of Assistant Secretary or above. It was charged with reviewing in advance all major covert programs initiated by CIA or otherwise directed.

6. NSC 5412/2 coordinative procedures were slightly modified on 26 March 1957 with the issuance of an annex to the directive. The annex authorized approval solely by the Secretary of State of particularly sensitive projects that did not have military implications. This special authorization has not been utilized to date. It also required, however, that CIA keep the Departments of State and Defense advised on progress in implementing all approved covert action programs.

7. With the inauguration of the Kennedy Administration in early 1961, the Special Group (which changed its name to the "303 Committee" in June 1964 in accordance with NSAM 303) meetings were transferred to the White House under the chairmanship of the President's Special Assistant for National Security Affairs. (This was first McGeorge Bundy, then General Maxwell Taylor, then back to Bundy, and finally to Walt Rostow, the present chairman). Prior to early 1961, the State Department member had been the "informal" chairman.

#### B. Policy Doctrine

1. From the brief description of the evolution of coordination and approval procedures affecting covert operations, it is apparent that prior

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to March 1955, the governing NSC directives (5412, 10/5 and 10/2) provided for consultation with representatives of State and Defense but these individuals had no approval functions; nor did they include a representative of the President. Many of CIA's continuing covert action projects and programs were therefore begun when responsibility for policy conformity rested with the DCI in accordance with existing NSC directives. These projects and programs were in general discussion with State and Defense representatives, but the representatives were not called upon -- nor were they authorized -- to take affirmative action. (Normal Bureau of the Budget review procedures, of course, represented a measure of outside Executive control.) During this period certain decisions involving vital interests of the U.S. were, of course, referred to the President at the initiative of the DCI.

2. Even under NSC 5412/2, particularly in the early years (1955-1958), criteria governing submission of projects to the Special Group were never clearly defined, being left to the discretion of the DCI. During these early years, however, a considerable body of policy doctrine was established, which has been followed ever since.

3. At the beginning of 1959, regular weekly meetings of the Special Group were instituted, with one result that criteria for submission of projects to the Group were in practice considerably broadened.

4. Not until CIA's own internal instruction, dated 4 March 1963, on Special Group submissions, however, did the criteria for submissions become more formal and precise. The 1963 CIA directive noted that the decision to submit an operational program or activity to the Special Group would be made by the DCI, and that political sensitivity would usually be the chief criterion for submission. The instruction also noted that where unusually large sums of money are involved, the DCI may decide to submit a program or activity on the grounds of funds alone. The instruction detailed the following types of programs or activities which, as a general rule, require Special Group action:

Political and propaganda action programs involving direct or indirect action to influence or support political parties, groups or specific political leaders, including operations which use labor, youth, students, and influential military organizations as political pressure groups.

Economic action programs designed to influence governments to support U.S. national policy objectives, or to prevent Bloc countries from obtaining some strategic politico-economic advantage in countries or areas of importance to U.S. global strategy.

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Paramilitary action programs.

CIA clandestine and covert action annexes to U.S. Country Internal Defense Plans.

The instruction also dealt with cases requiring resubmission to the Special Group: where there is need for a new policy determination or to reaffirm the previous policy decisions; when developments or changes are such as to make the subject a matter for re-examination by the Group; and if specifically required by the Special Group in its approval of the program or activity.

5. These criteria have remained unchanged in subsequent CIA internal directives.

C. Comparative Numerical Approvals of CIA Proposals

1. Statistical reflection of the action of approval authority on CIA programs early in its life are difficult to offer on a comparative basis because of the steady refinement of "programs" into individual "projects", but the best recapitulation available shows:

a. Projects approved by DCI on internal authority:

(1949 - 1952)                      81                      Truman Administration

b. Projects approved by DCI in coordination with Operations Coordination Board or Psychological Strategy Board:

(1953 - 1954)                      66                      Eisenhower Administration

c. Projects approved or reconfirmed by Operations Coordination Board, the Special Group or 303 Committee:

