

ORGANIZATIONAL HISTORY OF CENTRAL INTELLIGENCE AGENCY, 1950-1953

Chapter II: MAJOR ORGANIZATIONAL REVISIONS, 1950-1953

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Chapter II

MAJOR ORGANIZATIONAL REVISIONS, 1950-1953

The organizational growth of CIA under the Directorship of General Walter Bedell Smith, was summarized by President Truman as the development of "an efficient and permanent arm of the Government's national security structure."¹ "No President," Mr. Truman observed in commending General Smith for his part in the accomplishment, "over had such a wealth of vital information made available to him in such a useful manner as I have received through CIA."²

Organizational Change vs. Organizational Stability

Several internal reorganizations figured prominently in CIA's development under General Smith, in the course of which CIA's Washington headquarters changed from some 17 offices and staffs, as of 1950, to some 23 such major components by 1953. In addition, there were less conspicuous organizational changes, both in headquarters and the field. Of major significance in this connection was new leadership, including (besides the new Director himself) the Deputy Director, three additional Deputy Directors (established as new

¹ Truman to Smith, undated, quoted by Smith in his farewell letter to all CIA personnel, 9 February 1953 (restricted); in "unnumbered regulations" file, in records of Management Staff, in custody of CIA Records Center.

² Ibid.

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positions by General Smith), and the heads of many of the operating offices in headquarters and the chiefs of many of the missions and stations in the field. There were also jurisdictional realignments among CIA's operating units, which did not necessarily change their names or organizational positions. Still other changes took the form of reallocations of budgetary assets or of specialized personnel among operating units, and revisions in the classification and description of some of the specialized categories of intelligence personnel that made up the Agency's professional corps. There were also numerous changes in operating programs, projects, and priorities which reflected the changing international situation, the progress of the Korean war, and the development of the "cold war" with the Soviet power bloc.

Nor were CIA's organizational changes a purely internal matter of promoting management and operating efficiencies within a growing headquarters and field establishment. Many, if not most of the changes, had external ramifications as well, and involved attempts to clarify and improve CIA's organizational position, its functional jurisdiction, and its working relationships among the other departments, agencies, and echelons that made up the Government's national security structure. In particular, there were organizational adjustments between CIA and the intelligence echelons in the State and Defense Departments, which historically had controlled a major part of the Government's foreign intelligence enterprise. Similarly, there were clarifications in CIA's position with respect to the

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policy and operational planning echelons of those Departments and of the National Security Council.

Although internal reorganizations and external organizational adjustments characterized much of CIA's growth between 1950 and 1953, this was also a period of organizational stability and continuity in certain major respects. Within CIA, for example, while much of its headquarters establishment was undergoing reorganization, a number of major components remained essentially undisturbed, at least on the Agency's organization chart. Externally, too, there were significant elements of stability and continuity, especially in the broad organizational framework of the Government's national security structure. For example, the same President under whom all of General Smith's predecessors had served, remained in office throughout General Smith's term as Director.¹ Although General Smith is said to have had more frequent personal contacts than his

¹Smith's departure from CIA at the end of President Truman's term was apparently without political significance. There had been public speculation, as early as 1950, that Smith would not stay in CIA indefinitely, because of his health. In November 1952, Smith expressed the hope to the CIA staff that ". . . while the Director himself must undoubtedly be a man whom the Chief Executive is willing to accept, and to whom he will give a certain measure of confidence, it is unlikely that you will ever have a Director whose status will change with changes in the Administration." Remarks at CIA's Agency Orientation Conference, Nov. 21, 1952 (Secret), re-printed in OTR Bulletin No. 1, Feb. 11, 1953 (Secret); in records of Management Staff, in custody of CIA Records Center.

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predecessor with the President,¹ the President's personal attention to CIA, which he sometimes called "my" intelligence service,² was probably not fundamentally different under the two Directors. Similarly, there was no basic change, in General Smith's time, in CIA's statutory relationship to the National Security Council. Under Smith, CIA continued to furnish the NSC's principal intelligence support; the director continued to sit on a member of the NSC, and CIA remained administratively responsible, by law, to that body.³

The Government's Organization for Intelligence in 1950

Nor was there any fundamental change in the organizational framework under which the Government's foreign intelligence programs and activities as a whole were conducted. These intelligence functions remained divided and decentralized among seven essentially autonomous

¹ Sidney W. Souers, Executive Secretary of the National Security Council, arranged "at once" for General Smith, after he became DCI in October 1950, to have a weekly conference with President Truman, thus "deliberately passing by the Council and the Secretaries of the Departments to the White House." See "Historical Staff interview with Souers, June 30, 1952, p. 23, in O/DCI/HS files.

² Historical Staff interview with Hillenkoetter, Oct. 26, 1952, in O/DCI/HS files.

³ In addition, CIA provided certain administrative services to the National Security Council. For example, the CIA Comptroller's Office regularly assisted the NSC Staff in preparing the NSC's annual budget and presenting and following its course through the Budget Bureau and the Senate and House Appropriations Committees. See CIA Regulation [redacted] (Secret), July 1, 1950, and January 19, 1951, editions; and CIA Comptroller's "Historical Notes . . .," 1945-1952 (Top Secret, TSP74650), in O/DCI/HS files.

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agencies¹, and in practice the activities of these agencies were coordinated under a variety of inter-agency committees and liaison arrangements, in which CIA participated in greater or lesser degree.

Of these seven major agencies, frequently called "the intelligence community" in CIA parlance, four comprised the long established intelligence components of the Army, Navy, and State Departments (now joined by the Air Force). In addition there was the Joint Intelligence Committee of the Joint Chiefs of Staff, together with certain other jointly operated intelligence facilities in the Defense Department, notably the Armed Forces Security Agency. Next, there was the Atomic Energy Commission which had had its own intelligence division, since the end of World War II. The seventh agency, of course, was CIA itself, less than five years old, with a substantial headquarters in Washington, a number of overt field offices within the United States, and various overt and covert missions and stations abroad, the latter mostly under the "cover" of State or Defense Department installations.

In addition to these seven principal agencies, among which the Government's foreign intelligence activities were decentralized, there were numerous participating organizations, on which the intelligence agencies individually depended for particular types of assistance.

¹ Eight agencies, if the Federal Bureau of Investigation is included. The FBI had had certain foreign intelligence responsibilities, for example in Latin America during and after World War II, but as of 1950 its intelligence responsibilities were essentially limited to domestic matters. Since 1949 the Director of the FBI had been a member of the Intelligence Advisory Committee.

Some of these were part of the Government's security structure, such as the Federal Bureau of Investigation, which had a direct relationship to the seven foreign intelligence agencies through its membership on the Intelligence Advisory Committee.

Also participating were certain other agencies which had domestic security responsibilities; and numerous "non-defense" agencies, such as, for example, the Interior and Agriculture Departments, which were contributing particular chapters to the National Intelligence Survey; and the Library of Congress and the Smithsonian Institution, which served as channels for collecting and indexing certain types of foreign publications of intelligence interest. There were many Government agencies which had particular types of research, administrative, or technical skills and resources to contribute to particular intelligence projects. For example, some 15 non-intelligence agencies were working on economic intelligence, as of 1950-51;¹ and some 25 agencies, in scientific and technological intelligence.² Still other participating groups were located administratively outside the Government. For example, there were the various private research organizations with which

¹CIA/OSI survey of the Government's economic intelligence programs and activities, about May 1951; issued as IAC-D-22 (Secret); copy filed in O/DJI/IR, under heading "IAC-1".

²Graphic organizational chart and procedural flow chart, no date, entitled "Scientific and Technical Information and Intelligence" (Secret), in O/DGI/IS, filed under "OSI".

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the intelligence agencies had "external research" or other contractual projects, and the numerous panels of technical consultants retained for advice on particular subjects.

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CIA's Responsibilities in the Intelligence Organization, as of 1950

CIA's functional responsibilities in this decentralized intelligence enterprise, as it was organized in 1950, were to be found outlined in the organic act of July 1947, which made CIA a statutory agency under the National Security Council, and in a series of directives issued by the NSC, between December 1947 and July 1950. The effect of the National Security Act and the NSC directives, as has been pointed out, was to establish a new intelligence agency without essentially disturbing any of those already in existence.¹

Thus, each agency had its own collection, interrogation, and information-gathering apparatus; and each had its own research and production programs for preparing any finished intelligence that was needed to support its own planning and operational echelons.

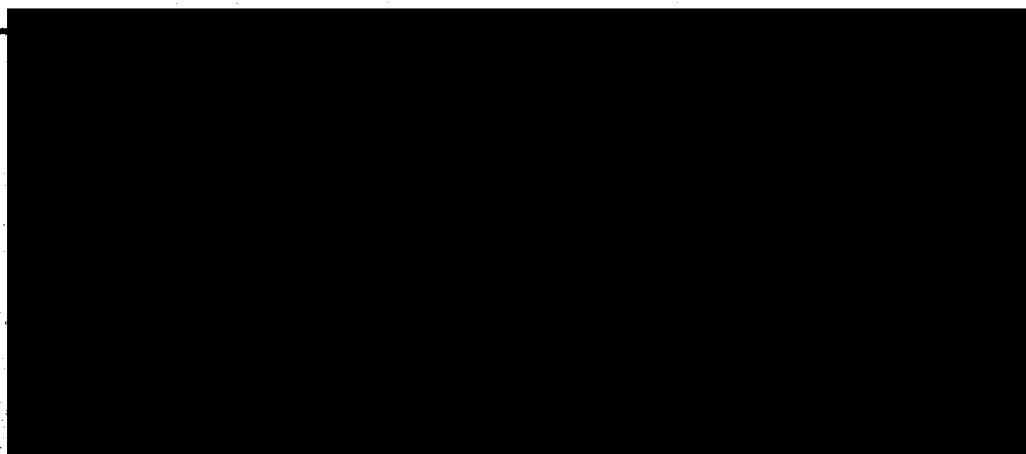
¹ See Chapter I, above.

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By implication, too, although the directives were not explicit in detail, each agency had its own facilities and systems for indexing, analyzing, and collating intelligence information.¹ Each agency also had its own arrangements for obtaining external research and other outside assistance from the non-intelligence agencies. Each agency, finally, had its own administrative and technical services, such as budgetary resources and controls, manpower procurement and training, internal security controls, and other "housekeeping" and internal-management services for facilitating and supporting its "substantive" intelligence programs.

Lest the result of this manifest duplication be an unduly compartmented system such as had had a part in bringing about the Pearl Harbor disaster in 1941, all agencies were exhorted to exchange information, finished intelligence, and collection and production plans. Lest there be unessential intelligence collection and production in particular fields, some attempt was made to clarify the part to be played in those activities by each agency.

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Thus, collection activities were divided among the seven agencies, partly on a subject basis and partly on a source basis. Overt collection abroad remained dominantly in the hands of the State Department's Foreign Service posts and in the Defense Department's military, naval, and air attachés and other field intelligence units. State was expected to collect primarily "political, cultural, and sociological" information, and Defense was to collect primarily "military, naval, and air" information, but the directives did not define these subjects. "Economic, scientific, and technological" information, on the other hand, was to be gathered by "each agency . . . according to its needs"; but regardless of subject, there was to be a "free and unrestricted interdepartmental exchange of intelligence information to meet recognized secondary needs of each department and agency." No agency was expressly restricted, in the directives, from procuring unclassified foreign publications and other so-called "open literature" for its own use, although the State Department did maintain a group of Publication Procurement Officers (PPO's), at some of its overseas posts, as a common service to the Government generally.

Other types of collection activities were organized on a source basis rather than by subject. Certain types of overt sources, for example, had been exclusively assigned to CIA, as a "service of common concern", including the following, as of October 1950:

- (1) foreign propaganda and news broadcasts;
- (2) domestic contacts

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in the United States, including both citizens and aliens but excluding research and library contacts, which were left to each agency according to its needs; and (3) the interrogation of refugees and defectors from the Soviet-controlled areas to West Germany.

Another category of overt sources, especially significant since the outbreak of the Korean conflict in June 1950, was the "captured sources" field. These sources, including prisoners of war, captured weapons and supplies, and captured documents, were controlled by the Defense Department, but were not specifically covered in the NSC directives.

Covert collection, on the other hand, was an exclusive responsibility of CIA, with exceptions. Certain counter-intelligence activities of the Army, the Navy, and the Air Force, together with other so-called "agreed activities" (not listed in the directives), which were regarded by the military departments as necessary for their operational security, remained undisturbed in the Defense Department. The collection of "special intelligence", finally, was organized according to still another pattern, as a service of common concern, in effect, that was managed not by CIA but by the Defense Department; and it was controlled by a separate board representing all agencies concerned, including CIA, and responsible to the National Security Council.

Similarly, jurisdiction over the production of intelligence had been divided among the several intelligence agencies. Thus,

the State Department had primary responsibility for work in "political, cultural, and sociological" intelligence, and the Defense Department for "military, naval, and air" intelligence. The fields of "economic, scientific, and technological" intelligence production, however, might be anyone's business, depending on an agency's individual needs. All these topical fields remained to be defined and divided further, after 1950. CIA, as has been said, had exclusive responsibility for supervising the cooperative production of two kinds of "national" or supra-departmental intelligence--national intelligence estimates (NIE's), which dealt comprehensively with the capabilities and intentions of foreign powers and power blocs; and national intelligence surveys (NIS's), which contained encyclopedic area information on individual foreign countries. A third kind of national intelligence--national "indications" of threatened hostilities--was not, however, specifically assigned to CIA, nor had it yet been listed or defined, in the directives which were in effect in October 1950.

Status of Inter-Agency Coordination and Leadership, 1950

In addition to its specific production and collection responsibilities, CIA had broad statutory responsibility, which remained unchanged from 1950 to 1953, for "coordinating the intelligence activities of the several Government departments and agencies," by means of advice and recommendations to the National Security

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Council, plus the right to make "surveys and inspections" of the intelligence agencies. In actual practice in 1950, however, CIA's inter-agency coordination responsibilities were being conducted, not unilaterally, but as an interdepartmental affair; and in some fields the job of coordination was in the hands of other agencies entirely. The several "ISCID" and "DCID" regulatory documents, for example, had all been developed jointly by CIA and the other agencies involved, chiefly through the work of its Interdepartmental Coordinating and Planning Staff, a group made up essentially of men on temporary duty from the several departmental intelligence agencies.¹ As to surveys and inspections of outside agencies, it is doubtful whether CIA had conducted any of them before or during 1950. None, at least, were mentioned in records seen in the course of this study. For the work of actually promoting inter-agency coordination and cooperation, CIA was utilizing a number of inter-agency committees, usually under the chairmanship of CIA officials, together with a variety of "working level" liaison relationships among the agencies.

