

~~TOP SECRET~~

25X1

E. USIB Has a Limited Role in Program Evaluation

108. As noted in paragraphs 46 and 47, John McCone considered that the President's directive of January 1962 meant that he was to concentrate on improving the overall management of the intelligence community, as well as providing the substantive national intelligence required by the President and the NSC. As specified in that directive, Mr. McCone carried out his program review functions primarily with the heads of the departments and agencies concerned. The USIB however participated in some limited but significant reviews and evaluations of various intelligence programs which were carried out under USIB auspices during the November 1961 to 1963 period. Some of these stemmed from the approved recommendations of the Joint Study Group (JSG), while others were initiated at the direction of Mr. McCone based on his management experience in business and government and on his concern with improving the efficiency and effectiveness of intelligence programs in light of their increasing complexity and costs.

109. The transfer of most program review functions from USIB to the DCI in consultation with responsible department and agency heads was

~~TOP SECRET~~

25X1

TOP SECRET

evidenced in February of 1962 when the Board considered proposed instructions for reporting FY 1964 foreign intelligence plans and programs developed by the DCI Coordination Staff pursuant to the approved JSG Recommendation No. 32 calling for such an annual review by USIB and the DCI. These instructions based on experience with the FY 1963 efforts in this field (paragraph 39 above) were designed to facilitate reporting and provided more meaningful information. Each agency's report was to include an introductory statement summarizing the principal objectives, highlights and features of its contemplated program. Then significant FY 1964 variations from recorded in terms of FY 1963 were to be / pertinent increases, decreases, terminations and new activities with order of magnitude data. Finally long range implications were to be included if applicable to FY 1965 and beyond. At the USIB meeting on 28 February, Mr. McCone referred to his overall coordinating responsibilities and emphasized the increasing importance for that purpose of information regarding future plans and programs in the community such as could be derived through these instructions. The Board then approved the instructions as amended, calling for the reports to be submitted to the Assistant to the DCI for Coordination by 10 May 1962 for consolidation, analysis and presentation to USIB in June after which the department and

TOP SECRET

TOP SECRET

[redacted]

agency heads were to be apprised of the Board's views. 204/ This was the last USIB action taken in response to JSG recommendation no. 32. Henceforth any such overall reviews and evaluations of intelligence plans and programs were conducted under DCI auspices with the assistance of his staff.

110. Another review conducted under USIB auspices in accordance with a JSG recommendation covered the fields of counterintelligence and security which resulted in a Board-approved policy statement concerning these responsibilities. In June 1962 the USIB Security Committee submitted a report implementing JSG Recommendation No. 18 which called for the DCI to focus community attention on the important area of counterintelligence and security of overseas personnel and installations. The Committee recommended a policy statement defining responsibilities to ensure closer coordination among the components of USIB agencies in these fields. As approved by the Board in July, this stressed the need for (a) close coordination at all levels to assess and take effective countermeasures against the hostile threat, (b) broad dissemination and exchange of information concerning the efforts and capabilities of the opposition, (c) submittal as soon as possible of such information to the central counterintelligence repositories [redacted] (d) meetings in the

25X1

25X1

TOP SECRET

~~TOP SECRET~~

field of agency representatives having responsibilities of mutual concern [] and (e) initiation by agencies of a review of existing programs, regulations, practices and procedures concerning counterintelligence and personnel and physical security utilizing an attached guide of desirable practices and procedures.205/

25X1

111. A related Security Committee report regarding JSG recommendations no. 14 for a USIB review of existing compartmentation of sensitive information, had resulted in Board approval in April 1962 of recommendations that (a) USIB agencies conduct a periodic review of systems for allocating security clearances for access to compartmented intelligence to ensure need-to-know, (b) programs utilizing such intelligence be reviewed periodically to ensure that sufficient individuals to carry out such programs are granted access, and (c) USIB agencies consider including within existing interdepartmental systems of compartmentation any proposed new system established to control an activity in the collection or use of intelligence.206/

112. In October 1961, a recommendation by the President's Foreign Intelligence Advisory Board that USIB make an assessment with a view to improving the collection, coordination and analysis of intelligence concerning the scientific and technical capabilities of

25X1

~~TOP SECRET~~

the Soviet bloc was approved by the President and forwarded to the Chairman of USIB. The DCI Coordination Staff submitted three draft responses during May - December 1962, the last of which was considered by the Board in January 1963. This assessment found that intelligence on Soviet Bloc basic, fundamental scientific research, and on the identity and characteristics of end products of Soviet scientific and technical efforts in the early test stages was reasonable adequate although improvement could be made.

