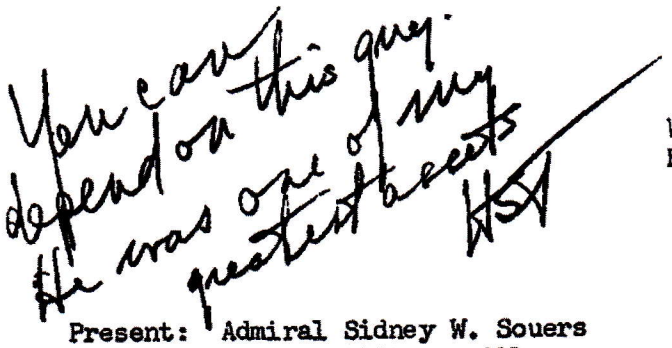
## Document 90

# Papers of Harry S. Truman: Post Presidential Papers—Memoirs Files




Wednesday, December 15, 1954
Kansas City, Missouri

Present: Admiral Sidney W. Souers
Messrs. William Hillman
David M. Noyes

(You briefed the President every morning on all that had come in. Can you give us a running account...?)

Adm. Souers: During World War II I served the entire time in the intelligence end of the Navy and rose to Rear Admiral and Deputy Chief of Naval Intelligence. I spent the last year and a quarter, from about October 1944 to the end of January 1946, endeavoring to work out a central intelligence agency that would serve the President of the United States, as well as the Cabinet members, who are primarily responsible for the national security, so that all would get the same intelligence - in contrast to the system that had prevailed, where the OSS would give one bit of intelligence to the President and not any to the secretaries of the military departments and the State Department, who had some responsibility to advise the President. This languished, this effort, until President Truman succeeded to the Presidency in April of 1945. At that point I had known Mr. Truman only casually. But he directed the Secretary of State,

Mr. Byrnes, to come up with a plan for a central intelligence agency. The Joint Chiefs of Staff had been working on a plan which had been referred to them by Admiral Leahy and which had been submitted to the White House by General Donovan. This plan proposed that the organization be immediately under the President and responsible solely to the President. The Navy plan which was later adopted by the Joint Chiefs of Staff had taken the position that a central intelligence agency should serve as the overall intelligence organization but that each of the departments responsible for national security should have a stake in it. It was coordination at a national intelligence level. Every department needed its own intelligence, but there needed to be a central intelligence organization to gather together everything that had to do with the overall national policy. Each agency would contribute to the pool. The estimates would be made at top level to guide those who were making top policy in the foreign, political and military fields. Secretary Byrnes took the position that the organization should be responsible solely to the Secretary of State, and he advised the President that he thought he should be in control of all intelligence. I personally fought this, and the Navy backed me in it.

And we had Mr. Lovett, who was on the special committee of the Army. I represented Secretary Forrestal. We took the position that our plan of having a coordinating agency reporting directly to the President through a national intelligence authority, consisting of the Secretary of State, War and Navy, was the one that should be submitted to the President. Byrnes had appointed Al McCormack to prepare the plan for State, and he stood pat on Byrnes' idea - I don't remember exactly the language that Byrnes expressed it in, or his reasoning, but it was that the agency should be under his jurisdiction. In the meantime, in January 1946, Secretary Forrestal and I'm not sure whether it was Secretary Patterson or Secretary Royall, or whether Royall did it as Acting Secretary of War or as Secretary. Any way, he and Forrestal went to Byrnes' apartment in the Shoreham Hotel on Sunday afternoon and stated that they were prepared to go to the President with a plan they had both signed. It was substantially as was later approved by President Truman. Secretary Byrnes was invited to join them, but if not, they could each go up with separate plans, but the military felt very definitely that this plan was the best for the country. Byrnes, after making one or two minor word changes, did