The principal inter-agency committee under CIA leadership in 1950 was the Intelligence Advisory Committee (IAC), made up of

¹See Chapter III, below.

the departmental intelligence chiefs themselves,¹ and presided over by the Director of Central Intelligence. The IAC had, however, met only four times during the last six months (March-September 1950)² before General Smith came on duty; and it was commonly criticized, within CIA, as being less interested in advising the DCI on inter-agency problems than in acting as a governing board over CIA. Nevertheless, given a decentralized intelligence organization of several essentially autonomous agencies, such a council of the intelligence chiefs seemed a minimum framework through which the Director could carry out his responsibilities for "coordination". Under the IAC were a "Standing Committee",³ and subcommittees (as of October 1950) in atomic energy intelligence; scientific intelligence generally; domestic collection; defectors from the Soviet bloc; and the National Intelligence Survey program.⁴ There was as yet no committee for

¹The officials who were attending the IAC as of November 1950 were as follows:

Mr. W. Park Armstrong, Jr., State (Special Assistant for Intelligence)

Maj. Gen. A. R. Bolling, Army (Assistant Chief of Staff, G-2)

Rear Adm. Felix L. Johnson, Navy (Director of Naval Intelligence)

Maj. Gen. Charles P. Cabell, Air Force (Director of Intelligence)

Brig. Gen. Vernon E. Megee, Joint Staff, of JCS (Deputy Director for Intelligence)

Dr. Walter F. Colby, AEC (Director of Intelligence)

Victor P. Keay, FBI (Acting Assistant to the Director)

Lt. Gen. W. B. Smith, DCI, Chairman

(See IAC-M-6, Secret, Nov. 16, 1950. In IAC minutes, 1950-1953, filed in O/DCI/SA.)

²March 31, June 27, July 21, and August 15, 1950. See IAC minutes, 1947-1950 (Secret and Top Secret), in O/DCI/SA/PC files.

³See Chapter III, below.

⁴List of IAC subcommittees, 1947-1953, in an undated paper entitled "The Intelligence Advisory Committee" (Secret), pp. 14-15; prepared by ONE for the "Clark Committee" about August 1954; copy in O/DCI/HS files.

economic intelligence, although plans for one had been made;¹ nor were there any active subcommittees for considering inter-agency interests in other topical fields, such as political and military intelligence; nor in broad "supra-departmental" fields such as national estimates and national indications; nor for administrative and other support problems that might be common to all the intelligence agencies.

In practice, CIA did not have exclusive responsibility, in 1950, for coordinating all aspects of the Government's intelligence organization, nor was CIA the sole adviser to the NSC on intelligence activities and problems.

In 1948-1949, for example, the NSC had retained a group of distinguished consultants, from outside the Government's intelligence organization, to make a comprehensive survey and inspection of the Government's foreign intelligence programs; and by October 1950 the recommendations of that survey group were still on the agenda of the NSC. Special intelligence matters, to cite another example, were being coordinated by the U. S. Communications Intelligence Board (USCIB).² While CIA was represented on this Board,

¹The Economic Intelligence Committee (EIC) was established in May 1951, but it had been recommended by CIA/DOARS in December 1949. See Chapter III, below, and IAC-D-22, May 1951 (Secret), on file in O/DCI/ER.

²See NSCID No. 9, July 1, 1948 (Top Secret); copy in O/DCI/HS files.

the State Department's intelligence chief was its chairman, as of 1950,¹ and the Defense Department dominated its operations. Domestic intelligence and related matters of internal security, were meanwhile coordinated through the Interdepartmental Intelligence Conference (IIC) and the Interdepartmental Committee on Internal Security (ICIS), both of them headed by the Director of the FBI. CIA was not represented on either of them, except on an invitational basis for considering a specific matter.

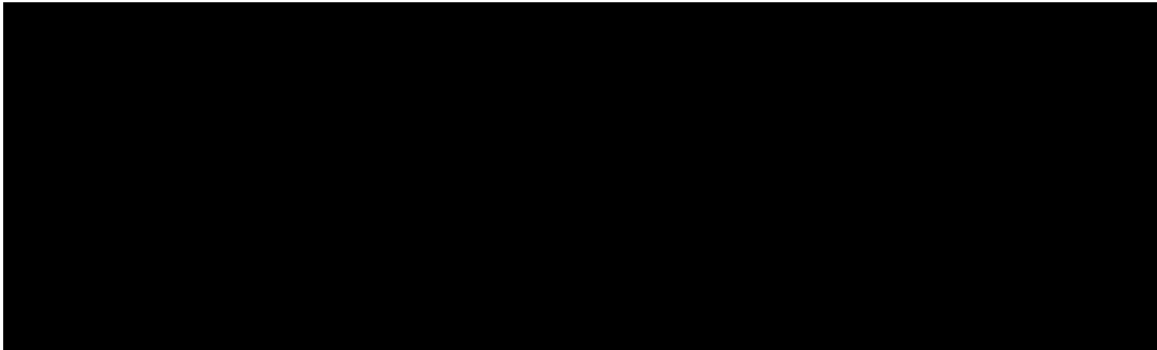
There were still other inter-agency intelligence coordination mechanisms, in 1950, in which CIA did not participate or participated only indirectly. In occupied Germany, for example, the State Department's High Commissioner for Occupied Germany (HICOG), through the chief of his intelligence division in Frankfurt, served as the ranking representative for coordinating all U. S. intelligence activities, overt and covert, based in that area.² In the Far East

¹W. Park Armstrong, Jr. The fact that he was chairman of USCIB in 1950 is mentioned in IAC-D-11 (Secret), Dec. 29, 1950; copy in O/DCI/ER, filed under "IAC".

²B. R. Shute, Director of Intelligence, HICOG, was ex officio U. S. intelligence coordinator in Germany. While his authority was apparently clear enough in HICOG's charter issued to him, in practice his responsibility was evidently divided with the U. S. military command in occupied Germany--CINCEUR, so the DCI was told in December 1950. See OIC memo to DCI, Dec. 8, 1950 (Secret), attached to DCI Staff Conference Minutes, 1950-53, in O/DCI/R.

it was the Defense Department's Far East Command (FECOM), headed by General MacArthur, which in 1950 apparently had the corresponding coordination authority.¹ In Washington, finally, the Joint Chiefs of Staff were providing various mechanisms, in 1950, for coordinating the many agencies of the Army, Navy, and Air Force which were participating in various aspects of the Defense Department's own "departmental" intelligence programs. Under the JCS, for example, the surveillance of hostility indications was a military-controlled activity coordinated through the Joint Intelligence Indications Committee (JIIC);² and the inter-Service exploitation of captured weapons and supplies was coordinated by a staff that later became the Joint Materials Intelligence Agency (JMIA).³ While such inter-agency coordination mechanisms were outside CIA's jurisdiction in 1950 and might be called "purely internal" matters within the

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²The JIIC was established by the JCS' Joint Intelligence Committee (JIC), about Aug. 8, 1950. See IAC-M-10 (Top Secret), Dec. 7, 1950; filed in IAC minutes, 1950-53, in O/DCI/ER.

³The active concern of the JCS intelligence component for coordinating the exploitation of "captured sources" by the many interested Army, Navy, and Air Force agencies probably dated from some time after the outbreak of the Korean conflict in June 1950, and the JMIA was apparently formally established early in 1951. See chapter IV, below.

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Defense Department, some of them were of Government-wide interest and were to be integrated in General Smith's time, with the inter-agency coordination machinery which CIA was sponsoring and developing.

CIA's Internal Organization as of October 1950

Like CIA's inter-agency relationships and external responsibilities, its internal organization and its intra-Agency relationships were also more complicated than they appeared on the single page of its general organization chart. The organizational framework of CIA's headquarters, as it was functioning on General Smith's arrival in October 1950, consisted of seventeen major offices and staffs, each headed by an Assistant Director or a Chief.¹ In addition,

¹The 17 components of CIA's headquarters, together with their heads, were as follows as of Oct. 1, 1950, listed approximately in the order in which they appeared on the latest organization chart and the latest list of key officials on the Director's staff:

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- Management Staff: [redacted] Management Officer
- Budget Staff: Edward R. Saunders, Budget Officer
- Personnel Staff: William J. Kelly, Personnel Director
- Coordination, Operations, and Policy Staff (COAPS): James Q. Reber, Chief
- Legal Staff: Lawrence R. Houston, General Counsel
- Medical Staff: John R. Tietjen, Chief
- Inspection and Security Staff (I&S): Sheffield Edwards, Chief
- Administrative Staff: [redacted] Chief
- Special Support Staff (SSS): [redacted] Chief
- Procurement Requirements Staff: [redacted] Chief
- Office of Reports and Estimates (ORE): Theodore Habbitt, Assistant Director
- Office of Collection and Dissemination (OCD): James M. Andrews, Assistant Director
- Office of Scientific Intelligence (OSI): H. Marshall Chadwell, Assistant Director
- Office of Operations (OO): George C. Carey, Assistant Director
- Advisory Council: [redacted] Chief
- Office of Special Operations (OSO): [redacted] Ass't Director
- Office of Policy Coordination (OPC): [redacted] Ass't Director

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the Director's immediate office included the Deputy Director (a position vacant since about May 1949), the acting Executive, [REDACTED]

[REDACTED] "personal assistant" to the Director.

Of the seventeen major operating components, six were directly engaged in managing and conducting the "substantive" activities of coordination, production, collection, and clandestine services for which CIA had continuing responsibility; while the other eleven, together with some of the subordinate divisions in the six "substantive" offices were all performing functions and services in "support" of these substantive intelligence and operational activities.

No single phrase can objectively describe the above organizational pattern of CIA's headquarters, as it stood in October 1950, except, perhaps, that it was a "functional" rather than a "regional" pattern. Each office conducted a number of specialized functions, processes, and services that contributed to the complicated enterprise frequently called "the intelligence process" or "the intelligence cycle"; and there were no overlaps or duplications among them which could not be defended by the office concerned. Yet many functions such as liaison, collection, research, and reference, were necessarily divided among several offices.¹

¹CIA's office nomenclature, of course, before and after 1950, did not help to clarify the "functional" division of labor among the many specialized offices and staffs. The work of policy coordination, for example, was managed not by the Office of Policy Coordination, but by ICAPS/COAPS. Collection, in the sense of a field enterprise, was managed not by the Office of Collection and Dissemination but by OO and OSO. The Advisory Council was no more an advisory council to the Director than was any other office or staff. And so on.

To some extent, CIA's organizational pattern in 1950 could be described as a division between the "substantive" offices, operating under NSC directives, and the "support" offices which were doing their housekeeping. The substantive offices consisted of the following: COMPS, for inter-agency coordination planning; ORE, for national intelligence estimates and surveys; ORE and OSI together, for related types of intelligence research and production, and for inter-agency coordination in those production fields; OO and OSO, for overt and covert collection, respectively; and OPC, for clandestine operational services related to the Government's cold war programs.¹ In support of these offices were nine administrative staffs which provided personnel, budgetary, procurement, legal, management, security, and other facilitative services; and two offices (OCD and the Advisory Council) which supported the Agency's substantive activities with specialized library, reference, contact, and dissemination services. Yet every substantive office also had some supporting functions of its own, while the support offices were not altogether devoid of substantive interest. For example, ORE had the Agency's central map library; OSI was spending a good part of its manpower, in 1950, less in production than in indexing and collating informational

¹OPC was governed by NSC 10/2, issued about August 1948. This type of NSC directive is an "action" or "assignment" document separate from the NSCID series.

documents (in cooperation with OGD) and in promoting collection;¹ OO, similarly, had an entire division (the Foreign Documents Division, or FDD) engaged not in field collection at all (in 1950) but in library, reference, and translation services on foreign-language informational documents; and OSO and OPC were conducting a variety of support activities, either jointly or separately from the administrative-support staffs. Furthermore, most of the so-called substantive offices had an administrative officer of its own, and each conducted for itself, whatever training programs were being given in the Agency in 1950.² Conversely, these non-substantive offices and staffs frequently participated directly in the Agency's substantive activities, and usually regarded themselves as intelligence "professionals" in whatever specialized support functions they were performing.

¹As of about June 1950, only 8% of OSI's time was going into the "preparation of finished intelligence," while 22% was used for "abstracting, cataloging, and filing of intelligence reports," and 37% in evaluating collection, conducting liaison with the collecting agencies, and working on related non-production problems. See CIA "Summary of Operations" for Fiscal Years 1948-50, Oct. 2, 1950 (Secret), especially the graphic chart labelled "OSI"; copy in O/DCI/HS, filed under "CIA"

²While no training functions appear formally under any of the office descriptions in CIA's organizational manual of July 1950 (CIA Regulation [redacted]), they are mentioned, at least casually, in some of the office histories (on file in O/DCI/HS), and in the CIA annual budget estimate dated Sept. 1, 1950.

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To describe it in another way, CIA's organization in 1950 conformed to a "decentralized" pattern, with many offices and staffs at headquarters and many missions and stations in the field. It was evident, according to the Agency's organization chart of 1950, that the head of each of these components "reported directly" to the Director, to use the management specialist's expression; and according to the doctrine of good management, this may have represented an unwieldy "span of control". But here, too, there were exceptions to decentralization. The Budget, Management, Personnel, and Procurement Requirements Staffs, for example, were gathered together under the CIA Executive, according to the chart of October 1950; and in actual practice, some of the other offices and staffs probably also reported to the Executive rather than to the Director, especially since there had been no Deputy Director since May 1949. Intelligence production in CIA, to cite another major exception, was virtually centralized in a single office (ORE), except for the specialized field of scientific intelligence.