Eisenhower Administration                      104

Kennedy Administration                      163

Johnson Administration                      142

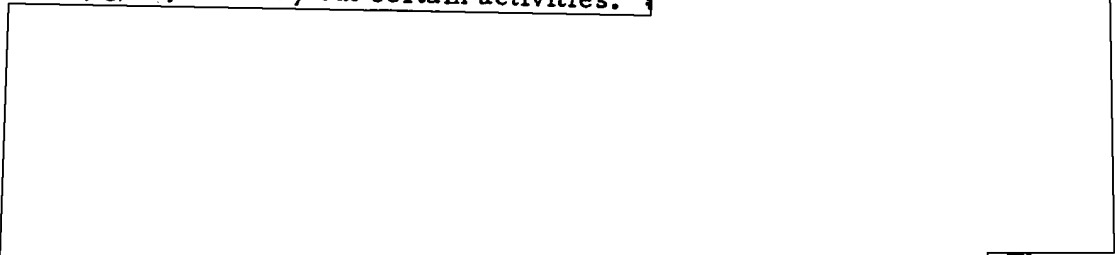
(March 1955 - February 1967)

2. As the sophistication of the policy approval process developed so did the participation of the external approving authority. Since establishment of the Special Group (later 303 Committee), the policy arbiters have questioned CIA presentations, amended them and, on occasion, denied them outright. The record shows that the Group/Committee, in some instances, has over-ridden objections from the DCI and instructed

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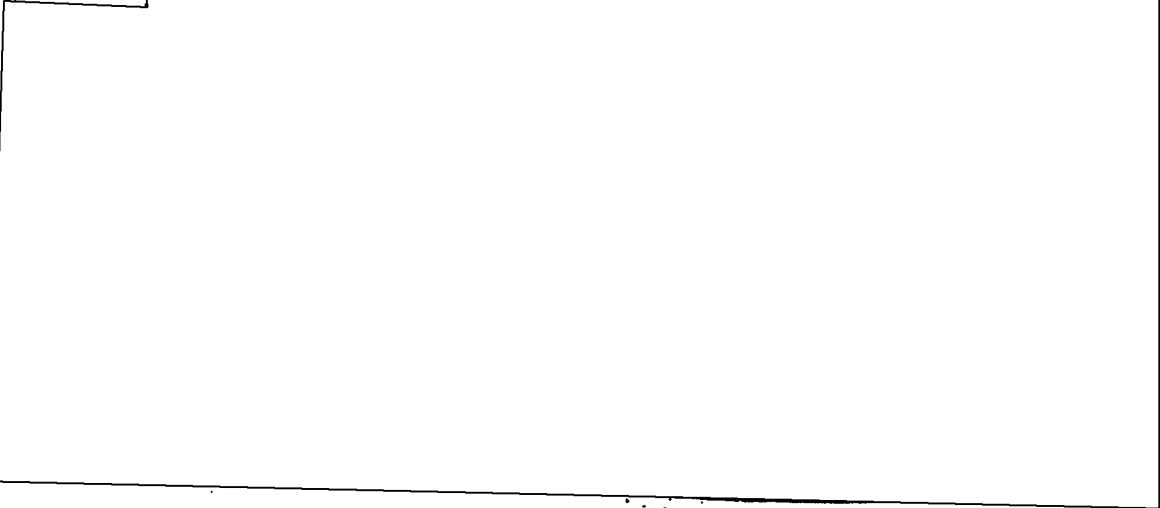
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the Agency to carry out certain activities.



The Committee has suggested areas where covert action is needed, has decided that another element of government should undertake a proposed action, imposed caveats and turned down specific proposals for CIA action from Ambassadors in the field.

3.



