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**OFFICE OF REPORTS AND ESTIMATES**

**MONTHLY REPORT**

**APRIL 1948**

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### MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

Subject: ORE Status Report: April 1948

#### I. The CIA Intelligence Plan.

There has been no important change in the Intelligence Plan during April. Annex "C" below showing the status of Staff Intelligence includes such changes as were made during the month.

#### II. Intelligence Production.

##### 1. Current Intelligence.

In addition to the regular Daily and Weekly Summaries, one report of the CIA Series and one Special Evaluation were published. A list of the topics covered in the Weekly Summary is appended as Annex "A." A review of the list indicates that the Western European and Far East/Pacific Branches continued to carry the heaviest burden in the production of current intelligence for the Weekly Summary.

A review of the items in the Daily Summary indicates that the Western European and Near East/African Branches carried the heaviest burden of production for that publication.

##### 2. Basic Intelligence.

Pending approval of the NIS program three non-IAC agencies, Agriculture, Interior, and Commerce, have been examining the adequacy of basic intelligence production capabilities to determine what measures are necessary to meet their portions of the recommended program.

Past experience has shown that the production capabilities of the Government Printing Office plant in South Building are not entirely satisfactory. In view of the increased production that the proposed NIS program will entail, it is evident that augmentation of the Government Printing Office production rate must be attained to prevent delays in production of both basic and CIA staff intelligence.

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The Defense Project has been printed and distributed. A list showing the status of other basic intelligence studies is appended as Annex "B."

### 3. Staff Intelligence.

During April, eight Special Estimates of the ORE Series, four Situation Reports, and two reports of the "M" Series (Map Branch) were published. This represents a considerable increase over previous production of Staff Intelligence, although it is due in part to the carry-over of reports in reproduction during late March. A list of the scheduled and non-scheduled reports and estimates published or in process during April is attached as Annex "C."

### 4. Intelligence Presentations.

During April, one presentation, twenty-nine interrogations, and eight briefings were conducted. The presentation and interrogations were attended by forty-seven representatives of the Department of State, nineteen from the Army, fifteen from the Navy, and five from the Air Force. A list of the oral and graphic presentations, interrogations, and briefings is attached as Annex "D."

### 5. Scientific Intelligence.

It is becoming apparent that the Scientific Intelligence produced by the other intelligence agencies is primarily concerned with applied science (technological developments) rather than with developments in the field of basic scientific research. It is this latter field that is being emphasized in the planning for CIA's production of scientific intelligence. This divergence of interest may cause difficulties at a later date when the question of assigning collection priorities to collectors of scientific information arises. This possibility should be considered in the planning for utilization of scientific attaches.

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### **III. Intelligence Requirements.**

1. During April a new method of formulating requirements for information involving field collection was adopted. The Plans and Policy Staff of this office is assisting the Branches in the formulation of such requirements in order to:

- a. Frame the requirements in the light of particular source capabilities;
- b. Where long-range guide type requirements are not in order, frame requirements that will be capable of prompt fulfillment; and
- c. Make collection responsive to the requirements of the researchers rather than leave the latter at the mercy of the day-by-day flow of information from the field.

In the past, requirements set forth by ORE have caused remarkably small change in the flow of information from the field. The basic difficulty appears to have been the inability of ORE to control the collection priorities assigned to the various collecting agencies, inside of CIA and out. This is a basic weakness of the collection system that can be corrected only by higher authority. In the meantime, however, it is hoped that the new system for formulating requirements will improve the flow of timely and useful information insofar as improvement is possible without making a basic change in the collection system.

A resume of requirements submitted to OCD is appended as Annex "F."

### **IV. Adequacy of Intelligence Information and Intelligence.**

#### **1. Reporting from the Field.**

##### **a. Cable Traffic.**

During April the Department of State continued to supply over eighty percent of the cables upon which most Current Intelligence is based. The Army, Office of Special Operations, and Navy contributed the remainder.

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### **b. Field Reports.**

During April the Department of State continued to supply the largest volume of written reports from all areas, and the Army continued to be the second largest supplier.

### **c. Total Volume of Intelligence Information.**

During April the total volume of intelligence documents and cables handled by the various components of ORE was as follows:

Western European Branch . . . . .	7,190
Eastern Europe/USSR Branch . . . . .	5,725
Near East/Africa Branch . . . . .	4,401
Latin American Branch . . . . .	4,372
Northern Branch . . . . .	3,381
Far East/Pacific Branch . . . . .	3,245
International Organizations Panel . . . . .	2,448
Armed Forces Panel . . . . .	2,347

The quantity of information received during April was somewhat less than during March, although the Western European and Eastern Europe/USSR Branches continued to carry a substantially heavier burden in the processing of intelligence material than some of the remaining Branches.

### **d. Appraisal.**

There was no noticeable improvement in the general quality of the information received during April. It is likely that there will be no real improvement in the quality of the information received until the collection apparatus is given a thorough overhauling to make collection responsive to the specific and timely requirements of the research desks.