Another somewhat over-simplified classification of CIA's headquarters in 1950 was that it represented a division between "covert" and "overt" activities. Thus, there were three principal covert offices and staffs: OSO, OFC, and the Special Support Staff. All the other fourteen components were more or less overt. Nevertheless, many of the so-called overt components, especially the administrative staffs, as well as OGD and (), were probably

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spending at least as much of their effort in serving the covert "operations" offices as they were in supporting the overt "intelligence" offices. On the other hand, [REDACTED] for example, controlled certain common services for the entire Agency, [REDACTED] and was performing certain other services, in addition to field collection, which were essential to the work of the overt offices. Some of the overt offices, moreover, were probably as "sensitive", if not more so, than some of the covertly controlled activities, in actual practice in 1950. Whether the offices might be classified as overt or covert, the Agency's general security directives, as they related (for example) to inter-office "compartmentation" and to the restriction of communication between offices, applied equally to all offices in the Agency; and there doubtless were cases where "secrecy" was being applied more rigidly in some of the overt offices than on "the covert side."

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Whether CIA's internal organization and external relationships in 1950 were as simple as its 1-page organization chart, or as complicated as the variety of specialties and specialists that were contributing to the intelligence process, the new Director was in any case confronted with pressing organizational problems as soon as he took office. Within and outside CIA, there were competing needs for the Government's not unlimited resources for intelligence. There were, furthermore, conflicting points of view and priorities and

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overlapping jurisdictions, as well as jurisdictions that no one was taking. There were also special factors affecting CIA, such as changes in the international situation; Congressional and White House discussions of the need for mobilization or at least "pre-mobilization"; the possibility of new developments in intelligence techniques that might upset established administrative patterns; the acknowledged conflict between "security and efficiency" in intelligence work; and other factors which affected the efficient organization of intelligence activity. Along with these was CIA's somewhat unenviable position of being both the youngest member among long established intelligence agencies, and the one agency that had the broadest authority for coordinating all of them.

In relation to the recent outbreak of the Korean war and the developing cold war with the "Soviet Empire," all of CIA's organizational problems had a new urgency. They were summarized as follows on September 1, 1950, a month before General Smith came on duty, in CIA's annual budget estimate intended for the President, the Budget Bureau, and selected members of the Senate and House Appropriations Committees:¹

". . . CIA must ensure that its own intelligence production effort and that of the departmental intelligence agencies are continuously oriented toward current and long-range requirements of the national security interests and

¹"Introductory Statement" (Secret), p.4, of CIA Budget Estimate for Fiscal Year 1952, Sept. 1, 1950; copy appended as Tab D of CIA Comptroller's "Historical Notes . . .," 1945-1952 (Top Secret, TS #74650), in O/DCI/NS files.

objectives; [that] intelligence collection and source exploitation of all U.S. intelligence agencies effectively meets the requirements and priorities of the intelligence production effort; [that] all categories of intelligence requirements bearing on the national security are specifically identified and defined; [that] responsibilities for collection and production action are appropriately allocated throughout the governmental intelligence structure; and finally, that the relationship between the governmental intelligence effort and the policy planning and operational levels of the government are strengthened in order that the intelligence process is effectively and continuously brought to bear at such levels."

Proposals and Ideas for Reorganization, October 1950

There was, however, no lack of organizational planning and management advice available to the new Director in October 1950, judging from the number of staffs within CIA which had continuing responsibilities for organizational self-criticism, review, and improvement. No less than six major staffs and one intra-agency committee were involved in such organizational planning¹ as follows:

(1) The Management Staff was expected to advise the Director on organizational structure and on "management improvements" generally, to rationalize conflicts in statements of functions and jurisdictions among the several offices, and to prepare the Agency's composite organizational chart and manual.

¹The organizational planning functions of four of these staffs (except the Personnel Staff and Legal Staffs) are outlined in a survey of CIA's "management improvement activities," prepared about September 1949 for the Bureau of the Budget, as part of CIA's budget estimates for the following fiscal year. Subsequently this survey was issued as part of General Order [redacted] (Secret), Sept. 19, 1949, as an organizational planning directive addressed to all Assistant Directors and to heads of the other components. (For copy of this Order, see Management Staff files, in CIA Records Center.) A year later, on Sept. 1, 1950, a similar statement on CIA's "...Management Improvement Activities" was sent to the President and the Budget Bureau, as part of CIA's Budget Estimate for Fiscal Year 1952, previously cited.

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(2) The Coordination, Operations, and Plans Staff (COAPS) was responsible for reviewing proposals for the improvement of both CIA's external relationships and its inter-agency coordination activities.

(3) The Inspection and Security Staff (ISS) had an inspection group for conducting "special investigations of operating and administrative activities" and for recommending improvements to the Director.

(4) The Budget Staff had various budgetary planning and expenditure control functions which were intended to prevent "empire building" by any one operating office and to assure, among other things, "flexibility of operations without waste . . . and without non-productive work."

(5) The Personnel Staff, among its other activities, supervised personnel classifications and salary structures, in order, for example, to uncover and correct unnecessary or undesirable duplication and competition between specialized positions among different components of the Agency.

(6) The Legal Staff, which reviewed pending legislation and proposals for NSC directives, had prepared various briefs for the new Director on CIA's organizational problems generally.¹

(7) The inter-office Project Review Committee (PRC), headed (in October 1950) by the CIA Executive, which allocated funds for new projects not foreseen in the annual budgets, was expected among other things to scrutinize new project proposals critically from the viewpoint of possible inter-office jurisdictional conflicts or external coordination problems.²

¹See Historical Staff interview with Lawrence R. Houston, General Counsel, in 1952, in O/DCI/HS files.

²As of Nov. 2, 1950, the PRC consisted of the Executive (chairman), the Budget Officer, the Assistant Director or Chief of the project-sponsoring office or offices, and the chief of the Legal Staff (the latter without vote). See Administrative Instruction [redacted] Nov. 2, 1950 (Secret), among records of Management Staff, in CIA Records Center.

In each major operating component of the Agency, moreover, the Assistant Director was expected to review the internal efficiency of his own office and correct overlaps and duplications, if any, with other components and with outside agencies.

In addition to having access to these internal sources for organizational advice, the new Director was confronted in October 1950 by a variety of recommendations and guidance from outside agencies and groups. Far from being a strictly "within the family" matter, of "purely internal concern" to the Director and his staff, CIA's organization and its organizational problems had for some time evoked the liveliest interest on the part of other agencies of the Government. CIA had been reviewed, critically and sometimes in detail, by various authorities almost continually during the preceding two years; and some of their recommendations were still pending when General Smith came on duty in October 1950.

The principal investigation of this kind was, of course, that made by the "Dulles Committee" and endorsed by the NSC in 1949¹. There had also been an independent survey by the "Hoover Commission," more specifically by its Eberstadt Committee, whose findings, although less influential, had for the most part tended to confirm those of the Dulles group.

¹See Chapter I, above.

In 1949 and 1950, the Defense and State Departments had each made further studies and recommendations on particular aspects of CIA's organization: one (by the Joint Chiefs of Staff) on the control of CIA's clandestine activities under war mobilization conditions,¹ and the other (by State's intelligence chief) on CIA's production and inter-agency coordination functions.² Still another proposal was made jointly by the two departments, in a study sent to CIA in July 1950,³ calling for the reorganization of two aspects of CIA's production responsibilities (estimates and current indications) into a newly-titled "National Intelligence Group," discussed more fully below. Finally, the Bureau of the Budget had been quietly promoting a continuing program of "management improvement activities" throughout the Government. Although CIA was participating in this program in 1950, it had recently reported to

¹Memo from Chairman, Joint Chiefs of Staff, to Secretary of Defense, Aug. 11, 1950, and memo by DCI to Brig. Gen. John Magruder, Office of Secretary of Defense, (Top Secret, TS #43639); copies in O/DCI/ER.

²The State Department's staff study was the so-called "Four Papers" study, July 1949, sent by State to DCI, Aug. 2, 1949. A copy of the study, and intra-CIA comments on it, are in O/DCI/HS files.

³This study, entitled "State/Defense Staff Study", May 1, 1950 (Secret), was sent to the DCI by Under Secretary Webb of the State Department on July 7, 1950; copies in O/DCI/HS files, and in O/DCI/ER. See also "ICAPS-Webb" file, in O/DCI/HS.

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the Budget Bureau that it was "difficult" to apply management-control standards and concepts either to its overt production program or to its covert activities, and that it was "most difficult," in addition, to carry out effectively its inter-agency coordination responsibilities "without the authority for directing action."¹

Influence of Dulles Survey Group after October 1950

Of all the organizational recommendations that confronted General Smith in October 1950, those made by the Dulles Group in 1949 were at once the most detailed (with 200-some pages of findings, conclusions, and recommendations); the most comprehensive (in that they covered CIA's entire internal organization, and its external relationships to the other agencies as well); and the most objective (in the sense that they represented views of three disinterested but experienced men from outside the Government's intelligence organization, and men who were not ex officio representing the views of any interested office in CIA or any interested intelligence agency on the outside). Besides being detailed, comprehensive, and objective, the Dulles group's proposals were the most authoritative and compelling of all the guidance that confronted General Smith

¹Letter by DCI to Director, Bureau of the Budget, (Secret), no date (about Sept. 1949?), forming part of General Order No. 23, September 19, 1949 (Secret); in records of Management Staff, in CIA Records Center.

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between July 1950, when he was being approached by the White House to be the new DCI, and October 1950, when he assumed office in CIA. As endorsed by the National Security Council in "NSC-50",¹ the Dulles Report had become a blueprint of internal changes that the DCI was, in effect, ordered to install. As has been noted, no radical effort had been made, before October 1950, to install them.

In short, the recommendations of the Dulles Committee could not be ignored in any case, but to make their acceptance all the more certain, General Smith's new Deputy, William H. Jackson (a co-author of the recommendations), agreed to join Smith only on condition, among other things, that Smith "would read and approve the Dulles Report."² Meanwhile, one of General Smith's first formal acts on taking office was to attend a meeting of the National Security Council (on October 12, 1950), where he firmly but cautiously announced his intention to carry out the Dulles recommendations, with one major exception. On October 20, he reiterated

¹See Chapter I, above. The NSC's endorsement, in July 1949, took the form of a document entitled NSC-50, and was an endorsement, technically, not of the text of the Dulles Report but of a summary that had been prepared, about May 1949, by Lt. Gen. Joseph T. McFarney, Office of the Secretary of Defense, in consultation with W. Park Armstrong, Jr., intelligence chief of the State Department, and others.

²Historical Staff interview with William H. Jackson, Feb. 15, 1955, in O/DCI/HS files.

his general adherence to the Dulles program at his first meeting with the Intelligence Advisory Committee.¹

The principal changes deriving from the Dulles Report that thus seemed so certain of incorporation into the actual framework of CIA are summarized below. Five new "divisions" were recommended to replace the 15-some components in CIA's headquarters: Estimates; Research and Reports; Operations; Coordination; and Administration.

Intelligence production functions were to be realigned as follows. ORE, which was handling both national intelligence estimates and all other types of finished intelligence, was to be replaced by two new divisions: "Estimates", and "Research and Reports." The new Estimates Division, as a small but separate component of the Agency, was to do the estimating work that had been divided among ORE components.² These estimates would be drafted, not entirely centrally, but with greater reliance on departmental contributions, while the work of "correlating" conflicting intelligence opinions and evaluations among such contributions should be

¹The meeting of the NSC on Oct. 12, 1950, was referred to by Smith later, at the IAC meeting on Oct. 20. See IAC minutes, Oct. 20, 1950 (Secret), in O/DCI/HS, filed under "IAC". Smith's "one exception" to the Dulles Report was the merger of OEO, OPG, and OO/Contact Division (he did not mention OO's [redacted]). The "coordination of these offices . . . could be achieved by more effective cooperation, without merger," he said. His later decision was somewhere in between: in January 1951 he grouped them all under the new DD/Plans; and in 1952 OEO and OPG were actually merged, and OO was placed under the DD/Intelligence.

²Dulles Survey Group Report, January 1949 (previously cited) pp. 81, 72.

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shared jointly by the Estimates Division's staff and the Intelligence Advisory Committee (IAC).¹ The IAC was expected to take a "more active role" in producing finished estimates, not only in order to rationalize and harmonize interdepartmental divergences, but also, as a by-product, to use the work of estimating as a means for detecting "deficiencies and overlaps, as well as the accomplishments," especially in the Government's intelligence collection and collation work.²

The new Estimates Division was not to be involved, however, in coordinating the production of other types of national intelligence. Thus, basic intelligence was to be transferred to the new Research and Reports Division while the current intelligence publications might well be discontinued.³

The new Research and Reports Division was, in effect, to produce whatever "departmental" intelligence CIA might itself need to meet its particular support commitments and obligations to its own operations and to higher authority; and any types of research

¹Ibid., pp. 44-45, 61, 72.

²Ibid., p. 61.

³The evaluation of hostility indications abroad, in the form of "national indications", was not mentioned at all in the report, although the closely related concept of current intelligence did receive discussion, but only then to be questioned, by the Dulles Group, as a legitimate function of CIA. (Ibid., pp. 70, 84-86.)

that might in the future be authorized as a "service of common concern". In this proposed merger, the existing ORE units for scientific, economic, and geographic research were all to be placed in the new research division.¹ Finally, the new division was to take over certain support services from other offices, chiefly the library, indexing, reference, and collation activities which were divided, at that time, between OGD's central library, OGD's specialized biographic and industrial-plant registers, CO's Foreign Documents Division, ORE's map library, and OGD's pictorial library.²

CIA's field collection responsibilities, both overt and covert, together with its separate but related office for clandestine operational services, were all to be "closely integrated" into a single new Operations Division, CO, OSO, and OPC being abolished as separate entities.³ This merger was to involve all elements in the two covert offices (OSO and OPC). It would also place under clandestine control OO's Contact Division, (including field offices in the United States)

¹Ibid., p. 83. The Scientific Branch of ORE had meanwhile (before January 1949) been shifted out of ORE and re-established as a separate office--the Office of Scientific Intelligence (OSI). See Chapter VI, below.

²Dulles Survey Group Report (previously cited), pp. 48, 62, 83, 103.

³Ibid., pp. 96-107.

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OC's third major component, the Foreign Documents Division (FDD), not being a field collecting unit but a headquarters facility for providing library, indexing, reference, research, and translation services on foreign-language documents, was to be transferred, along with analogous types of services in OCD and ORE, to the new Research and Reports Division.

CIA's inter-agency coordination responsibilities and functions, other than those relating directly to the production and collection activities described above, were to be reorganized into a new Coordination Division.¹ The Dulles Group was not entirely clear, however, as to how far coordination could be centralized in such a staff division. Some of the Agency's liaison work with the Joint Chiefs of Staff and the National Security Council's staff, for example, would be decentralized to the operating branches most concerned.² On the important matter of inter-agency problems outside of Washington headquarters, however, the Dulles Group apparently made no recommendations, except to note that responsibility for coordination was "divided", and that it varied from area to area, in each case in the hands of whoever was the "Senior United States Representative" in that area.³ On the other hand, in Washington, the new Coordination

¹Ibid., pp. 43, 46-48, 55, 61-62. See Chapter III, below.