sign it, and that was then submitted to President Truman on Monday. The President then called a meeting in his office of Harold Smith, the Director of the Budget, Admiral Leahy, Mr. Rosenman, and I think J. K. Vardaman, and me. He opened the meeting by saying he thought this plan submitted by the three secretaries, namely, Byrnes, Forrestal and the Secretary of the Army, was a good one. Harold Smith took the position it was not, and Secretary Byrnes was opposed to it. I recall stating that it was hard for me to believe that the Secretary of State would sign a recommendation to the President in which he didn't believe, and I thought therefore that the President would have to accept his written resignation - because he was a wishy-washy compromiser. Harold Smith then stated that he would like to have his people go over the plan. And Mr. Rosenman said, "Do you mean from a budgetary standpoint?" and he said, "No, the intelligence aspects," because he had expert intelligence men in his organization, and he wanted to go over it from an intelligence standpoint. President Truman spoke up in his characteristic manner and said, "I like this plan. If they want to make it slightly better, that's all right, but this is what I have been wanting to do for a long time. You appoint your men, and I'll ask Leahy,

Souers and representatives of the Justice Department to meet in Admiral Leahy's office. We met there and listened to the arguments of the Budget people who were, in effect, co-authors of the State Department plan. And we told them that the President had said he wanted our plan, and if they could make any suggestions for a workable improvement on it, we were willing. The Justice Department was representing Mr. Hoover and reflecting his viewpoints. Mr. Hoover wanted to insert a paragraph which would state that the FBI was responsible for all investigation within the continental limits of the United States and the Territory of Hawaii and Puerto Rico. I volunteered the suggestion that we simply state that the Central Intelligence Agency had no responsibility for internal security within the United States and its ~~tributaries~~ territories (?). We all agreed to it, and the President issued an executive order on or about the 20th of January 1946. The institution was immediately put into operation...by the contributions of the officers and personnel of the State Department and the War and Navy Departments.

(What was its name?)

Adm. Souers: It was the Central Intelligence Group serving under

the direction of the National Intelligence Authority. The National Intelligence Authority consisted of the three secretaries, above named, a representative to be designated by the President who happened to be Admiral Leahy, and a director of Central Intelligence who would serve on the Authority without a vote. I was designated that director.

(You were the first director?)

Adm. Souers: It was understood that I would serve until the three departments and the President could agree upon a permanent one. There had been such a feud over the issue that they could not agree on someone who would be satisfactory to all. So I fell heir to it until they could agree on a permanent director. In about six months I recommended, and all parties agreed to, General Hoyt Vandenberg, who was then G-2 of the Army, to be the director. My reason for recommending his appointment was two-fold. First, the President didn't want it in politics, and Vandenberg seemed to symbolize the non-political angle - but it was nice that he was a nephew to the Senator, because we had to keep in mind that we needed legislation to finally set up the agency as an independent agency under the President....

(Could we go back to the origin of the thing? It's not too clear yet. Who originally conceived the idea and wanted it on a White House level? Why did the President need a central intelligence agency?)

Adm. Souers: There were two angles. First, I have explained why I was for it. I had seen the Army and the Navy and the State Department just duplicating efforts, and nothing came up correctly as was intended. One result of this was Pearl Harbor. It was easy to see intelligence in the government, but it never did reach the top level that should have had it in proper form. If it was communication intelligence it would be whispered maybe to Admiral Stark or Secretary Knox. They would say "Uh-huh" and then forget it. My feeling was that messages like that should be evaluated and placed on the desks of all concerned. If intelligence had been available in that form before Pearl Harbor, it might have eliminated the disaster that occurred. I had been plugging at it from the beginning. I served on Eberstadt's committee which wrote the chapter on intelligence which gave arguments for a central intelligence agency substantially the same as was finally worked out. But who started the President on it I wouldn't know. It may have been Jack Vardaman. He was in on it. I had