During April, situations in Germany and Japan, both areas occupied by U. S. Forces, demonstrated the consequences of the inability of CIA to exert effective control of the U. S. collection apparatus. In Germany, in particular, Soviet deserters are either not being exploited properly for information or the information is not finding its way back to

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**ORE.** In contrast, the intelligence coming from the occupation forces in Austria, particularly that relating to the USSR, is valuable, timely, and comprehensive.

Two hundred and thirty requirements relating to northern China and Manchuria were cancelled by OCD because collecting agencies represented themselves as unable to collect the desired information. These were coordinated interdepartmental requests. It is hoped that eventually the U. S. intelligence information collection effort will be planned in terms of the research desks' requirements for information on which to base the National Intelligence required by the makers of National Policy.

**2. Intelligence Coverage by CIA.**

**ORE 16/1, "Soviet Objectives in Latin America,"** dated 1 November 1947, stated in part:

"It is further estimated that in the remaining Latin American countries  Communist undercover penetration of strategic spheres of the various economies is already such as to permit the USSR . . . to precipitate in the several Latin American countries, economic crises that would oblige the US to choose between fiscally expensive programs of emergency aid on the one hand, and the politically expensive step of denying such aid on the other hand."

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The paper warned specifically against Communist emphasis on preparation for undercover activities including "arming for uprisings in and guerrilla attacks upon areas and facilities of strategic importance." The Department of State and the Navy registered dissents to this analysis and the Army concurred with comment. In view of Communist exploitation of the riots at Bogota it would appear that in this respect ORE had adequately assessed Communist capabilities in Latin America. On the other hand, while it is obviously beyond the scope of the Intelligence function to predict the time and exact character of such outbreaks as that at Bogota, it is believed that none of the intelligence agencies in Washington published timely analyses of the basic factors, both those common to most Latin American countries and those particularly applicable to Colombia, that created an unstable situation that made the outbreak possible.

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**3. Intelligence Coverage by Other IAC Agencies.**

During April the Eastern Europe/USSR Branch made a study of the finished intelligence received by that Branch from the other Intelligence Agencies. Their conclusions were that, in general:

- a. The reports were not timely;
- b. They contained little new information; and
- c. They made little or no new contribution to the analysis of situations in the area covered by the Branch.

ORE is looking into this situation further in order to determine what remedial action can be taken.

**V. Efforts to Facilitate Intelligence Research and Production.**

**1. Coordination and Liaison.**

Liaison between various regional desks in ORE and the Office of Special Operations has improved recently. It is hoped that improved liaison will result in a better understanding by OSO of the desks' requirements for information. Similar liaison has been established and is operative at the Planning levels.

**2. Relations with Other IAC Agencies.**

**a. Dissents and Concurrences.**

During April there was only one dissent to a CIA publication on the part of an IAC agency. This was a dissent to ORE 10-48, "Consequences of Certain Courses of U. S. Action in Greece," by the Department of the Army. In all there were twenty concurrences, twelve concurrences with comment, five concurrences after revision, one dissent, and six occasions of no comment recorded during April.

**b. Working-Level Liaison.**

Normal working-level liaison was maintained during April with all IAC agencies.

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**VI. Difficulties and Problems.**

1. A difficulty encountered in recent weeks by the various Branches, Panels, and Groups has been the lack of sufficient copies of intelligence documents to permit all persons interested in a document to see it while it is still timely, or to retain it in working files. The shortage of copies has caused the Branches to request an increasing number of document reproductions. It is believed that having a document reproduced is more expensive and less efficient than obtaining additional copies from the producing agency in the original distribution. It is hoped that this situation can be corrected under new procedures being developed by the Reference Center.

2. The shortage of clerical personnel is causing increasing difficulties to the producing components. Various Branches are operating with one typist currently available to handle the typing for the entire Branch. Information Control clerks are swamped. A resume of the personnel situation is appended as Annex "G."

  
THEODORE BABBITT  
Assistant Director  
Reports and Estimates

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## ANNEX "A"

**CURRENT INTELLIGENCE REPORTED DURING APRIL 1948****WEEKLY SUMMARY**

Listed below in chronological order under regional headings are the Articles and Trends in Brief which appeared in the Weekly Summary during April 1948. Articles are marked with an asterisk.

**General**

Continued Soviet advocacy of partition for Palestine	9 April
Increasing number of incidents involving US aircraft	9 April
Most-favored-nation treatment for Germany in CEEC charter unlikely	9 April
Chinese probably to deny open river ports to US	9 April
Prospects for a Palestine settlement poor	16 April
Concern of USSR over its weak position in Far East	16 April
Recent Jewish military successes in Palestine	30 April
Soviet Union's decision to occupy its seat in UN Trusteeship Council	30 April
Reawakening of German initiative in international trade	30 April
UK may initiate efforts to settle Antarctic questions	30 April
Long-expected breakup of the WFTU	30 April

**Western Europe**

* Italian Pre-Election Trends	2 April
Communist influence in Scandinavia	2 April
The projected development of French North Africa	2 April
* Diminished Communist Capabilities in Italy	9 April
Non-Communist members of Italian CGIL may withdraw	9 April
British objections to return of Italian colonies	9 April
Recent Soviet walkout from Allied Control Council	9 April
Possible Soviet clandestine activity in the Ruhr	9 April
Franco's reliance upon Argentina	9 April