²Dulles Survey Group Report (previously cited), p. 47.

³Ibid., pp. 48-49, 51.

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Division was to inherit OCD's Liaison Division, which conducted a clearinghouse for arranging, expediting, and controlling Agency contacts and liaison with the many IAC and non-IAC agencies throughout the Government. Since this clearinghouse function was not, however, a "high level" policy-making activity but an essential middle-man process, between CIA's research personnel and the departmental collection-control offices, the Dulles Group frankly predicted that the new Coordination Division might, as a consequence of this proposed shift, be frustrated at "the mass of administrative detail involved, and the resulting delay in the satisfaction of [informational] requests" involved in such day-to-day liaison work of OCD.¹

Finally, with respect to the Agency's administrative-support staffs, and its other related support services and management-control activities that constituted the remainder of its headquarters organization, no staffs were recommended abolished by the Dulles Group, nor were any new staffs recommended, such as a training center, or a separate communications office. The existing staffs were to be re-grouped under a new Administrative Division, but the Dulles Group urged that overt and covert administrative services be somehow compartmented from each other. Complete "centralization of all

¹Ibid., p. 49.

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administration in one office is undesirable, since secret operations require their own separate administration," the Dulles Group concluded.¹

The tone of the Dulles Report was conservative in recommending not expansion but restriction of CIA to those functions assigned or derived from directives of the National Security Council. CIA should "discard," especially, any intelligence production work that was "superfluous or competitive with the proper activities of departmental intelligence" in the other agencies, the report said.² ORE was particularly criticized for having undertaken to produce what the Dulles Group stigmatized as "miscellaneous" reports; and for attempting to become "a competitive producer of intelligence on subjects of its own choosing which can by no stretch of the imagination be called national intelligence."³ Conversely, however, CIA was criticized, elsewhere in the report, for not having asserted and expanded its authority; for not being more "aggressive" in promoting inter-agency coordination and cooperation; for not exercising better "leadership, imagination, and initiative;" and for not giving "continuous examination" to the other intelligence agencies.⁴

Three fields of intelligence activity were singled out as being "particularly" deficient in coordination: scientific intelligence; communications intelligence; and domestic intelligence,

¹Ibid., p. 38.

²Ibid., p. 89.

³Ibid., p. 54, 81. See also Chapter I, above.

⁴Dulles Survey Group Report (previously cited), pp. 42, 48, 55-56, 76.

including counter-intelligence and the points at which domestic and foreign intelligence overlapped.¹ The Dulles Group admitted elsewhere, however, that inter-agency coordination was difficult as long as there was a "lack of mutual confidence among the departments," and said that all the intelligence agencies must ultimately "share in the general responsibility"² for whatever failures and deficiencies in coordination and for whatever lack of cooperation existed.

Finally, this function of "coordination," in addition to being stressed by the Dulles Group as a major substantive responsibility in CIA's jurisdiction, was recommended as something to be more widely emphasized and advertised, in CIA's public relations, so that CIA would become better known, publicly, as the Government's "coordinating agency" for intelligence, and thus help to "cover up rather than to uncover the secret operations entrusted to it."³

Some of the organizational changes in CIA as they were actually developed and installed after October 7, 1950, were, indeed, based on the Dulles Committee's recommendations, especially as they pertained to estimating, research, secret operations, and compartmentalized administration. Other recommendations, however, were not

¹Ibid., pp. 56-57.

²Ibid., pp. 45, 60.

³Ibid., pp. 36, 39.

followed by Smith's administration. Some changes made by him were derived less from the Dulles Report than from other sources, or reflected later problems not anticipated by the Dulles Group.

So comprehensive was the Dulles Report, however, that hardly a change could be made or considered, in 1951 and 1952, without collating it with the corresponding ideas and findings of the Dulles Committee, and the Dulles Report frequently took on an almost legendary character. Mr. Dulles himself modestly acknowledged the "legend", but also added a realistic appraisal of the facts, in an address before CIA employees in February 1953,¹ shortly after General Smith's administration had ended and his own begun:

"Bill Jackson and I sat down and spent a good bit of a year [in 1948], with such experience as we had behind us, in outlining the kind of organization that we felt should produce intelligence That general blueprint is, I believe, sound. General Smith and Bill Jackson, and to some extent myself, during the past two years, with the able help of many others, have been trying to put that blueprint into effect. Naturally we have changed it here and there, but by and large, we have today, I believe, a working organization."

CIA's functions, Dulles went on to say, were, by 1953, "reasonably divided, between the covert and the overt: between the production of intelligence, ending up in the finished product of the National Estimates, and what is done on the covert side" In

¹Remarks by Allen W. Dulles, DCI-designate, Feb. 13, 1953 (Secret), at CIA's 9th Agency Orientation Conference, in OTR Training Bulletin No. 5, March 31, 1953 (Secret) among records of Management Staff, in CIA Records Center.

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another comment, also in February 1953,¹ Dulles denied, however, that any one organizational pattern would, by itself, insure the success of intelligence: "There is no easy formula or magic table of organization" in intelligence activity, he cautioned the CIA staff.

Plan for a "National Intelligence Group"

One major reorganization plan confronting General Smith in October 1950 came neither from the Dulles Committee nor from within CIA. This plan was contained in a "staff study" issued jointly by the Defense and State Departments on May 1, 1950, but not sent to Admiral Hillenkoetter until July 7, shortly before his expected retirement as Director was publicly announced, and five weeks before General Smith's name was formally submitted by President Truman to the Senate. The plan was developed principally by Brig. Gen. John Magruder (in Defense) and W. Park Armstrong, Jr. (in State), and called for the consolidation of national intelligence production functions in a new component in CIA to be labelled the "national intelligence group." This new group was to consist of two major staffs: one for the production of estimates, the "national estimates staff" (similar to what the Dulles Report proposed); and the other for the surveillance of hostility indications, the "current

¹Letter of greetings by Dulles to all CIA personnel, Feb. 26, 1953 (Restricted), on the occasion of assuming duty as DCI; in "unnumbered regulations" file, among records of Management Staff, in CIA Records Center.

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intelligence staff" (a feature not to be found in the Dulles Report). A detailed charter for each of these two staffs was included in the State-Defense study, and it reads, from the vantage point of "historical hindsight," much like the charters of ONE and OGI as they were actually crystallized early in 1951. No mention was made in the plan, however, of the third principal type of national intelligence production--the National Intelligence Surveys--presumably because the MIS program was not a controversial issue. The Magruder-Armstrong plan also provided for the then-dormant Intelligence Advisory Committee to be activated as the inter-agency coordinating committee for estimates. The IAC was to be responsible, the plan said, for reconciling conflicts in intelligence opinion, among the contributing departments, in the drafts of estimates and in other national intelligence products assembled and disseminated by CIA.

It had been this one organizational detail of inter-agency committee procedures, in the "national intelligence group" plan of May-July 1950, on which the Hillenkoetter administration had seized, late in July 1950, to reject the plan in its entirety. Whatever the merits of the detailed charters of the proposed estimates and indications staffs, or the merits of grouping these two closely related staffs under a single chief of a "national intelligence group" in CIA, they were not mentioned or discussed at all in the Director's reply to the State and Defense Departments, dated July 26, 1950. Instead, CIA's comments, and its objection to the whole plan, were directed entirely at the issue of preserving the

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Director's individual prerogatives and his independence of judgment and decision in producing finished national intelligence. With these comments, CIA was challenging the implied threat to CIA that the Intelligence Advisory Committee, together with the departmental intelligence chiefs assembled in that Committee, would replace the Director's individual responsibility with their own "collective responsibility." CIA's rejection of the entire plan on this single issue was regarded as one of "good tactics", it was said later. CIA felt justified in "going to the other extreme" and invoking "old issues," according to a later recollection by one of the principal staff officers who had advised Hillenkoetter on the preparation of his reply in July 1950.¹

There followed almost immediately, however, in August and early September 1950, a reversal of CIA's position toward the proposed "national intelligence group". A series of negotiations and conversations with the Defense and State Departments was followed by apparently complete inter-agency agreement.² Thus, after the rejection of July 26, the State Department sent a modified version

¹Historical Staff interview with Lawrence R. Houston, CIA General Counsel, Aug. 19, 1953, in O/DCI/HS files.

²See Historical Staff interviews with Brig. Gen. John Magruder, Nov. 18, 1952, and with Lawrence R. Houston, April 21, 1953, July 23, 1953, and Aug. 19, 1953, in O/DCI/HS files.

of the plan to Hillenkoetter, on August 14; and "shortly thereafter" Magruder (in the Defense Department) discussed the revision with him personally. Hillenkoetter and his staff in turn undertook a further revision, and that revision was then passed on to Magruder by Hillenkoetter. All this happened, evidently, within a single week. On August 21, 1950, there was a further CIA-Defense meeting to discuss CIA's revision, whereupon still another draft, and possibly other subsequent revisions, were prepared, again this time in CIA. What appears to be the final draft, representing CIA's agreed position, is an undated, printed copy of the revised organizational plan for a "national intelligence group," sent by CIA to Magruder on September 13, 1950, along with 20 extra copies to circulate among Defense Department intelligence officials.

Throughout this series of revisions, CIA's essential changes in the "national intelligence group" plan were chiefly in the direction of rewording the controversial phrases about the inter-agency coordination job of the Intelligence Advisory Committee.¹ The CIA-approved revision reasserted, seriatim, that that Committee, was indeed, as its very name indicated, "advisory" (only) in the

¹Based on a collation of the original draft of the "national intelligence group" plan, dated May 1, 1950, and the latest draft that has been seen, undated but probably about mid-September 1950. A copy of the latter draft (Secret, numbered E.R. 2-5676), attached to a memo by Jackson, Oct. 3, 1950, to Smith, is in O/DCI/ER, filed under "NSCID--1950".

scope of its authority. The final draft implied, furthermore, that the IAC would not become a formal board of review for CIA's intelligence production, nor a board of directors over CIA. Judging from a collation of the original draft of May-July 1950 and the version of September 1950, however, there were no essential changes in the proposed charters of the "national estimates staff" and the "current intelligence staff", which were to make up the new "national intelligence group."

Hillenkoetter, having approved the revised plan on about September 13, 1950, was apparently ready to place it before the National Security Council. On about this date, however, he was instructed by Sidney W. Housers of the White House staff, not to make any "commitments or agreements affecting the Agency . . . prior to the arrival of the new Director."¹

It is not clear whether General Smith and William H. Jackson, who since late August 1950 had been Director and Deputy Director-designates, had intervened with Hillenkoetter, nor whether they were actually consulted at all on the "national intelligence group" plan. Smith made no mention of the plan in his first appearance at the National Security Council early in October.²

¹Exactly when this word from the White House came to Hillenkoetter is not known, from the fragmentary records that have survived. In any case, the date was some days, at most, before Sept. 13, 1950, and this request to him was made specifically in relation to the "national intelligence group" plan described above. (See Historical Staff interviews with Houston, cited above.)

²See "rough draft" of IAC minutes of Oct. 20, 1950, in O/DCI/HS files.

Jackson saw the final draft about October 3, 1950, four days before he actually became Deputy. On that day he sent General Smith an informal note,¹ commending his attention to an attached plan for a "national intelligence group", which by now was retitled a proposed directive to be issued by National Security Council, but which, in all substantive details, was identical to the final draft of September 13, 1950. Jackson went on to conclude that the proposal was a "sound" one, subject only to his later discussion of it with the General Counsel and with the Assistant Directors; and he urged Smith to discuss the draft with Hillenkoetter, "who is, I believe, in general agreement with the [proposed] directive." The tone of Jackson's endorsement of the revised plan for a "national intelligence group" suggests that his approval of such a group represented his considered judgment and conclusion. If so, his endorsement indicated a change in his point of view between January 1949, when he had been a member of the Dulles Committee, and August 1950, when he had made his own appointment in CIA conditional on General Smith's acceptance of that Committee's recommendations.

¹Memorandum from W.H. Jackson to General Smith, Oct. 3, 1950, and (attached to it) a printed copy of an 11-page draft of a "NSC Directive" on the "national intelligence group" (Secret), in O/TCL/ER, filed as document no. E.R. 2-5676, under heading "NSCID--1950."

General Smith's decision was to reject the plan, at least in the form of a draft directive to be issued by the NSC. On October 20, 1950, he mentioned this proposed directive (along with other proposed NSC directives bearing on other CIA responsibilities) to the Intelligence Advisory Committee, and announced that, with the agreement of the Defense and State Departments, "further consideration of these drafts was terminated on the basis of [his] assurance that NSC-50 constituted a sufficient directive at the present time."¹ The plan was subsequently consigned to the files, with the instruction, "Indefinite Suspense," written across it by him personally.²

The National Intelligence Group plan was thus discarded, but some of its essential recommendations evidently re-appeared, in part, in the actual reorganizations that followed. Thus, the Intelligence Advisory Committee was revived and strengthened as an inter-agency intelligence review board, and the kinds of problems which it undertook to review, beginning in October 1950, were almost precisely those that were outlined in the National Intelligence Group plan.³ Next, CIA's two major types of national intelligence

¹IAC-M-1, Oct. 20, 1950, in O/DCI/NS files.

²The particular copy of Webb's letter of July 7, 1950 to the DCI which Smith later endorsed, "indefinite suspense," is in O/DCI/BR, filed under "State Department."

³See later section of this Chapter, below.

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(estimates and current indications) were, indeed, divided between two new co-equal staffs (the Office of National Estimates and the Office of Current Intelligence),¹ in November 1950 and January 1951, and a year later these two components were re-grouped, not literally in a National Intelligence Group, but in a larger group comprising all of the Agency's components concerned with national intelligence, under a Deputy Director for Intelligence (DD/I).² Although the DD/I had a different position and wider responsibilities, one of his chief functions, like that recommended for the National Intelligence Group, was to coordinate the two parallel types of national intelligence evaluations--long range estimates and immediate indications of the foreign power situation.