25X1

25X1

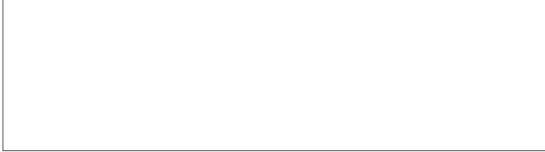
25X1

25X1

TOP SECRET

Declassified in Part - Sanitized Copy Approved for Release 2012/03/23 : CIA-RDP79M00098A000200080001-1

25X1



25X1

113. In January 1963 during consideration of a revision of the DCID No. 1/3 on Priority National Intelligence Objectives, USIB concurred in the Chairman's proposal to establish a special committee to review the basic concept, purpose and form of the PNIOs and make recommendations to the Board prior to the July 1963 revision. The committee consisted of Ray Cline, CIA DD(I), as Chairman and senior substantive representatives of State, DIA, NSA and BNE, assisted by the Executive Secretary of USIB.²⁰⁸ The report submitted by the committee in June ²⁰⁹ analyzed the requirements of NSCID No. 1, the underlying concepts, the problems of formulation and implementation, and the assignments of responsibilities related to the PNIOs. It noted that prior to 1954 the PNIOs listed

25X1

TOP SECRET

Declassified in Part - Sanitized Copy Approved for Release 2012/03/23 : CIA-RDP79M00098A000200080001-1

TOP SECRET

seven highly generalized topics related exclusively to Soviet capabilities and intentions for military and political warfare. The latest revision listed 47 PNIOs in four categories of relative priority, 27 related to Communist Bloc countries and the remaining 20 to 31 other countries. Consequently, it was considered to be overloaded with subjects which should be left to normal intelligence coverage under the DCID No. 1/2 on Comprehensive National Intelligence Objectives. Moreover USIB had never made comprehensive provision for systematic implementation of the PNIOs. The committee recommended a new form of DCID No. 1/3 which as amended was approved by the USIB in August.^{210/} This version first contained a ^{foreword} explaining the intent and purpose of the PNIOs. The new list of priority objectives presupposed that the bulk of intelligence required for formulating and executing national security policy would be the product of normal collection and research. Hence it identified for priority treatment specific critical substantive problems required for policy planning purposes, which meant preferment in the allocation of research and collection resources without warranting neglect of general and basic intelligence coverage. The directive was to serve as a stable basis for long-term intelligence planning, identifying critical problems likely to persist or develop during the next five years. It was to be reviewed and revised annually, supplemented by a quarterly listing of currently critical or potentially

TOP SECRET

25X1

critical situations looking forward for six months or so. The PNIOs as reconstituted contained only ten objectives with primary emphasis on those which were so critical as to pose an immediate and continuing military threat to U.S. security. The first objective was maximum prior warning of impending military attack on the US, its overseas forces or any country the U.S. was committed to defend.

25X1

USIB also assigned to BNE and the USIB

25X1

Representatives continuing responsibility for submitting subsequent revisions, and requested the Board committees concerned to report

TOP SECRET

25X1

~~TOP SECRET~~

to USIB any major modifications in procedures adopted and significant changes in actions to implement the new DCID No. 1/3. This concept and format of the PNIOs with Quarterly Supplements was continued with revisions as required until May 1968 when USIB based on a CIA study approved a new version consisting of six objectives which were defined as "those fundamental questions affecting national survival, which taken together constitute the most critical long-range substantive problems confronting the intelligence community as a whole." 211/ One of the principal reasons for this change in the PNIOs was that the Quarterly Supplement had become so routine over the years that it was felt to be ineffective and not really useful.

