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DIARY NOTES

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14 June 1961

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1. Dick Bissell advised me that he could foresee a shortage of funds in Fiscal Year 1962 of several million dollars to meet the cost of clandestine operations. At the same time he has several million dollars of Fiscal Year 1961 money which is not going to be obligated this year. He therefore proposes to obligate some \$5 million for Project OXCART using Agency Fiscal Year 1961 funds for this advance. During Fiscal Year 1962 he will take \$5 million of the money transferred from [REDACTED] and use it for Agency operations. I told him that I saw no objection whatever to this provided the obligations to be incurred during Fiscal Year 1961 were, in fact, legal. He assured me that this would be the case. I also discussed this matter with Ed Saunders who saw no objection to this arrangement.

2. We have received <sup>a</sup>the reaction from the White House which indicates that they are very strongly opposed to a Committee on CIA. This is very gratifying, as well as interesting in a sense, since when President Kennedy was a senator he voted for a joint committee.

3. The President's Foreign Intelligence Advisory Board is meeting on Friday, 30 June, Saturday, 1 July, and Sunday, 2 July. The Director is expected to appear for at least two hours on Sunday to discuss (a) the internal organization of CIA; (b) our relations with the Department of State; (c) the relation<sup>ship</sup> of the Director to the National Security Council and to the President; and (d) the methods by which the Government should conduct covert action projects.

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4. Larry Houston advised me that he had received still another letter from Mr. [REDACTED] in the Office of Training about <sup>his</sup>the retirement problem. I told Larry that I would recommend he not answer this letter but agree to meet with him if he so desired.

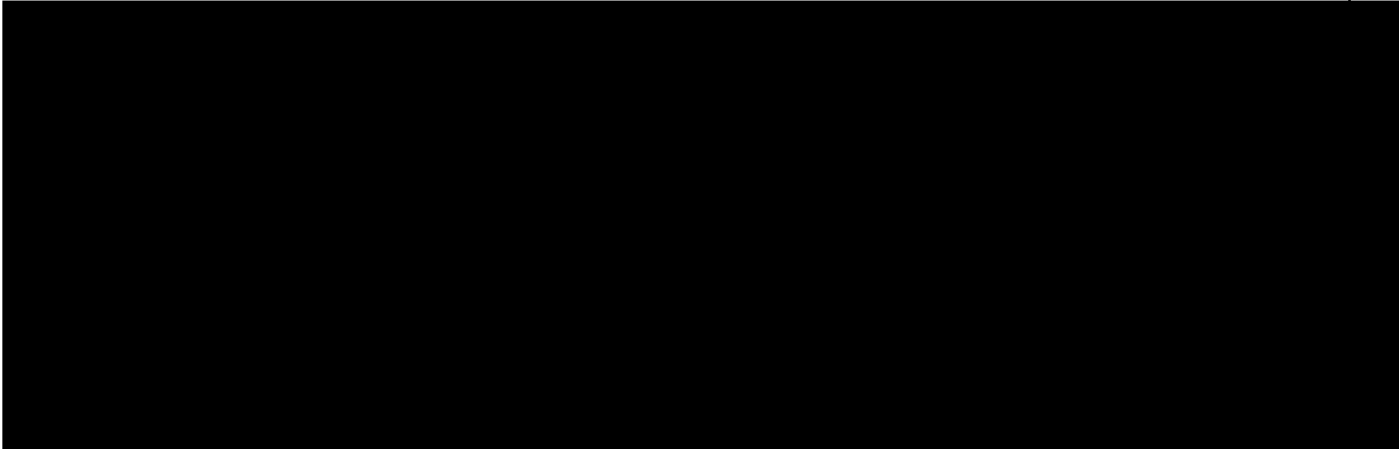
5. Ed Saunders telephoned to say that he had been asked to arrange a briefing for Mr. Hansen of the Bureau of the Budget, Mr. Belk of the National Security Council Staff, and one or two others who constitute a special task force to study certain areas of the world. I told Ed that while I thought that this should be a proper Department of State function I saw no reason why we should not give it if we were asked and suggested that he get in touch with Bob Amory and make the necessary arrangements.

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a. I assembled such a meeting at 0900 on 15 June. It was somewhat discouraging to try to lead this group in common action since there is so much ill feeling between DPD and CAT. They have a tendency to fight their past battles all over again and to use specific instances to prove their points rather than accept one or two fundamentals, principles or objectives and at least attempt to work in harmony to get on with the job. I believe, however, that we came out with a firm understanding that the Agency did not believe that CAT had the <sup>Comptroller</sup> candidates in its present setup to do the things which must be done in a paramilitary situation such as that which we have experienced

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██████████ CAT, therefore, has to beef up its capabilities so as to provide in one man the qualifications of a Station Manager, Base Commander, and Operations Officer. This man must have the necessary stature to be able to perform in a semi-military capacity.

b. It was agreed that Colonel Beerli would give us a paper by the close of business on Friday, the sixteenth of June, which would set forth their requirements. We would then send this out to the field and ask the CAT Field Organization to come up with a plan which would meet these requirements. I also undertook to write a philosophical piece ██████████ to go along with whatever else is laid on the field in the way of requirements.

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