Expansion of the Director's Immediate Office, 1950-1952

The reorganization of the Director's immediate office and the appointment of a considerable number of new assistants to work with him, beginning in October 1950 and extending into 1952, represented one major series of organizational changes under General Smith which affected the entire Agency, including its national intelligence production activities, its clandestine operations, its various supporting services, and its relations

¹See Chapters VII and IX, below.

²See next section of this Chapter, below.

with the other intelligence and security agencies of the Government. The expansion of the Director's office had no precedent in the Agency's history, nor had it been foreseen or specified in any of the formal reorganization plans which were pending in the summer of 1950.¹

Under General Smith's predecessor, the high command of the Agency had consisted simply of the Director and three principal assistants--the Deputy Director for Central Intelligence (DDCI), the CIA Executive, and the Deputy Executive,² together with the Assistant Directors in the several operating offices and the chiefs of the several administrative staffs. Collectively and informally these officers comprised the Director's immediate staff.

¹The Dulles Survey Group's report of 1949 contained no recommendations for additional Deputy Directors. It did, however, propose a centralized Administrative Division, whose jurisdiction was essentially similar to that accomplished under the Deputy Director for Administration, as established in December 1950 (see below); but there was no suggestion that the chief of the Administrative Division would have the status of a Deputy Director. Likewise, the Defense-State plan for a "National Intelligence Group", in July 1950 (see above), did not call for a new Deputy Director to head that Group, although the re-grouping of estimating and current intelligence in such a group was achieved, in effect, by the establishment of the Deputy Director for Intelligence in January 1952 (see below).

²The positions of DDCI and Executive had been vacant since May 1949 and June 1950. Since June 7, 1950, [redacted] Deputy Executive, had been serving as Acting Executive. (See General Order [redacted] Secret, June 7, 1950, in CIA records Center.)

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General Smith¹ and his new Deputy Director, William H. Jackson seem to have determined on reorganizing the Director's office soon after they took office, in the direction of delegating responsibilities to a number of additional principal assistants. By November 1950, the establishment of three new "functional" deputy Directors, in particular, was under consideration: (1) a Deputy Director for National Estimates (DD/NE), who would supervise not only the new Office of National Estimates but also the other offices that were participating in the production of finished intelligence and in the

¹General Smith's appointment as Director of Central Intelligence had been rumored in the public press early in July 1950, and on July 26, he was publicly and officially mentioned as a candidate (along with William Foster) by the White House press secretary. Other candidates besides Smith and Foster mentioned in the press (but not by the White House) were: David K. E. Bruce (July 3); William J. Donovan (July 19 and Aug. 18); and Dean Rusk (Aug. 18). Smith's nomination was sent by President Truman to the Senate on Aug. 18; he was confirmed on Aug. 28; and he took office on Oct. 7, 1950. (See press-clipping file on CIA, July-Dec. 1950, in CIA Library.)

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related activity of inter-agency intelligence coordination; (2) a Deputy Director for Operations (DD/O), who would supervise the two offices concerned with clandestine operations (OSO and OPC), as well as the overt operations office (OO); and (3) a Deputy Director for Administration (DD/A), who would replace the CIA Executive and supervise all the administrative-support components in the Agency, both overt and covert.¹

Of these three proposed functional Deputies, the latter two were established almost immediately, in December 1950 and January 1951, while the other was never established at all. What was at first considered as the DD/NE, however, was obviously reborn as the DD/I, a year later.

In their actual development, in 1951 and 1952, these three positions varied in some details from the plans considered by General Smith in November 1950, both in their titles and in the jurisdictional lines among them, but the end result was that, by 1952, the Agency's many operating units were, with few exceptions, divided into three major groups of components under three co-equal Deputy Directors, essentially according to the pattern devised in November 1950.

¹See, for example, proposed CIA organization chart, undated (about Nov. 1950), and proposed chart for a separate "Deputy Director for National Estimates" (Nov. 8, 1950), both unclassified, in DD/S files.

First of all, the CIA Executive was replaced by the Deputy Director for Administration (DD/A), on December 1, 1950.¹ Murray McConnell, who recently had joined CIA and was serving in the traditional position of Executive since October 16,² was appointed to the new post of DD/A, and he served there until April 1951, when he was replaced by Walter R. Wolf.³ The DD/A was initially given jurisdiction over the Agency's entire group of administrative-support staffs, both overt and covert, including those that had formerly been the special responsibility of the CIA Executive, those that had functioned separately, and those (like the new training office) which were still in the planning stage. Subsequently, the Training Office and certain other supporting staffs were exempted from DD/A supervision, but in general the pattern of centralized support activities, with overt and covert aspects compartmented, was developed and maintained in 1951 and 1952.⁴

¹General Order [REDACTED] (Secret), Dec. 1, 1950.

²Ibid. McConnell had been announced as the new Executive on Oct. 16, 1950, replacing [REDACTED] who had been acting Executive during General Smith's first days in CIA, as well as under Admiral Hillenkoetter. In this shift, [REDACTED] resumed his regular position of Deputy Executive, which he had held since January 1949. Later (Dec. 1, 1950), [REDACTED] was named "Assistant DD/A for Administration", on the staff of the DD/A. (See Chapter X, below.)

³Wolf had come to CIA two months earlier, on Feb. 16, 1951, as "Special Assistant" to the DCI, and he replaced McConnell as DD/A on April 1, 1951. In an unusual shift, McConnell switched jobs with him and became a "special assistant" to the DCI on April 1, 1951. See General Order [REDACTED] Feb. 16, 1951 (Secret), and Notice [REDACTED] March 23, 1951 (Secret); both among records of Management Staff, in CIA Records Center.

⁴See Chapter X, below. II 49

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Under another Deputy, first called the Deputy Director for Operations (DD/O)¹ and later (January 4, 1951) renamed the Deputy Director for Plans (DD/P),² were grouped the three components which conducted the Agency's field operations: OSO and OPC, for clandestine operations; and OO, for overt operations. Allen W. Dulles was appointed to this Deputy Directorship,³ and he served in that position until August 1951, when he succeeded Jackson as senior Deputy--Deputy Director of Central Intelligence.⁴ In this move, Frank G. Wisner, Assistant Director of OPC, became DD/P; and a few months later, in March 1952, the Office of Operations was separated from his jurisdiction,⁵ thus leaving the DD/P group to be concerned almost exclusively with clandestine matters.

¹The first reference to the new office of DD/Operations, in the Agency directives used in this study, was on Dec. 1, 1950, when the position, still vacant, was listed, not yet on a formal chart but in a list of key officials, in General Order No. 38 (Secret); copy in O/DCI/HS files.

²General Order [redacted] Jan. 4, 1951 (Secret).

³Mr. Dulles' appointment as DD/P was announced within CIA by General Order [redacted] (Secret), Jan. 4, 1951. The first public reference to his appointment was on Dec. 16, 1950, when Drew Pearson reported that Dulles is "now" with CIA. (See press clippings relating to CIA, July-Dec. 1950, in CIA Library.)

⁴The appointment of Mr. Dulles as DDCI, the departure of Jackson, and the re-assignment of Wisner as DD/P were all announced in Notice [redacted] (Secret), Aug. 23, 1951. Jackson was retained as "Special Assistant and Senior Consultant to the DCI." (Ibid.)

⁵The relocation of OO from DD/P to DD/I was formally announced on Feb. 28, 1952, effective March 1, 1952. See Notice [redacted] (Secret), Feb. 28, 1952, among records of Management Staff in CIA Records Center.

The establishment of a third functional Deputy for overseeing the several intelligence production and coordination offices, as planned in November 1950, was postponed. Instead, those offices, including the three new production offices established late in 1950 and early 1951, became the special interest of the senior Deputy Director, William H. Jackson, during the ten months from October 1950 to August 1951 when he served in that position.¹ During that time Jackson also remained, of course, General Smith's principal Deputy for the entire Agency. In actual practice, however, he devoted his major attention to the Agency's intelligence production and coordination activities in particular,² and so there appeared to be

¹On August 22, 1950, when Smith's nomination as DCI was pending in the Senate, the Washington Post had asserted categorically that Jackson would be named Deputy Director. Jackson was previously unknown to Smith personally, so Jackson later said in a press interview (published Dec. 18, 1950). Averill Harriman, a member of the White House staff, "had a hand" in Jackson's selection as Deputy Director, so Arthur Krock stated in the New York Times in August 1950. It was also Harriman who had "urged" General Smith on President Truman, according to another press report (Aug. 18). See press clippings relating to CIA, July-Dec. 1950, in CIA Library. Jackson's appointment was announced within CIA on Oct. 7, 1950. See General Order No. 34 (unclassified), among records of Management Staff, in CIA Records Center.

²Although Jackson was formally shown, on most organization charts, as Deputy Director for the entire Agency, by July 1951 he appeared on one informal listing as supervising only the four production offices (ONE, OGI, ORH, and OSI) and OCD and OIC. (See CIA Regulation [redacted] (Secret), July 2, 1951.) Jackson did not, of course, ignore the Agency's covert activities entirely. In the spring of 1951 he conducted a survey of OPC, for example. (Filed in O/DCI/FR.)

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no pressing need, during his time, for a separate functional Deputy for that group or the Agency's activities.

With the departure of Jackson in August 1951, however, and the appointment of Dulles to succeed him as the Deputy Director for Central Intelligence, this position of senior Deputy was given a different and perhaps more traditional emphasis by Dulles, varying somewhat from Jackson's approach.¹ Dulles did not and could not be expected to concentrate his major attention, as Jackson had done, on the work of the intelligence production and related overt activities.² As a consequence, Jackson's departure left all those overt activities somewhat "fatherless," so to speak, without special representation in the Director's office, in contrast to the group of operational

¹Mr. Dulles served as DDCI from August 23, 1951, to February 26, 1953, when he replaced General Smith as DCI. As early as December 1950 there was press speculation (in Newsweek, for example) that Dulles would eventually succeed Smith; and on many occasions in 1951 and 1952 he served as Acting Director during Smith's absence. General Smith announced his retirement on February 9, 1953 (see Notice [redacted]). The nomination of Dulles as DCI was one of President Eisenhower's first appointments, and after it was confirmed by the Senate, Dulles officially took office, on February 26, 1953. (See Notice [redacted] Feb. 26, 1953.)

²It was [redacted] who called the production offices the "fatherless" components of the Agency. Pursuing this metaphor further, the Office of Operations (OO), during the year 1951 when it was under the DD/P, was called an "orphan" in relation to the covert activities which dominated the attention of the DD/P and his immediate staff. See Historical Staff interview with [redacted] April 18, 1955, in O/DCI/HS files.

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offices and the group of administrative offices, which each meanwhile had separate Deputy Directors over them.

Accordingly, the plan was revived, about August 1951,¹ for a third functional Deputy Director, who would superintend the intelligence production offices and related activities; and the new position was formally established on January 2, 1952, as the Deputy Director for Intelligence (DD/I).² The four production offices (ONE, OCI, ORR, and OSI) were assigned to him, along with two of the other overt offices (OIG and OCD); and two months later, on March 1, 1952, the other overt office (OO) was added to the DD/I's group. Loftus E. Becker was appointed as DD/I,³ from among several candidates who had been considered,⁴ and he served there

¹In anticipation of Jackson's departure, both he and Smith among others, favored setting up an additional Deputy Directorship for these overt offices. See Historical Staff interview with Loftus E. Becker, previously cited.

²Notice [REDACTED] (Secret), Jan. 2, 1952.

⁴For example, Kingman Douglass, then (1951) then heading the new Office of Current Intelligence was urged on General Smith by Becker and others, in 1951, as the best man for DD/I; but Douglass was already committed to leaving the Agency soon. (See Historical Staff interview with Becker, previously cited.)

from January 1952 to February 1953,¹ almost to the very day of General Smith's own departure as DCI.

In summary, the changes in the principal positions and the key personnel in the Director's immediate office were as follows, for the entire period of General Smith's administration, October 1950-February 1953:

Deputy Director for Central Intelligence (DDCI):
William H. Jackson, October 7, 1950, to about August 22, 1951
Allen W. Dulles, August 23, 1951 to February 23, 1953

Deputy Director for Plans (DD/P):
Allen W. Dulles, January 4, 1951 to August 23, 1951
Frank G. Wisner, August 23, 1951 to date

Deputy Director for Administration (DD/A):
Murray McConnell, December 1 to about March 31, 1951
Walter R. Wolf, April 1, 1951 to June 30, 1953

Deputy Director for Intelligence (DD/I):
Loftus B. Becker, January 1, 1952 to February 23, 1953

In addition to these four Deputy Directors, the following appointments were made to the Director's immediate office between

¹Becker left the Agency and was succeeded on Feb. 23, 1953, by Robert Amory, Jr. (Announced in Notice [REDACTED] Secret, Feb. 19, 1953.) A later conflicting announcement, probably erroneous, said Amory's appointment as DD/I was effective on May 1, 1953. (See Notice [REDACTED] Secret, April 30, 1953.) Amory had previously been serving as Assistant Director of the Office of Research and Reports (ORR), having replaced Max F. Millikan in March 1952. Amory had been assigned to ORR, furthermore, with the idea that he would ultimately replace Becker as DD/I, at the end of Becker's "two-year commitment" to CIA. See Becker interview, previously cited.

October 1950 and February 1953;¹

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Executive Assistants to DCI and to DDCI, 1950-1953²

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October 1950 to date

about November 1950 to December 1951

about November 1950 to December 1951

December 1950 to about July 1951

December 1951 to about March 1952

Other principal assistants to DCI:

Walter R. Wolf, Special Assistant to DCI, February-March 1951

Murray McConnell, Special Assistant to DCI, after April 1,

1951 (departure date not announced)

25X1A

Communication Consultant to DCI, from May 1951

(date of departure not announced; see Office of Communications)

Chester B. Hansen, Assistant to DCI, May 1951 to September 1952

¹ Personal names and titles are taken from various Notices, Regulations, and other formal announcements to the CIA staff (Secret), 1950-1953, to be found among the records of Management Staff, in CIA Records Center. When a date is qualified as "about", it indicates that the announcement did not state when a man actually came on duty, nor when he actually vacated a given position. "Before October 1950" indicates that a given officer had served in the O/DCI under both General Smith and Admiral Hillenkoetter and, in some cases, from the origins of CIA in 1946-1947. "To date" means that the officer remained on duty beyond the end of General Smith's administration in February 1953, but not necessarily beyond 1953.