114. One of the most important program reviews and evaluations conducted by USIB during the period under review covered the National Intelligence Survey (NIS) program designed to provide essential basic intelligence required by the government. In November 1962 General Carter advised USIB of an informal internal review of this program conducted by CIA to determine whether the large work load and budgetary expenditures entailed were essential and whether chronic deficiencies in coverage and timeliness could be

~~TOP SECRET~~

remedied. At its 21 November meeting the Board, after noting the impending retirement of former Navy Captain Kenneth A. Knowles as the long-time Chairman of the NIS Committee and CIA Assistant Director for Basic Intelligence, concurred in General Carter's recommendation that the DCI Coordination Staff examine the overall concept of the NIS in light of any changes in needs for basic intelligence since 1947, and the facilities for meeting these needs since the conception of the NIS. This examination was to be on a broad community-wide base covering the NIS program and other basic intelligence activities, resulting in recommendations for USIB consideration.^{212/} In July 1963 the Coordination Staff submitted for Board consideration a proposed statement on the concept, direction and management of the NIS program and coordination with other basic intelligence programs. As explained in the report, this proposed statement limited the scope of the NIS to that basic intelligence required in support of planning by high-level planners and policy makers and their staffs, rather than the then existing NIS which was described as "a comprehensive digest of the basic intelligence required for the U.S. Government." By such a limit, it was intended that the program be reduced in size and complexity, much transient and perishable data be eliminated, and be maintained on a more up-to-date basis. The needs for the detail and perishable data contained in

the NIS would henceforth be met by departmental basic intelligence production. The Coordination Staff recommended that responsibilities for the NIS program be allocated to: (a) the DCI for overall coordination, (b) USIB for policy direction, (c) the NIS committee for general management, (d) USIB agencies for production and maintenance of NIS units and appropriate collection activity, and (e) CIA for editorial review, reproduction, dissemination and other support services. By contrast, under the existing statement on this program, CIA was charged with over-all coordination, the NIS Committee determined policy, and the program was not formally subject to USIB direction. Alternative recommendations regarding the chairmanship of the NIS Committee were submitted by CIA that its representative act as chairman, and by DIA that the chairmanship be rotated at two-year intervals between DoD and CIA. The Coordination Staff believed that the magnitude of the task and the annual expenditure [] emphasized the essentiality of an initial full-time chairman. At the 17 July USIB meeting, Mr. McCone stated that he agreed with the concept section of this report but did not agree with the section on direction and management. The Board

TOP SECRET

Declassified in Part - Sanitized Copy Approved for Release 2012/03/23 : CIA-RDP79M00098A000200080001-1

25X1

agreed to defer action on the report as suggested by the Chairman pending further discussion and report to USIB by Lt. Gen. William W. Quinn, Deputy Director of DIA, and Ray Cline, DD(I) of CIA, on the direction and management portion.213 Ray Cline reported to the Board that he and General Quinn had agreed that the NIS Committee consist of representatives of State, CIA, DIA, Army, Navy and Air Force, with the CIA representative as Chairman; and that CIA be responsible for general management of the NIS program.214 After agreeing upon changing the term "'general management'" to 'general administration', USIB at its 14 August 1963 meeting approved and issued the statement on concept, direction and management of the NIS program, as recommended by the Coordination Staff subject to the changes agreed upon by Ray Cline and General Quinn.215 /

25X1

25X1

Page Denied

Next 1 Page(s) In Document Denied

TOP SECRET

25X1

25X1

116. Of the above programs reviewed and evaluated by the USIB during this period, three of them were in response to Presidential directives based on JSG or PFIAB recommendations, one was a Defense Department request, and the remaining two were self-generated within the USIB structure by CIA. Those related to counterintelligence and security, to scientific and technical intelligence, and to the PNIOs were motivated by the need for improvement in each of these fields. The reviews and evaluations of the NIS program and of collection in Africa, while also seeking improvements, were generated primarily by problems of increasing resources and costs involved. In none of these cases however was the Board asked to appraise the

TOP SECRET

25X1

TOP SECRET

relative costs and resources required to meet the intelligence requirements. In Volume IV, it will be noted that the various USIB committees in formulating statements of requirements in their respective fields were increasingly taking account of the budgetary and resource implications. In addition, on occasion the Board committees were requested to evaluate the relative contribution certain collection or production programs, systems or vehicles could make in terms of meeting substantive intelligence needs, as one input to management determinations by other authorities under DCI, departmental or agency auspices as to which programs, systems or vehicles should be financed and supported.