talked to him. He was dissatisfied with the intelligence handled by the OSS, and he felt that Donovan wasn't doing much of anything except writing books and making speeches and propagandizing his own great achievements. And he was determined to stop that and said he would order it dissolved, and he did, as you remember. He ordered part of it into the State Department; he ordered a part into the War Department. At that stage I had not been in contact with President Truman. We were trying to beat that order. We knew it was coming. We tried to have him hold up on that order until we could determine what we could use out of the organization and what we could not. A communication went over from the Joint Chiefs to the President to take no action, but the President got the other an hour before from Harold Smith. There was no doubt what the President wanted, but anyway ours was held back, and the President signed theirs. That order was published immediately transferring the two parts as I stated. The President must have had it in mind that he wanted a central intelligence outfit. He wanted to know what his own secretaries were doing, because shortly after, or immediately after, the Central Intelligence Agency was formed, we had quite a row. He wanted a digest every day, a

summary of the dispatches flowing from the various departments, either from State to our ambassadors or from the Navy and War Departments to their forces abroad, wherever such messages might have some influence on our foreign policy. For instance, the Navy might send a cruiser to the River Plata to try to influence Argentina. The President thought he ought to know that. And I had a feeling that Secretary Byrnes didn't keep him properly informed. I'm sure he didn't. He wanted this daily summary to keep him fully informed on exactly what was going on. And we had a fight with Byrnes. He objected strenuously to that on the grounds that that wasn't intelligence, and under a strict interpretation of intelligence, it wasn't. Intelligence is information properly evaluated about foreign countries, and this was operational. It was a report of what they were doing within the United States. Byrnes said it was up to him to report that to the President, that it was solely within his jurisdiction to report to the President. Therefore, he was opposed to it. Admiral Leahy spoke up and said, "The President wants it this way." And Byrnes said, "I ask that no action be taken until I see the President." He saw the President, and the President was adamant that it should be handled

his way. But that was what the daily summary was. He needed that intelligence to find out what his own people were doing. That was right after January 20 (?) 1946, near the time of Byrnes Moscow episode...Mr. Hoover was always very jealous of his prerogatives, and he didn't want any investigatory forces existing within the United States, particularly in the security field. Incidentally, he opposed the organization of the Central Intelligence Agency because he was already in the foreign field in South America and, I think, in some capitals of Europe. So he was bitterly opposed and so expressed himself. But when the die was cast, he recognized the necessity for it and that it was going to go forward. He wanted no [redacted] conflict in the United States, and he continued for a while in South America. The President expressed himself as opposed to his being down there. That was passed on to the Appropriations Committee, and they withdrew [redacted] two or three million dollars that had been voted for that purpose. My own feeling was that it was wrong to stop him from doing it there because he was already operating, and we couldn't hope to get all the rest of the things done that we needed to do to replace it. It wasn't our idea to diminish our sources of intelligence.

My feeling was that South America was primarily a Commie sort of thing and should be left with him, and that we should confine ourselves to finding out what the Russians were doing in Europe and/I knew that we were going to be overtaxed to get that done. The President agreed, and Hoover got his money back within a year. His budget was restored to him by that amount. Vandenberg, however, was eager to build up a big machine, and he had a good chance to do it in a quick stroke. A month after he was in, he caused it to be cancelled. Hoover kept the budget money, but Vandenberg took over the responsibility. He spent his time working out South America, and the rest of the world was left alone and uncovered. Hoover? I got along fairly well with him...The President was anxious to have our intelligence all in one overall group. He didn't want to have one man responsible for the world, one man for the United States and another for the rest of the world. Central Intelligence is counter-intelligence also, and it does do security work. It has to protect our men. It is a coalition of preventive intelligence, but it should not have any responsibility on the inside. If the CIA learns that agents are coming over, they should tie in with the man in charge of domestic intelligence and security

so that he takes over at the shore. Or if the Navy would intercept messages to the effect that XX agents were being planted here, they would go to the FBI....Hoover dealt through Justice officially. He always maintained the proper decorum. He gave his ideas to Justice, and Justice tried to carry them out.

(What was your role after Vandenberg became head?)

Adm. Souers: I went back into active duty. I had been ordered over there by the Navy Department as director. It was like an assignment, and I think the President did appoint me too, but I was ordered there to serve President Truman.

(You were on loan from the Navy...)