² Of these Executive Assistants, Kirkpatrick was the senior, beginning in January 1951 if not earlier. General Smith announced, at his staff conference on January 8, 1951, that "his staff headed by Mr. Kirkpatrick could be compared to the Secretary of the General Staff in a military headquarters." (See DCI staff conference minutes, in SC-M-4, Secret, Jan. 8, 1951, in O/DCI/ER). Smith also spoke on "what he meant by staff work," both by his immediate office and the Assistant Directors. They were analogous, he said, to a Special Staff in a military command headquarters. He apparently did not, however, refer in particular to the duties of his three Deputy Directors. (Ibid.)

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25X1A Stanley J. Grogan, Assistant to DCI (replacing Hansen),
September 1952 to date¹
William H. Jackson, Special Assistant and Senior Consultant
to DCI, August 1951 to date (not on continuous active
duty, August 1951-February 1953)

25X1A [REDACTED] Assistant to DCI, January 1952 to May 1952
or later

25X1A [REDACTED] Assistant to DCI, January 1952 to May 1952
or later

25X1A [REDACTED] Assistant to DCI, January 1952 to
May 1952 or later

25X1A [REDACTED] Inspector General, January 1952 to about
March 1953 (date of departure not announced)

25X1A [REDACTED] Administrative Assistant to DCI
(various titles), before October 1950 to date

25X1A [REDACTED] head of DDI's Executive Registry,
before October 1950 to date.

25X1A Assistants to DD/Administration, 1950-1953:
[REDACTED] Assistant DD/A and other titles, November 1950
to July 1952

25X1A [REDACTED] Assistant DD/A for covert administration,
January 1951 to about July 1952; special assistant after
August 1, 1952 (date of departure from this position
not announced)

25X1A Lawrence K. White, Assistant DD/A, January 1952 to July 1, 1953
(when he became DD/A)

25X1A [REDACTED] Special Assistant to DD/A, January 1952
to about April 1952

¹On Jan. 29, 1951, the DDCI announced to the AD's "that a Historical Branch was to be organized, probably in OIC," with the following functions: (1) writing "the history of CIA"; (2) preparing "any annual reports that were required"; (3) "handling any official addresses made by representatives of the Agency"; and (4) supervising "any necessary dealings with the press." (SC-M-7, Jan. 29, 1951, Secret, in O/DCI/ER.) Subsequently these functions were assigned, instead, to the Director's office. In May 1951 Col. Chester B. Hansen was appointed to one of several new positions of Assistant to the Director, with two major responsibilities: (1) "to compile a history of CIA"; and (2) to "coordinate presentations made by various CIA officials to other Government agencies." (SC-M-18, May 14, 1951, Secret, in O/DCI/ER.) A third responsibility (press relations) was assigned to him shortly thereafter. In September 1952 he was succeeded by Col. Stanley J. Grogan.

25X1A [redacted] Special Assistant to DD/A, about March 1952 to about May 1952
Lewis S. Thompson, Special Assistant to DD/A, about March 1952 to about May 1952.

25X1A Assistants to DD/Plans, 1951-1953:

25X1A [redacted] various titles, March 1951 to about July 1952,
including Chief of Operations, March to about July 1952
25X1A [redacted] Assistant to DD/P, April 1951 to about July 1951 or later

25X1A [redacted] Assistant to DD/P, July to about December 1951
25X1A [redacted] Chief of Operations, about July-October 1952
25X1A [redacted] Chief of Operations, about October 1952 to date
25X1A [redacted] Chief of Plans, about March-July 1952

25X1A [redacted] Chief of Plans, about August-October 1952
25X1A [redacted] Chief of Plans, about October 1952 to date

25X1A [redacted] Executive Officer, about March-July 1952
25X1A [redacted] Assistant DD/P for Administration, about July 1952 (see also under DD/A above)

25X1A Assistants to DD/Intelligence, 1952-1953:

25X1A [redacted] Executive Officer, March-October 1952
25X1A [redacted] Executive Officer, October 1952 to early (?) 1953

25X1A [redacted], Assistant to DD/I, March 1952 to May 1952 or later

25X1A [redacted] Assistant to DD/I, about May 1952
25X1A [redacted] Assistant to DD/I, about May 1952 to about May 1953 (date of departure from O/DCI to O/CI, about 1953, not announced)

25X1A [redacted] Special Assistant to DD/I for Administration, November 1952 to date

General Smith and Mr. Jackson gave their principal immediate attention to improving the Agency's external relationships, a subject which apparently dominated the briefings that they had been given, in August and September 1950, by various key staff officers in CIA.¹

¹See, for example, memo by Prescott Childs, head of COAPS, Sept. 1, 1950 (Secret), in O/DCI/IB files.

It was evident, in their first weeks on duty in October and November 1950, that they intended to re-establish CIA's position of leadership in the Government's intelligence organization, and to re-assert the Director's responsibilities and prerogatives as coordinator of that decentralized organization. They also undertook to reiterate (as Admiral Hillenkoetter himself had done, in his last weeks) CIA's independence from control either by the State or Defense Departments, with respect to the direction of CIA's foreign operations and the internal management and administration of its affairs. Smith and Jackson proceeded cautiously and conservatively, nevertheless, and did not push aggressively in the direction of immediately taking on new functions or new programs for the Agency to handle. Instead, they appeared ready, and even eager, to withdraw CIA from any debatable types of functions and programs, especially in certain fields of intelligence research and production, which might disturb what the National Security Council had called the "dominant interest" of the departments.¹

Thus, Jackson evidently spent much of his time, until late in 1950, in negotiating what in effect was a "treaty of peace" with the State Department's intelligence office, in the fields of

¹NSCID No. 3, Jan. 13, 1948 (Secret).

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so-called "political" and "economic" research.¹ Similarly, Loftus E. Becker a year later figured prominently in a comparable agreement with the Defense Department by which CIA withdrew from certain fields of scientific intelligence.² These moves illustrate what seemed to be the DDI's general policy--to avoid what Jackson had referred to (many times in 1950 and 1951) as "needless duplication" and "unnecessary competition" with the established intelligence agencies;³ and to make the fullest use, whenever possible, of existing agencies and resources outside CIA.

¹The agreements were eventually confirmed in two letters by CIA to the State Department, both dated Feb. 1, 1951: (1) DCI to Secretary of State; and (2) DCI to State's intelligence chief, W. Park Armstrong, Jr. (Both are in O/DCI/ER, filed under "State Department.") Jackson had mentioned a number of times, between November 1950 and January 1951, that he was meeting frequently with State officials. (See DCI staff conference minutes, 1950-1951, in "88-4" file in O/DCI/ER; and his letter to Armstrong, Feb. 1, 1951, cited above, which alludes to "extensive discussions"; and [redacted] memo, Dec. 19, 1950, "Functions of the Office of Research and Reports".) 25X1A

²Becker's negotiations with Defense, unlike Jackson's off-the-record discussions with State on "political" and "economic" research, took the form of heading a special ad hoc committee of the IAC, which surveyed the Government's "scientific and technical" intelligence research and production programs, in February-July 1952. See Chapter VI, below. 25X1A

³See, for example, various talks by Jackson before CIA's Agency Orientation Conferences, especially in Feb.-June 1951, recorded on discs (Secret), in OTR files; and his undated paper, evidently prepared for Walter Lippmann, about Oct. 1950, entitled "A Discussion of Functions of the Central Intelligence Agency . . .", (not classified) p. 7, in O/DCI/HS, filed under "CIA . . .". Similar views appeared also in the Fulton Survey Group's 1949 report, of which Jackson was co-author.

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Revival of the Intelligence Advisory Committee

The principal inter-agency discussion group, the Intelligence Advisory Committee (IAC), was immediately revived, in October 1950, after having virtually atrophied during the previous six months. At his first meeting with the IAC on October 20, Smith announced that he intended to put the committee to work, both as a forum for discussing inter-agency problems and jurisdictional conflicts and, more particularly, as a sort of final board of review for CIA's drafts of national intelligence estimates intended for the National Security Council.¹ This was exactly what the Dulles Survey Group had urged, in 1949,² and what the State and Defense Departments had reiterated more recently, in July 1950.³ So important was the IAC, in the

¹See "Rough draft" and final version of minutes of IAC meeting, Oct. 20, 1950 (Secret), both in O/DCI/HS files.

²See Dulles Report, pp. 44, 61, previously cited.

³The State-Defense plan for a "national intelligence group" (previously discussed, above) called for the IAC to "advise" on estimating at both the planning and review stages; but expected the IAC, on such occasions, to be made up of departmental "representatives" rather than the departmental intelligence chiefs themselves. In fact, under this plan even the IAC chairman (the DCI) would yield the chair to "his representative" (presumably someone from his estimates staff in CIA), when an estimate was on the agenda. To the Dulles Group in 1949, on the other hand, there was no question that the DCI and the departmental chiefs would make up the normal working membership of the IAC.

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opinion of the Director's office, that Jackson himself took personal charge of preparing the IAC agenda, in October and early November 1950, rather than leave it to the Agency's established coordination staff, which up to that time had provided the IAC Secretariat. Once that staff was reorganized, however, as a renamed Office of Intelligence Coordination, and once Jackson had confidence in it, the IAC secretariat was re-established.

During the next two years, up to February 1953, the Intelligence Advisory Committee was convened almost a hundred times, nearly every week on the average.¹ In addition to General Smith, who normally presided, Jackson, Dulles, Wiener, and (later) Becker each also attended from time to time, and one of them normally presided when the DCI was absent. Various Assistant Directors, together with other key members of their staffs, also attended on occasion, as non-voting representatives from CIA, to discuss specific inter-agency matters in their particular fields.

Both CIA officials and the departmental intelligence chiefs apparently took the IAC seriously, judging from the regular attendance

¹See IAC minutes IAC-M-1 to IAC-M-96, for the period Oct. 20, 1950, to Feb. 19, 1953 (variously Secret and Top Secret), filed as follows: IAC-M-1 in O/DCI/HS; IAC-M-2 to 5, in ONE; and IAC-M-6 to IAC-M-96, in O/DCI/ER.

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of most of them between 1950 and 1953.¹ In their deliberations, which are well summarized and even occasionally quoted in the minutes, the IAC reviewed a large number of estimates drafted by CIA, although CIA's new chief of estimating who also now had an estimates review board in his own office, was skeptical at first at the "ability of the IAC . . . to keep pace with such a high level group" as his own "high powered estimates board."² The IAC, besides

¹ The changes in IAC membership and attendance for the entire period October 1950-February 1953 are as follows, reconstructed from IAC minutes, cited above.

State: W. Mark Armstrong, Jr., for entire period; Fisher Howe, his deputy, appeared in his place from time to time.

Army: Maj. Gen. A.R. Bolling, G-2, October 1950-May 1952; Brig. Gen. John Weckerling, acting G-2, May-July 1952; Col. C.B. Covardale, acting G-2, July-August 1952; Maj. Gen. R.C. Partridge, G-2, from Aug. 14, 1952, on.

Navy: Rear Adm. Felix L. Johnson, D/Naval Intelligence, October 1950-June 1952; Rear Adm. Richard F. Stout, acting DNI, June-December 1952; Rear Adm. Carl F. Espe, DNI, from December 1952, on.

Air Force: Maj. Gen. Charles M. Cabell, D/Intelligence, October 1950-about November 1951; Maj. Gen. John A. Sanford, from November 1951, on.

Joint Staff: Brig. Gen. Vernon K. Megee, Deputy Director for Intelligence, October 1950-July 1951 (with Col. H.H. Bassett frequently acting for him); Brig. Gen. R.C. Partridge, July 1951-July 1952; Brig. Gen. Edward H. Porter, from August 1952, on.

FBI: Victor P. Keay, Meffert W. Kuhrtz, and others, acting for the Director of the FBI.

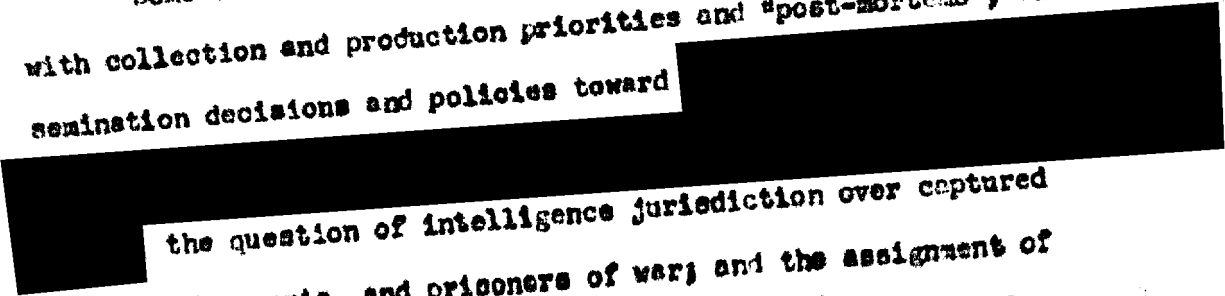
Atomic Energy Commission: Dr. Walter F. Colby, D/Intelligence for entire period.

Chairman: Lt. Gen. W. Bedell Smith, DCI, with Jackson, Dulles, Wisner, or Becker usually serving in his absence.

² Comments by William L. Langer, AN/NS, not "publicly" at one of the IAC meetings, but at a DCI staff conference on Jan. 2, 1951 (DC-M-3, Secret, in O/DCI/ER). See Chapter IX, below.

discussing controversial and other substantive points in many estimates, also became "a body of advice and consent"¹ on a wide variety of other inter-agency problems; and it reached or ratified agreements on many of them.

Some of the major agenda subjects in the IAC dealt, for example, with collection and production priorities and "post-mortems"; dissemination decisions and policies toward

 the question of intelligence jurisdiction over captured weapons, documents, and prisoners of war; and the assignment of coordination responsibilities at overseas posts.² The IAC also

¹This phrase was used by Maj. Gen. Charles P. Cabell, who was the Air Force member of the IAC in Smith's time and who later, in April 1953, succeeded Allen W. Dulles as Deputy Director of Central Intelligence. (See Historical Staff interview with Cabell, Sept. 17, 1953, in O/DCI/HS files.) According to this interview, Cabell had wanted the IAC to be "advisory" less to the DCI than to the National Security Council, and, furthermore, to control estimating according to its "own procedures."

