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Security Information
Official Diary

Monday, 21 July 1952

1. At the Deputies' meeting, mentioned the obscure nature of information from Egypt respecting the resignation of Sirry Pasha.

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25X1X6 2. Requested [redacted] to send me a copy of the report on the [redacted] notebook and later received same.

3. Reviewed memorandum containing a rather diffuse discussion of intelligence and policy forwarded by DAD/SI to AD/NE, copy given to [redacted] of PSB. I indicated to [redacted] that memoranda of this type should be sent to CIA representatives on the Senior Staff and should not be disseminated outside the Agency until this had been done. Confirmed this by a memorandum to [redacted] forwarding the [redacted] memorandum with attachment. Also phoned [redacted] and indicated that the Agency took no responsibility of any kind for the statements contained in this memorandum and that I personally was in disagreement with many of them. Also called this to the attention of Amory, because much of this discussion involved economic intelligence.

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25X1A9a 4. A possibly related matter is the fact that I requested Mr. [redacted] to have O/SI recall an O/SI report allegedly on Soviet and Chinese jamming capabilities. The body of this report did not cover in any adequate way the subject indicated in its title, and the report itself, at least to me, seemed extremely superficial. There is a serious question in my mind whether or not some stricter publications control is required in O/SI and I shall talk with Dr. Chadwell about this as soon as he returns.

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6. With Messrs. Amory and [redacted] lunched with [redacted] and then received a briefing on the intelligence activities of his division, which has jurisdiction over all operational penetration of the USSR and Satellites.

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7. Mr. Amory complained to me respecting the reduction of personnel in [redacted] which was lowering the quality of the reporting we were receiving. I informed him that this reduction had been made, in part, upon the advice of Gen. Smith, but expressed the view that we could most appropriately comment upon the quantum and quality of the

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reporting we were receiving. I suggested that he prepare a memorandum on this subject which I would put to the General and to State. This keys in with a comment made to me recently by Adm. Stevens, who complained at the dropping of the Moscow Embassy's quarterly report. It is now an annual report.

8. Mr. Amory discussed with me briefly certain difficulties that were being encountered on NIE 59 respecting trade, the issues being very similar to those discussed in Mr. Kennan's recent cable on this subject.

9. Also discussed briefly with Mr. Amory the [REDACTED] 25X1B4d
problem. My general tentative conclusion on this subject, after reading the pertinent papers, is to continue cooperation between OO and O/RR but to change the emphasis, giving O/RR substantially complete control over the process from the point of [REDACTED] but retaining OO team members to make contacts, etc. At the end of six months this situation can be reviewed, to see whether O/RR is measuring up to its plans of accomplishment. One important factor in this decision is the development with respect to

25X1B4d [REDACTED] constituting a service of common concern for the military and non-military agencies. This, to my mind, removes the most serious concern as to taking the major portion of this function from OO, namely, the question of whether or not the intelligence information will be disseminated to Agency consumers.

10. Discussed with [REDACTED] my suggestions as to the current revision of NSC 114. As respects the next meeting, I felt that we should concentrate our fire on supporting the proposal for a reorganization of the outline. As a matter of tactic, this should probably be handled by having the revised outline suggested by Defense, with CIA supporting the Defense position. There were two points which troubled me about the current draft. First, I was opposed to the use of the term "free world", without definition and qualification. As used in this paper, at points, this term is affirmatively misleading. Second, I did not feel that the paper took into account a factor that was of definite significance, in my view. The United States is going to have to reconcile itself to a further expansion of the "authoritative" states, although not necessarily Communist states. It was perfectly obvious that in a number of situations representative or democratic governments were unable to organize the country effectively to support Western policies and in some instances this would lead to right-middle coalitions in support of an authoritative government. In the case of Yugoslavia, we had even found it within our capabilities to support a Communist government. As presently written, however, the paper does not conceive of these possibilities. I felt that

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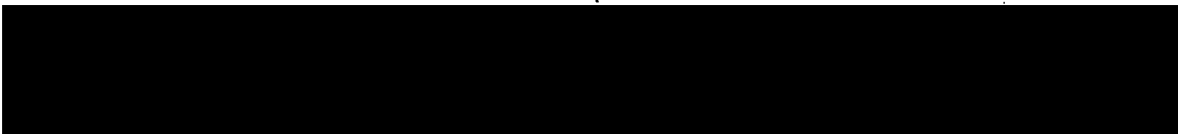
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a simple qualification explaining the variety which our ideological program might take would be advisable. J

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