Adm. Souers: Yes. After I left, I served as consultant to Vandenberg. He didn't ask my advice very much except when he was in trouble. And in May 1947 I was sent back into civilian life. Louis XXX Straus, who was on the AEC, called me - I had gone to XXXXXXXXXXXXXXXXXXXXXXXX Mexico City, XXXXXXXXXXXX XXXXXXXXXXXXXX. He asked me if I wouldn't set up their intelligence and security in the AEC. He has always been hipped on security. I told him I would not take any job under any circumstances, but that I was coming back

up in three or four weeks. Anyway they offered me the job of director of security and intelligence - the whole commission did. I refused, but I said I would serve as a consultant. They asked that I make a survey and ~~XXX~~ recommendations, which I did. That lasted about four months, I believe - about three months. I finished that, and they agreed to tying it in with the CIA and placing their director on the advisory board of the CIA. We selected Admiral Ginrich as director of security and intelligence for the AEC. I then was on the loose again. I had been on active duty since 1940, and I felt I was entitled to get back to my business. Within a month or so I was called back by Secretary Forrestal and was told that the President wanted me to be Executive Secretary of the National Security Council. I protested and fought vigorously against going to work, but when he announced that it was not a question of turning him down, that the President was waiting. He said that the car was waiting and that we would go see President Truman. That was about nine o'clock in the morning. That was about August, I think, just after the act had been passed, to be ~~XX~~ effective in September. It was called the National Defense.... No, that's not it. It was the act that created the Secretary of Defense,

the CIA, NSC - that whole bunch (NOTE: Look this up.) The National Security Council - that was to advise the President on all matters relating to the military and political situation throughout the world...The CIA was placed directly under the National Security Council. President Truman said he wanted me to take it over as a personal favor, but he said he would let me out any time I wanted to go, anytime I could tell him I had an organization set up that would run well. I continued on as Executive Secretary until January 1950, and President Truman named then the gentleman I had brought in as my possible, or potential successor, James S. Lay. I agreed to continue as a consultant to the President in the same field in which I had been working, and I spent most of the time doing that until January 1953. Our purpose was to develop in the National Security Council an organization which would serve as a staff no matter what administration might be in power. They were selected for their objectivity and their lack of political tie-ins. They were supposed to stay out of politics, because we had found, in studying its counterpart which had been set up in Great Britain in 1908 and which was known as the Imperial Defense Council, that great good could come from a continuity of staff work.

President Truman was always determined to keep politics out of national security problems. All the time I served with him in the areas above mentioned never once did he show any interest in partisan politics, either in the selection of men or on acting upon advice given to him. Really, for a man who was supposed to be partisan he was the most un-partisan man I have seen in that area. There's evidence enough that our plan is working out well, because three of the men that the President selected on my advice were re-appointed in the present administration: James S. Lay, the Executive Secretary, Mr. Gleason - Everett Gleason, and J. Patrick Coyne...

(You modeled it after the Imperial Defense Council, as of 1908...?)

Adm. Souers: Yes - They had the same Executive Secretary through the Second World War from the beginning. The man started as a captain or a major in the army and ended up as Lord Hankey....No, no. The General Staff in Germany wasn't the same thing at all. The Imperial Defense Council consisted of the Prime Minister, the Foreign Minister, and the secretaries of Navy, Army and Air, or whatever it was they had - plus a tie-in from the Treasury and the resources, the production end of resources,

and the fiscal, so that every time a foreign commitment was made, it was made after a full evaluation of the military, political and economic aspects had been considered. And that was the purpose of our National Security Council. We studied their plan thoroughly, and we took into account all the pitfalls they had encountered and how they were resolved. It was about 1952 when the successor to Lord Hankey - Lord Ismay - was over here with Churchill and Eden. I said 1952, but it was the time he was over here with Churchill and Eden to visit the President. (NOTE: Check this.) He spent several hours with Mr. Lay and me in the NSC going over our committee set-up, our staff set-up and our methods of operation, and he felt we had improved on some of theirs. One or two systems that we had put in he was going to recommend they put in back there. So I feel we did a good job of modeling in recognizing our two different forms of government. I mean, it's the President who has sole responsibility here; over there it's the committee end of it. I would like to state that I had known Lay when he was secretary of the Joint Intelligence Committee, an agency of the Joint Chiefs of Staff and the Combined Chiefs of Staff during World War II. I was very much impressed with him and had him for