²See IAC minutes, 1950-1953, previously cited, and the numerous studies and other proposed action "documents" (numbered in the style "IAC-D-"), 1950-1953, which were formally submitted to the IAC members and discussed in subsequent IAC meetings. Of these IAC-D papers (variously Secret and Top Secret), which numbered more than 150 for the entire period October 1950-February 1953, is in O/DCI/HR; another set is in the IAC Secretariat. See appendix M, below, for list of IAC projects, 1950-53.

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organized a number of additional subcommittees, in 1951, to which it delegated some of its responsibilities in a few fields, notably national indications and hostility warnings, economic intelligence planning and review, and covert collection priorities.¹

Whatever a final historical evaluation of the IAC might be, it appears that, as an organization, the IAC did become, in Smith's time, a mechanism through which seven otherwise autonomous agencies reached frequent agreement. Not once, furthermore, judging from the carefully worded minutes for 1950-1953, was the debate formally re-opened, as to whether the IAC was a "governing board" over the DCI or "purely advisory" to him. General Smith invited the IAC to give him the benefit of their "collective judgment" on estimates and on other matters of mutual concern, whether or not this constituted "collective responsibility" as recommended by the Dulles Survey Group in 1949;² the fact remained that most matters of inter-agency concern were settled by IAC agreement during 1950-1953 under

¹ Ibid. These new subcommittees of the IAC were, respectively, the Watch Committee (W.C), established December 1950; the Economic Intelligence Committee (EIC), May 1951; the Inter-agency Priorities Committee (IPC), for secret collection, July 1951; and the Scientific Estimates Committee (SEC), August 1952.

² Smith's phrase, "collective judgment", was thus quoted later by James C. Reber, in an interview with the Historical Staff. For the Dulles Survey Group's concept of IAC's "collective responsibility", see its report, Jan. 1949, p. 81, and Admiral Hillenkoetter's rebuttal, Feb. 1949, in the DCI's "Comments" on the Dulles Report, Feb. 28, 1949, pp. 21-22 (TS #23160), in O/DCI/ER.

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the leadership of General Smith. Near the end of his first year, in July 1951, Smith labelled the revival and "active utilization" of the IAC as the very first item in his record of accomplishment.¹

Smith did not, however, regard the IAC as the answer to all inter-agency problems. Some problems remained purposely in the hands of other boards and committees, mentioned later. Smith took other problems directly to the specific departments involved, or to the National Security Council. Nor were those matters that did get an airing in the IAC all highly "supercharged", controversial issues. Indeed, some of the agenda items, when they were preceded by good "working level" staff discussions and detailed staff studies, appeared to make the IAC merely a "rubber stamp," judging from the cursory ratification of some of the planning documents as they are recorded in the minutes.

There were even occasional complaints among the agencies in Smith's time that the IAC was not effective enough. In September 1951, for example, the IAC was criticized, not now by CIA (as was common before October 1950) but by the Defense Department, where (so Smith had been told) there was a "feeling at the working level that the IAC was not as effective as he had supposed."² Smith promptly

¹ Drafts of progress report by DCI to NSC, July 26 and Aug. 2, 1951 (Top Secret), describing progress made on the Government's organization and programs for foreign intelligence, in reply to NSC 68/4, "U.S. Objectives and Programs for the National Security"; comprising document No. IAC-D-29, in O/DCI/ER.

² IAC minutes, Sept. 10, 1951 (Secret), in O/DCI/ER.

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offered to appoint a board "to investigate the situation and make recommendations for improvement." The Defense chiefs discounted the criticisms by their subordinates as being "overly impressed by the minor difficulties encountered in inter-agency collaboration". The IAC members "reiterated their high regard for the IAC . . . as an outstanding development which had enabled significant forward strides to be made," and proceeded to endorse, unanimously, the following statement, which is itself a sort of contemporary historical estimate on the IAC, at the end of General Smith's first year in office:¹

The IAC . . . has been increasingly helpful in facilitating consultation and the exchange of opinion among intelligence chiefs. [it] . . . provides a device whereby the chief of intelligence of each agency of government can comment on, concur, or object to recommendations, proposals, or conclusions regarding problems of mutual concern.

Other Mechanisms for Inter-Agency Cooperation

Besides the IAC and its subcommittees, several other inter-agency coordinating boards² figured importantly in some aspects of CIA's overt and covert intelligence activities between 1950 and 1953.

¹Ibid.

²A directory of the various other Government committees, outside the "IAC" committee structure, in which CIA participated in greater or lesser degree in General Smith's time, was prepared by OIC between March and November 1951, on the basis of a questionnaire survey of various offices and agencies. A copy of this directory, in the form of a memo by OIC addressed to all AD's, Nov. 13, 1951, subject "Survey of Interdepartmental Committees" (Secret), is in O/DCL/ER, filed under "OIC".

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Two of them (the U. S. Communications Intelligence Board and the Psychological Strategy Board) are mentioned here to illustrate the growth of CIA's position of intelligence leadership in the Government's national security structure in General Smith's time. The U. S. Communications Intelligence Board (USCIB), an activity organizationally compartmented from all other overt and covert intelligence activities, had since 1948 operated directly under the National Security Council,¹ as a coordinating board for "all" aspects of telecommunications and related intelligence ("except foreign press and propaganda" materials),² including collection, processing, production, dissemination, and security matters. CIA was represented on the Board from its beginnings, and the chairmanship rotated from agency to agency, with the State Department's intelligence chief, for example, presiding in 1950.³ In 1949 the Dulles Survey Group had recommended that the DCI be made permanent chairman of the USCIB,⁴ but the Defense and State Departments, if not other agencies as well, had objected.⁵ By the fall of 1952, after a long history of intra-CIA

¹NSCID No. 9 (Top Secret), July 1, 1948, in O/DCI/HS files.

³W. Park Armstrong, Jr. See IAC-D-11 (Secret), Dec. 29, 1950, in O/DCI/ER.

⁴See Dulles Survey Group Report, Jan. 1, 1949, pp. 51-52, 60.

⁵Comments of the Defense and State Departments, assembled by Lt. Gen. Joseph T. McNarney and forming part of NSC-50, July 1949 (Top Secret); copy in O/DCI/HS files.

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and inter-agency debate and consultation, including an investigation by a special committee of the President, the Defense Department and the other agencies deferred to CIA, and the DCI was made the permanent chairman of the Communications Intelligence Board.¹

As to the Psychological Strategy Board (PSB),² it was established about August 1950,³ under the State Department, as a device for providing among other things, "policy guidance" to CIA in its psychological warfare operations. After several reorganizations the Board was re-established in 1952, directly under the National Security Council.⁴ CIA was at first represented by a

¹In April 1952 the DCI reported to the NSC that responsibilities in the communications intelligence field were still "divided", and that President Truman had directed that a survey be made by the State and Defense Departments, assisted by CIA. A survey was then "in progress, under the supervision of an independent committee [headed by ██████████], appointed for the purpose." (See DCI progress report to NSC, April 23, 1952, on organizational changes made under NSC-50, Top Secret, TS #63459; in O/DCI/ER; and Historical Staff interview with Loftus E. Becker, April 18, 1955, in O/DCI/HS files.) By October 1952 General Smith had "beaten them," i.e., the departmental intelligence chiefs, and had been made the permanent chairman of the USCIB, according to Sidney W. Souers. (See Historical Staff interview with Souers, Nov. 2, 1952, in O/DCI/HS files.)

²The history of CIA's participation in the PSB is outside the scope of this purely "organizational" chapter. Extensive historical records for such a fuller study on PSB are on file in O/DCI/ER.

³The PSB was announced publicly by the State Department, about Aug. 16, 1950. Edward W. Barrett was named chairman, and the members were to include "representatives" of the Joint Chiefs of Staff and CIA. In addition there were to be "liaison" men at PSB from the National Security Resources Board (NSRB) and the Economic Cooperation Administration (ECA), as well as from CIA. The Board it was said in August 1950, was an outgrowth of "an interdepartmental advisory committee" which had "for some months" been planning this activity. (See Baltimore Sun, Aug. 18, 1950, in press-clipping file on CIA in CIA Library.)

⁴Established under NSC 10-5. See also Historical Staff interview with Sidney W. Souers, Dec. 9, 1952, in O/DCI/HS files.

"policy consultant", who was made a full "member" in October 1950.¹
After a controversy-laden existence and a further reorganization of
the Board, sometime in 1952, the DCI became for a time its chairman.²
This position he held apparently until September 1953, when the
Psychological Strategy Board was replaced by a new Operations
Coordinating Board (OCB),³ under the National Security Council.

25X1A 1 [redacted] from William H. Jackson, DDCI, in a letter
to Webb, Under Secretary of State, Oct. 12, 1950 (Top Secret, in
O/DCI/ER), agreed to Webb's proposal to have CIA designate a
"representative" on the PSB, and also a "liaison" man from CIA,
25X1A the letter for intelligence support matters. For the latter position,
25X1A [redacted] was appointed by Jackson in October 1950. (Pre-
25X1A viously [redacted] had had a somewhat similar position as CIA repre-
25X1A sentative on State's "Interdepartmental Foreign Information Staff.")
In May 1951 [redacted] was selected as CIA's liaison
25X1A man for a two-months tour of duty with the PSB, at a time when it
was known as the Psychological Operations Coordinating Board (PCB).
(See letter from DCI to Under Secretary of State Webb, May 25, 1951,
in reply to Webb's letter of May 2, 1951, Secret, both in O/DCI/ER,
25X1A filed under "State Department.")
By 1952 [redacted] was at the PSB, handling intelligence
support and related matters for CIA, with the title "Special
Assistant for Intelligence" in the PSB (April 1952), and "Assistant
Director, Office of Valuation and Review" in PSB (November 1952).
See biographic statements on [redacted] in OTR course outlines for CIA
Agency Orientation Conferences, April-Nov. 1952 (Confidential), in
O/DCI/HS files.

² Historical Staff interview with Lawrence R. Houston, July 23 and
Aug. 19, 1953, in O/DCI/HS files.

³ Announced, effective Sept. 3, 1953, in CIA Notice [redacted] (Secret),
25X1A Feb. 4, 1954. The new OCB was headed by the Under Secretary of
State, and the DCI was one of its members, along with the Deputy
Secretary of Defense, the Director of the Foreign Operations Admin-
25X1A istration (FOA), and a representative of the President. The DCI,
25X1A like the other members, had assistants for OCB activities. In CIA
they were: [redacted] assistant for operational liaison;
and [redacted] assistant for "intelligence support" and for
liaison on behalf of the DI/I offices. (See above Notice; and
Historical Staff interview with Lawrence R. Houston, July 23, 1953,
in O/DCI/HS files.)

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Another approach by CIA to the problem of improving and extending the inter-agency mechanisms for intelligence cooperation and coordination was to attempt to adapt various inter-Service organizations within the Defense Department to the needs of the Government's entire group of intelligence agencies, military and civilian alike. One example was the Joint Intelligence Indications Committee (JIIC), which was operating, in 1950, as an activity under the Joint Chiefs of Staff and which was renamed the Watch Committee and converted to the status of a subcommittee of the IAC, in December 1950. In this case, CIA's interests were handled by the Office of Current Intelligence.¹ Another example was the Defense Department's new intramural organization for the inter-Service intelligence exploitation of prisoners of war, captured weapons, and captured records. In this new military organization, which was planned in 1950 after the outbreak of the Korean war, CIA eventually achieved a measure of official representation, in the interest of fuller exploitation of captured sources by itself and by the other non-military intelligence agencies.

Captured sources had traditionally been controlled by the military services, but in 1950 there was an inescapable civilian interest as well, and after CIA heard of the new military plans,

¹See Chapter VIII, below.

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initially somewhat by accident,¹ it undertook to launch a survey and conduct a series of discussions and negotiations with the Defense authorities,² concluded in 1951, in which it re-asserted its inter-agency coordination responsibilities, particularly on its own behalf and that of the State Department and the Atomic Energy Commission. Over the initial objections of the Joint Chiefs of Staff,³ CIA was given the prerogative, in March 1951, of making a key appointment to each of the three Defense agencies that were being organized: (1) a "Special Advisor" in the Joint Materials Intelligence Agency (JMIA); (2) the "Deputy Director" of the Armed Services Personnel Interrogation Center (ASPIC); and (3) the "Deputy Director" of the

¹History of Contact Division, Office of Operations, chapter II, section F-4, p. 70 (Secret), in O/DCI/HS files.

²About January 1951, OIC conducted a survey, by questionnaire, of the Army, Navy, and Air Force. Subsequent discussions were led by [redacted] AD/OIC, and included George Carey, AD/OO, and [redacted] AD/OSO. (See History of OO/C, previously cited; and minutes of DCI's staff conference, 6 March 1951, SC-M-11 (Secret); in O/DCI/ER.)

³Brig. Gen. Vernon E. Megee, JCS representative on the IAC, reported "considerable opposition on the part of the Joint Staff" to the idea of CIA representation in the Defense Department's new agencies for captured sources, so he reported early in March 1951. (Ibid.) Commenting on this (within the Director's staff meeting), W. H. Jackson (DDCI) threatened to refer the matter to the National Security Council ". . . if the IAC did not agree", since, he said, such CIA representation was "obviously covered by CIA's coordinating powers." (Ibid.) See also IAC minutes, March 5, 15, 1951; IAC-M-22,23 (Secret), in O/DCI/ER. One particular reason why CIA's proposal was being contested by the Defense Department was probably that CIA originally had asked for representation both in headquarters and in the field. CIA apparently withdrew from its insistence on field representation, sometime before the final agreement.

Armed Services Document Intelligence Center (ASDIC).¹ These three officers were subsequently appointed by CIA from its Office of Operations,² and liaison with the three organizations was handled by OO.

Within CIA, staff responsibilities for promoting inter-agency coordination and cooperation underwent considerable change in General Smith's time. In October and November 1950, it appeared from the actions of the Deputy Director as if the Agency's external coordination work might be centralized, not in a new Coordination Division (as had been urged by the Dulles Survey Group in 1949), but in the Director's immediate office. On becoming Deputy Director, Mr. Jackson (1) took direct personal charge of the agenda of the IAC meeting of October 20; (2) undertook to negotiate with the State Department (outside the existing committee structure) the problems of re-aligning the "division of labor" between the two agencies' various fields of intelligence production; and (3) late in November 1950, took charge of "policy clearances" for liaison between CIA

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¹IAC-M-22 and 23, previously cited.