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De Gasperi's Christian Democrats and the Italian elections	16 April
Success of French Government's economic stabilization program	16 April
Indication of Soviet efforts to break up Berlin four-power administration	16 April
Recent elections of the Algerian assembly	16 April
* New Soviet Attitude Toward Austrian Treaty	23 April
* The Effects of the Election on Italian Labor	23 April
Recent preparedness steps by the UK	23 April
Sporadic strikes can be expected in France	23 April
French fears of likelihood of Soviet attack on western Europe	23 April
Resistance to Communist-inspired strikes in Berlin	23 April
* Post-election Problems in Italy	30 April
Political stability of German ports (Hamburg, Bremen, and Emden)	30 April
Communist-inspired wildcat strikes in Essen, Hamburg, and Frankfurt	30 April
Deadlock over transport problems in Berlin	30 April

**Eastern Europe**

Soviet diplomatic measures to influence Italian elections not expected	2 April
Current Soviet propaganda attack on Norway and Sweden	2 April
USSR-Finnish treaty of mutual assistance	9 April
Communist Government in Czechoslovakia	16 April
* Prospective Communist Strategy Following the Italian Elections	23 April
Increased military activity by USSR in eastern Germany	23 April
Recent measures adopted by USSR	23 April
Shipping agreements between Czechoslovakia and Poland	23 April
Czechoslovak armaments being shipped to the USSR	30 April
Yugoslav, Rumanian, and Bulgarian diplomatic relations with the US	30 April
Communist activity in Finland	30 April

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**SECRET****Near East-Africa**

<b>* Instability in Iraq</b>	<b>2 April</b>
Recent Soviet note to the Iranian Government	2 April
Arab willingness to accept a UN trusteeship for Palestine	2 April
Soviet efforts to profit from Middle East unrest	2 April
India-Pakistan relations have generally improved	2 April
Recent Greek Army successes	9 April
The short-lived strike of the Egyptian police	9 April
Intensified Soviet campaign of intimidation against Iran	16 April
Severe criticism of US Palestine trusteeship proposals	28 April
Early participation of Transjordan Arab Legion in Palestine fighting	30 April
Continued shutdown of Haifa oil refinery	30 April
Revival of Iranian claims to Bahrein islands	30 April

**Far East**

<b>* Serious Labor Unrest in Japan</b>	<b>2 April</b>
<b>* Diminished Communist Threat in Burma</b>	<b>2 April</b>
Soviet activities in Korea	2 April
Philippine Department of National Defense	2 April
<b>* The Chinese Presidential Election</b>	<b>9 April</b>
Control of Siamese Government by military extremists	9 April
Pyongyang conference of North and South Koreans	9 April
<b>* The Military Situation In China</b>	<b>16 April</b>
Chinese dissatisfaction with Sino-Soviet relations	16 April
Sudden death of Philippine President Roxas	16 April
Current Dutch-Indonesian Republican negotiations	16 April
Armed clashes in Burma	16 April
Postponement of North Korean "unity conference"	16 April
<b>* Political Disintegration in China</b>	<b>23 April</b>
92% registration of South Korean electorate for UN-observed election	23 April
Jose P. Laurel's exploitation of Philippine political situation	23 April
<b>* Weakened Position of Chiang Kai-shek</b>	<b>30 April</b>
<b>* The New Phibun Government in Siam</b>	<b>30 April</b>

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Instability of the National Government in China	30 April
Indochinese Vietman propaganda attacks against the US	30 April
Recent change in the Burmese Cabinet	30 April
Critical situation in Korea has been intensified	30 April

### Western Hemisphere

* Balance of Power Among Caribbean Countries	2 April
Early rebel victory in Costa Rica indicated	9 April
Stability of Colombian Government continues uncertain	16 April
Peron may be forced to place more reliance on Argentine Army	16 April
Current presidential campaign in Panama	16 April
Growing dissatisfaction with regime of President Aleman in Mexico	16 April
Reports continue of Soviet submarine activities in Caribbean	23 April
Formation of Costa Rican military junta is expected	23 April
Further deterioration in Argentina's foreign exchange position	30 April

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**SECRET****ANNEX "B"****STATUS OF BASIC INTELLIGENCE PROGRAM**

	<u>Percent of Completion</u>	<u>Deadline</u>
JANIS 312 (Argentina)	90%	15 June 1948
NIS - Turkey (Tentative)	81%	1 July 1948
JANIS 71 (S. Central China)	70%	1 Aug. 1948
JANIS 40 (European USSR)	53%	1 Sept. 1948*
JANIS 41 (Caucasus Area USSR)	43%	1 Jan. 1949*

**NOTE:** Chapter breakdown of projected surveys is not feasible at this time and must await complete review of production capabilities which is currently being undertaken.

\* Expect to improve these deadlines with increase of personnel in Basic Intelligence Group and the Government Printing Office.

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