my first employee when we set up the CIA, and then I brought him in as my assistant when I set up the NSC....Throughout our whole history the State Department had conducted our foreign policy without advising with or, in many instances, informing the military, even though the actions they took might well commit our country militarily. When the State Department found it could not attain the objectives desired by our government through peaceful means, it turned the problem over to the military, and the military then fought the war. Its objective was to defeat the armed forces of the enemy in the shortest possible time with the least possible cost. No consideration was given as to what we were going to do after we had defeated the armed forces of the enemy. When that was finished, then it fell back to the State Department to work out our conduct during the peaceful period. To anyone who has studied the problem it is obvious that in peace time the foreign and political people must consult with each other and the President must have their combined advice. If they disagree, it is he who decides what advice he takes. But at least he should know the implications of a foreign policy recommended by the State Department, from a military standpoint. The President, under

our system, is the sole maker of foreign policy. That is why we have a council. The Cabinet doesn't make decisions; neither does the Council. The Council is a group privy to the security aspects of government, and they are the ones the President should want to talk to and get their advice collectively and coordinated - and it must be done on a formalized basis. When his departmental people see something, it must be the same thing. The staff would fight for days over words, and then you would think they were in full agreement, but when it came to writing it up, they were not. And therefore it should be done in a formalized fashion. We didn't think we should have a Cabinet Secretariat, because the President didn't want his Cabinet to get too unified. They were departmentalized. Agriculture had one responsibility, Interior another. The Cabinet was not a common meeting place, except politically. The Council had only one responsibility, in the foreign field, militarily and politically. The Council offered the means by which you could have the authority of a Cabinet Secretariat. And we will have in the files of the NSC the reasoning that went behind every policy that the President fixes with the viewpoint of each of the secretaries and their departments on that issue. When

President Eisenhower came in, he could find our policies on every country and the way in which they were determined. Of course, he didn't have to agree to it, and his administration could change it, but he knew from what he changed it. When President Truman came in, he knew nothing about our policies or why they were made - and neither could he find it. That never will occur again as long as there's an NSC. The minutes of every meeting are written out precisely, and they are then passed out. Debates take place; changes take place; and it goes to the President with a recommendation that he do so and so. If the President approves them, the Secretary of the Council writes on them: "The President has approved NSC so and so." And he directs the departments and agencies concerned to carry out the terms therein. So, you see, it's very formal. Then those are bound - for each Council meeting. That doesn't detroy the system whereby the President is solely responsible for the making of foreign policy. And even though the President sits as chairman in the meeting and he appears to be agreeing, that is never the final step. The next day the staff sends the paper to him which says, "The Council met and considered such and such which met with his approval." Then he signs it; so it is always

his. I had feared at first that if the President sat in as chairman, he might express himself too quickly, and the rest of them would shut up and wouldn't have any opposition. And he should have it all before him, because he has to be fully informed when he makes a decision. The present administration operates a little differently. Ike is used to a General Staff, and he tends to think he is avoiding responsibility if he accepts the decisions of the Council. The Council should never decide. It is only advisory, but even so it is certainly fortunate he has such advice, because at least he has the right people giving him advice. It assures the President that they are not kibitzers who are giving it to him. I think President Truman missed the boat - because to him the NSC was a "super" intelligence agency, and he talked of me as the Chief of the Gestapo....The NSC was his means of knowing what those birds, the dumb-bells in the various departments, were thinking - so it was still intelligence to him. Your book hardly mentions the NSC - the CIA yes, but...

(There are many things missing in the book "Mr. President," because it was gotten up hurriedly...)