D. Special Briefings

1. Bureau of the Budget

a. Because of the judgments necessary to budget for covert action operations, Bureau of the Budget (BOB) officials may sometimes attend meetings of the Special Group (or 303 Committee) and participate in review discussions. For example, at a special meeting of the Special Group on 12 December 1963, requested by BOB, BOB participants were Messrs. Gordon, Staats, Hansen, and Amory. The minutes of this meeting reflect that the BOB officials participated fully in discussions concerning covert action programs and activities in each area of the world. They heard the Agency's presentations

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and the consensus expressed by the Special Group concerning the continuation of such programs. The meeting also afforded the BOB officials with the views of the State Department (as expressed by Mr. Johnson) concerning the desirability of maintaining the present programs in Latin America, and the views of the Department of Defense (through Mr. Gilpatric) that the division of responsibilities for paramilitary operations between CIA and the Department of Defense (NSAM 57) is quite adequate.

b. Another type of ad hoc BOB briefings is reflected in the minutes of the 303 Committee meeting of 29 September 1966. With respect to the steps necessary to modernize Radio Free Europe and Radio Liberty, Mr. Helms informed the Committee that he would discuss the proposition with the BOB. Mr. Rostow indicated that he planned to convey the feeling of the Committee to the Director of the BOB at an early opportunity, favoring modernization.

c. The BOB, since 1962, has known of every covert action project of CIA and, in the case of the large international activities, has examined them closely as line items. Invariably, BOB has asked if the activity has policy approval, and has probed regarding the sense of the Committee in respect to any qualifications, limitations or changes in emphasis.

## 2. Other

a. Special briefings have also been given to White House officials, the Special Group/303 Committee, and certain other government officials. (The DCI's briefing of the Planning and Coordination Group of the OCB in March 1955 has already been mentioned; this covered those covert action programs which he had previously approved.)

[redacted]  
[redacted] this briefing was given on the personal request of President Kennedy. In June 1961, the Special Group received a written presentation summarizing all projects as of that date which involved support to political parties and political leaders, [redacted] and including full information on [redacted] running procedures. The minutes show that the Special Group took special note of the presentation and raised no objections. In August 1961, the Special Group received a general briefing paper which covered paramilitary and economic operations, [redacted]

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[REDACTED]

In October 1964, Chief, Covert Action Staff made an oral presentation to the 303 Committee concerning CIA's covert relations with foundations. This presentation was requested by Mr. Bundy. C/CA outlined the different types of foundations dealt with, [REDACTED]

[REDACTED]

6. [REDACTED]

[REDACTED]

#### E. State Department Coordination

1. Newly-appointed principal State Department officers and outgoing ambassadors are briefed in depth by CIA Headquarters officials on broad objectives and CIA's activities within the country. Shortly after an Ambassador arrives at his post, the CIA Chief of Station gives him a detailed and specific briefing on the Agency's covert action activities in the country. Covert action matters growing out of CIA's responsibilities

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under NSC directives provide for full participation and review by State Department and Ambassadors in the formulation of specific programs, with the decision on them being made at appropriate policy levels. In the field, this means full details on the substance and objectives of the activity, and, depending upon circumstances, clandestine means and methods to the extent that they are related directly to the substance of the activity. The purpose is to allow the Ambassador to judge the desirability of the program and inherent political risks. Instructions to Agency field stations with respect to CIA's field coordination with Ambassadors are frequently re-stated, the latest in January 1966.

2. CIA representatives participate in the mission Country Team meetings and are often requested to draft proposals for forwarding to Washington for policy review and approval, especially in the fields of internal security and covert action.

3. All 303 Committee programs or activities are coordinated with the Ambassador, as well as the Assistant Secretary of State of the area concerned. This coordination process has to be accomplished before the proposal is submitted to the 303 Committee. A number of approved programs or activities originate with the Ambassadors or the Department of State. 303 Committee proposals and other covert action matters are discussed between CIA Area Division Chiefs and their State Department counterpart Assistant Secretaries at regular, usually weekly, informal meetings.

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