117. At the 5 September 1963 USIB meeting, Mr. McCone after referring to the Board's actions on the PNIOs then referred to his responsibilities as DCI under the President's directive of 16 January 1962 to maintain a continuing review of the programs and activities of all foreign intelligence agencies, and to undertake the coordination and effective guidance of all elements of the intelligence community. He noted that he had to date discharged these responsibilities by using the USIB as effectively as possible and by working personally with the Secretaries of State and Defense, and other senior officials. He said that he

TOP SECRET

25X1

now felt that he should establish a small staff to support him as DCI in carrying on this work. He then read a memorandum he had prepared for the Secretaries of State and Defense, the Attorney General and the Chairman of the AEC, with copies for the President's National Security Assistant, the Director of the Budget Bureau and all USIB members. This memorandum announced the appointment of Mr. John A. Bross, a senior CIA career official, as Deputy to the DCI for National Intelligence Programs Evaluation, and directed him to organize a small staff. Mr. Bross would be responsible for reviewing and evaluating programs of the intelligence community as a whole, representing Mr. McCone as DCI rather than as Director of CIA. Initially the NIPE Staff would be concerned primarily with developing an intelligence activity inventory of the total intelligence effort as a basis for community-wide program evaluation. Mr. Bross would also review and evaluate for the DCI the actions of USIB committees and members to implement the PNIOs, submitting these reviews to USIB periodically. Mr. McCone hoped that Mr. Bross would have the support of all USIB members, and asked the members to advise him of any individuals believed to be particularly qualified to serve on the NIPE Staff. At the next USIB meeting Mr. McCone in response to

TOP SECRET

25X1

a question regarding this latter request explained that he and Mr. Bross would appreciate suggestions from Board members as to individuals particularly qualified and experienced for service on the NIPE Staff, but it was not intended that such staff members would be "representatives" of Board members or agencies. 222/
designed

118. This explanation was/to contrast the membership of the NIPE Staff with that of the DCI Coordination Staff, which was to be superseded and disbanded after it completed certain current projects during 1964. Pursuant to the approved JSG recommendation, the Coordination Staff was composed of full-time representatives from each of the USIB agencies, except FBI and AEC who designated liaison representatives. It had been intended that each representative based on considerable knowledge and experience in his agency would be able to serve and assist the DCI in coordinating the intelligence community in two respects. First he would be able to obtain from his agency the facts, views and opinions on any particular problem or project being studied by the Coordination Staff. Then together with the other staff members he would seek to develop the best possible solution from the viewpoint of the DCI and the intelligence

~~TOP SECRET~~

community as a whole. It was anticipated that he would also be instrumental in explaining and gaining support for this solution in his agency prior to Board consideration. In practice, however, since each staff member was spending most of his time working for the DCI on community problems, he generally began to lose close contact with senior officials in his agency and to have less influence and standing within that agency. In addition since the staff members had been selected and worked under Allen Dulles, John McCone never really considered that they belonged to him or that the general coordination studies they had made were the kind of program evaluations he required. He consequently decided to establish a new staff chosen by him to undertake appraisals using more of a systems analysis approach to assist him in determining which intelligence programs and projects met the intelligence requirements established by USIB in the most efficient and effective manner in terms of the resources and costs involved. He also believed, and experience in USIB confirmed, that such as USIB a board or committee/composed of the agency heads whose programs were being evaluated could not make the objective evaluations of those programs as well as a separate staff under his supervision.

~~TOP SECRET~~

Page Denied

Next 2 Page(s) In Document Denied