Adm. Souers: But your book was reflecting his viewpoint, because I

had heard it many times. Admiral Leahy and I were his chief constables. We kept him informed on what they were thinking and doing. To me one of the greatest things, departmentalwise, was his creation of the NSC and its counterpart, or subsidiary, the CIA. Because, every time the Council is about to consider some policy - what do we do about Southeat Asia, for instance - immediately the Council requests the CIA to come up with an estimate of the effects of so and so, if we do it. The director of the CIA sits on the staff of the NSC and advises as they go along. He goes back and comes up with an estimate and that estimate represents a cross-section of the judgment of all the advisory councils of the CIA which are: G-2, A-2, ONI, the State Department, the FBI, and the AEC representative - the Director of Intelligence of the AEC. So that when the estimate comes up to the policy makers they have the best coordinated judgement, the best of all the intelligence of all those organizations as well as the CIA, plus their own judgment. We debated a long time whether we would defend Formosa back in 1951. The Joint Chiefs said that with 2 and 1/3 divisions we could not defend it. The State Department - Acheson - would write a memo to the Secretary of the Council that the Joint Chiefs

say we should use all economic and political means to prevent it from falling into the hands of the Reds. Suppose the economic and political means are not adequate. Is it still of such strategic importance that we should use military means? Well, he had quite a time making them stand pat, or face up to it. Finally, they said, "No, even if we have to take it after a war begins, we can't take it now." And the President approved that. It became government policy. Acheson was always [redacted] blamed for giving up Formosa, but it was the Joint Chiefs.

(Was that concurrent with the 7th Fleet being ordered...?)

Adm. Souers: No, that was way back. But Acheson was blamed for giving up Formosa. They attacked him for that. It was part of our policy which was to withdraw our troops from Korea in 1948. Louis Johnson and State didn't want to do that. But President Eisenhower, who was then Chief of Staff, urged it. The Secretary of Defense said, when Louis Johnson came in in April 1949, "If those troops are not out in one month, the State Department has to pay for them." So there we were. Acheson announced that it was another line of defense, that didn't include Formosa and Korea, but he was just enunciating policy that had been passed

on because of the strong representation of the military. Maybe the military should not have influenced it, but they felt without mobilization of the whole country, you couldn't hold it. That was all. That was in 1948, but when we went back into Korea, the President took advantage of the situation to stick the 7th Fleet in between Formosa and the mainland.....The President created the NSC, and I think it will be with us for life. Forrestal tried to make it a different instrument... it was wrong, but the way it was finally developed to suit the White House is the way it is now, and it's good - perfect. It's an advisory outfit. I was under pressure from the Forrestals and the Eberstadts, and from Johnson, who said, "You're the director of the Council. You should do things." I said, "I am not, or the legislation would have said that. It was changed to Executive Secretary, and for a reason. All I am is Secretary of the staff. I can't direct Cabinet members, and I should not. I am solely the catalyst to see that the members of the Council and the staff work to carry out its duties and to make sure the President gets coordinated advice on every issue." I always maintained that position - to give him the view points of each, but not to try to

sell him on one viewpoint against another. I felt that if he had a Secretary of State, why would he have the Executive Secretary telling him it wasn't any good.....What did we talk about in the morning? The normal morning's meeting was of a routine nature in that I would cover any specific thing we had which he was going to have to consider. I would give him the staff paper long before it was finally approved by the departments. I had on the staff a deputy from each Cabinet member - he was called a consultant to me. And I had Admiral Sherman from the Navy and Norstad from the Air Force and - (?) - from the Army. They would give and take. For instance, in the Greek situation it was: "Do we throw in a battalion of Marines or do we look to Salonika to cut off the neck....?" When it was finally threshed out and we had reached an acceptable solution, I would send copies to the Secretary of State and the Secretary of Defense and state that it was being submitted to them for their [redacted] consideration and that it would be placed on the agenda. I would take it to President Truman and explain the issues and what seemed to be the line of State, Navy, the Army, and Air Force. You would have great differences between the military. We would study the issues as they came up, and I