²The CIA "Special Advisor" on the JNIA staff was [redacted] OO/Sovmat Staff; the Deputy Director of ASDIC apparently came from OO/FDD; and the Deputy Director of ASDIC [redacted] from OO. The formal announcement of these three positions, in June-August 1951, appeared not in CIA's own regulatory publications, but in various "Army Regulations" and "Special Regulations" of the Army (Confidential).

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and the State Department,¹ if not other intelligence agencies as well.²

It even appeared, for a time, that control by the Director's office over inter-agency contacts might also extend to OGC's Liaison Division, as recommended by the Dulles Survey Group in 1949.³

¹W. H. Jackson, DDCI, to Secretary of State, Nov. 28, 1950 (Secret), in O/DCI/FR, filed under "State Department." About a week later, on Dec. 4, 1950, this liaison-control function of the DDCI was announced to the Assistant Directors and the Staff chiefs, in an unnumbered directive issued by the new Deputy Director for Administration. (Ibid.)

²Only the following types of State liaison were exempted from DDCI clearance and control, by the directive of Dec. 4, 1950: covert operational liaison, which remained with the Assistant Directors for OSO and OPC (with control decentralized, presumably pending the union of OSO and OPC, under the new Deputy Director for Operations); and liaison on budgetary, fiscal, and other administrative matters, which were assigned to the Deputy Director for Administration and to the Comptroller.

³No mention was made (in the directive of Dec. 4, 1950 of the Liaison Division). The AD/OD (James H. Andrews) quickly noticed this omission (on Dec. 12), and questioned whether the DDCI really intended "to undertake this chore" of handling "the daily volume of requests, [informational] documents, and miscellaneous clearances" which normally passed between the CIA and the State Department. (See "State Department" file in O/DCI/FR.) Whether this type of "middle-man" liaison and coordination work was an oversight in the directive, or whether Jackson had actually considered absorbing the Liaison Division into the Director's office, is not clear from the records used.

On December 18, 1950, however, the Deputy Director agreed with OGD that the Liaison Division should remain where it was.¹

Jackson's initial gestures toward centralization proved to be less typical than a trend toward decentralization, which had meanwhile begun to set in and which continued in 1951 and 1952. During this time the Director and his immediate office began to encourage the Assistant Directors to re-assume and re-assert responsibility for that part of CIA's inter-agency obligations which affected their particular spheres of activity. Thus, each Assistant Director's office normally provided and controlled the secretariat of the particular subcommittees of the IAC which were working in that office's major subject-matter field. Next, each CIA office had the job, either within or outside the committee system (or supplementing it), of maintaining continuing liaison, discussion, and negotiation with the other agencies, in the particular functional activity involved. Each office's key research analysts, for example, normally dealt directly with the corresponding research personnel in the other agencies with whom they were expected to collaborate; and they also dealt directly, but perhaps less frequently, with the particular "customer" offices for which their products were intended, and with the collection-control points in the State or

¹OGD's memorandum was endorsed, Dec. 18, 1950, "Approved for DECI by [redacted] (See memo in O/DCI/ER, filed under "State Department".)

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Defense Departments where additional intelligence information might be sought for the particular intelligence study at hand. In this daily liaison and coordination job, the DDCI did not normally interfere, although he apparently retained control over the "policy" clearance of inter-agency contacts.¹

In collaboration with the Security Office, OCD continued to review and register contact clearances with I/C (and non-I/C) agencies, at least for the overt side of CIA.² But in this process the Assistant Directors of the operational offices were given an increasing measure of control, and early in April 1951³ the Director and the Deputy Director agreed to a proposed directive which "in effect, put into practice the actual present method" of decentralized "liaison control". OCD had raised the objection "that the other

¹No record has been found rescinding Jackson's directive of Dec. 4, 1950, previously cited. One further exception was control of Agency liaison, covert and overt, with the Federal Bureau of Investigation (FBI) and with the Immigration and Naturalization Service (IAN Service), which was a function of DD/P.

²The OCD Liaison Division's contact-control work was chiefly on behalf of the overt offices, but it also extended, on occasion, to the offices and staffs in DD/P.

³DCI's staff conference minutes, April 4, 1951 (Secret), SG-M-14, in O/DCI/EP. The directive for decentralizing "operational liaison" to the production offices was drafted by OIC, in collaboration with the AD's of the other offices concerned. Whether this particular directive was formally issued in the CIA Regulations series is not clear.

agencies might complain on duplication of liaison" with them,¹ but the view of the operating offices prevailed that (as stated by one of the AD's present) "it was very important from the viewpoint of his [production] office to have direct liaison between his analysts and those of other agencies."²

Inter-agency coordination took still other organizational forms, between 1950 and 1953. For example, a number of intelligence specialists from other agencies continued to be stationed in CIA.³ Conversely, a number of key CIA personnel were stationed, in a liaison capacity, in one section or another of the Defense or State Department's intelligence organizations in cases where the daily business of a given CIA office was especially heavy. Many if not most of these external positions were on a more or less indefinite or permanent basis, with the agreement of the department concerned; and each position was normally controlled by a particular operating

¹Ibid.

²Views of Max F. Millikan, Assistant Director of the new Office of Research and Reports (ORR), quoted in ibid.

³Such outside personnel were "detailed" to CIA "for actual participation within selected intelligence producing activities," and their assignments were regarded as "further strengthening" the trend toward inter-agency cooperation, CIA reported in September 1950. See CIA Budget Estimate for Fiscal Year 1952, "Introductory Statement" (Secret), Sept. 1, 1950, p. 3, to CIA Comptroller's "Historical Notes . . . , 1945-1952" (Top Secret, TS #74650), in O/DCI/HS files.

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office of CIA.¹ Many of the appointments, furthermore, were made less for security and "cover" reasons than in the name of inter-agency "coordination."

Somewhere in between the decentralization of CIA's inter-agency activities, as they developed in 1951 and 1952, and the initial gestures toward centralization in the Director's office, called for in October and November 1950, was the new Office of Intelligence Coordination, (OIC) which was established late in November 1950 to replace the Coordination, Operation, and Policy Staff (COAPS). OIC's essential activity, as described more fully later, was to "coordinate the Coordinators." As its chief once remarked, OIC's staff did not replace the DCI, "who is, by statute, the chief coordinator" for the Government's intelligence programs.² Rather, OIC assisted the Director's office, and the Assistant Directors as well, on inter-agency problems of mutual concern to them.³

¹For example, OGI had a liaison man at the Armed Forces Security Agency (AFSA); and ONI had liaison officers stationed at the National Security Council's "Staff."

²Extemporaneous remarks by James Q. Reber, Feb. 13, 1951, at CIA's First Agency Orientation Conference; recorded on disc (Secret), in OTR files.

³See OIC's four "status of projects progress reports," January, March, April, and June 1951; and OIC's "first annual report" to DCI, Oct. 5, 1951, in O/DCI/ER, filed under "OIC."

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Coordination Overseas

Overseas the coordination of the Government's over intelligence activities took still another form. Several U. S. operating agencies were involved, CIA being probably the one with the fewest overseas assets, in terms of American personnel and money involved. Of the several U. S. agencies operating abroad, the State Department was pre-eminent. Through its Foreign Service posts, it conducted numerous information-reporting activities, some of them with the assistance of specialized attaches on scientific, economic, agricultural, labor, and other subjects. Among these attaches were the military, naval, and air attaches, who were administratively attached to the Foreign Service posts but remained, as before 1950, under the "technical supervision" of the Service intelligence chiefs in the Defense Department in Washington.

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Reorganization of "National Intelligence" Production System, 1950-1951

If decentralization was a basic characteristic of General Smith's organizational policy with respect to CIA's inter-agency coordination and leadership activities, that characteristic was even more apparent in his reorganization between October 1950 and February 1951 of CIA's system for producing national intelligence. On November 13, 1950, he announced the long-expected dissolution of the Office of Reports and Estimates (ORE),¹ in which had been centralized (since the Agency's beginnings in 1946) most of CIA's research, production, coordination, and dissemination-control work that went into the three recognized types of "national intelligence": national intelligence estimates; national intelligence surveys; and current intelligence. In the days and weeks that followed, ORE was replaced by three new production offices, and among them the three types of national intelligence were decentralized, as follows:

1. The function of national intelligence estimates (NIE's) became the principal activity of a new, separate Office of National Estimates (ONE),² announced on November 13, 1950, to take over ORE's estimating functioning. The Assistant Directors of ONE, during

¹The formal announcement did not actually say that ORE was being abandoned, but only that its "designation" was being changed to Office of Research and Reports, and that an Office of National Estimates was being established simultaneously. (See General Order ██████████ Confidential, Nov. 13, 1950, among records of Management Staff, in CIA Records Center.)

²See Chapter IX, below.

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General Smith's administration, were (successively) William L. Langer,¹ from November 1950 to about December 1951, and Sherman Kent, from January 1952 on.

2. The function of national intelligence surveys (NIS's), which had been the principal activity of one of ONS's other major components, the Basic Intelligence Division, was transferred, intact and undisturbed as a division, to a new Office of Research and Reports (ORR).² The establishment of ORR, like ONS, was announced on November 13, 1950. In December 1950 ONS was assigned three principal production functions,³

¹On Langer's appointment, see General Order [redacted] (Confidential), Nov. 13, 1950, and General Order [redacted] (Secret), Dec. 1, 1950, both among records of Management Staff, in CIA Records Center. Originally (in October 1950) General Smith had planned to seek the services of Admiral Stevens or General Huebner, as head of ONS, so he told the Intelligence Advisory Committee members at his first meeting with them, on Oct. 20, 1950. (See "Tough Draft" of ISG minutes, Oct. 20, 1950, in O/DCI/HS files.)

²See Chapter VII, below.

³The earliest reference found to ORR's charter is on Dec. 18, 1950, when William H. Jackson, DDCI, announced (in the DCI's staff conference) that ORR would have three principal functions, which he listed in the following order: (1) Soviet and Satellite economic intelligence; (2) the Map Division (formerly in ONS); and (3) the National Intelligence Survey (also formerly in ONS). In addition, ORR would handle "any other services of common concern that might be directed by the [National] Security Council," so Jackson said. (See SC-M-1, Secret, Dec. 18, 1950; in O/DCI/ER.)

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of which national intelligence surveys was one. [REDACTED]

who had been in charge of this activity since 1947 served continuously as head of the Basic Intelligence Division during General Smith's entire administration. During General Smith's time the Assistant Directors of ORR were Theodore Rabbitt, November 13, 1950, to some-
time in December 1950;¹ Max F. Millikan, January 1951 to March 17, 1952;²
and Robert Amory, Jr., from March 17, 1952 to February 23, 1953.³

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3. The function of producing current intelligence, previously allocated to ORR was reassigned as a CIA responsibility about November 1950,⁴ and was relocated on January 15, 1951 to the newly established Office of Current Intelligence (OCI). This office represented a

¹Theodore Rabbitt was redesignated AD/ORR on Nov. 13, 1950, by General Order [REDACTED] (Secret). No announcement of his departure from ORR, nor the effective date of his departure, have been found. He was still in charge, however, as late as Dec. 7, 1950, when he made an intelligence presentation to the IAC. See IAC-M-10 (Top Secret), Dec. 7, 1950, in O/OCI/RR.

²No formal, separate announcement of Millikan's appointment as AD/ORR has been found. His name was first announced on Jan. 4, 1951, when it appeared (along with other officials) in the latest list of CIA officials. (See General Order [REDACTED] Secret.) Nor was his departure from ORR, in March of 1952, formally announced.

³Amory's appointment and departure as AD/ORR were announced in Notice [REDACTED] (Secret), March 3, 1952, Notice [REDACTED] (Secret), May 14, 1952, and Notice [REDACTED] (Secret), Feb. 19, 1953. Amory was replaced as head of ORR by Otto R. Gouthe on Feb. 23, 1953; see Notice [REDACTED] (Secret), Feb. 19, 1953, cited above.

⁴General Smith presented a proposal to the IAC, on Nov. 24, 1950, for the establishment of an IAC watch Committee, under the chairmanship of CIA. The watch Committee was expected to replace both the former "Check List Group", formerly managed by ORR, and the Joint Intelligence Indications Committee, which had been established by the Joint Chiefs of Staff, only very recently, (about Aug. 7, 1950). See IAC-D-6 (Top Secret), Nov. 24, 1950, and IAC-M-10 (Top Secret), Dec. 7, 1950, both in O/OCI/RR.

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complicated merger and expansion of various CIA activities which will be outlined later.¹ The key personnel who supervised CIA's current intelligence functions during the period of General Smith's administration were as follows: [redacted] who served first as chief of the Advisory Council, from August to late November 1950, and then as Assistant Director of the successor "Office of Special Services", from late November 1950 to about January 4, 1951;² Kingman Douglass, who served as Assistant Director of the Office of Special Services, January 4 to 15, 1951, and then as Assistant Director of the Office of Current Intelligence, from January 15, 1951 to July 12, 1952;³ and Huntington Sheldon, his successor as Assistant Director of OCI, from July 12, 1952, on.⁴

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¹See Chapter VIII below.

²On [redacted] appointments, see General Order [redacted] (Secret), Aug. 7, 1950, General Order [redacted] (Secret), Dec. 1, 1950, and General Order [redacted] (Secret), Jan. 4, 1951, all among records of Management Staff, in CIA Records Center.

³On Douglass' appointment, see General Order [redacted] (Secret), Jan. 4, 1951; and on his departure, see Notice [redacted] (Secret), July 10, 1952. From sometime late in December 1950 to Jan. 2, 1951, Douglass was referred to as a "consultant" to the OCI. (See, for example, 62-4-2, and 3, Secret, in O/OCI/RR.)

⁴On Sheldon's appointment, see Notice [redacted] (Secret), July 10, 1952, cited above.

[redacted] (See biographic statement in OIR course outline for Agency Orientation Conference, Nov. 1952, Confidential, in O/OCI/ds files.)

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What may have seemed like surprising abruptness in the reorganization of CIA's national intelligence functions after General Smith came on duty seems actually to have been a matter of timing. In defense of the speed with which the current reorganization was occurring, Mr. Jackson told the Assistant Directors, in a staff conference in December 1950,¹ that two approaches had been considered by Smith and himself in the fall of 1950: a series of gradual changes to be extended over the following eighteen months, which would have been "less demoralizing than a rapid change," or an "immediate reorganization." The latter, he said, was decided on, "in view of the international situation."² Jackson did not reveal what the factors were in the "international situation."

¹Remarks by William H. Jackson at DCI's staff conference on Dec. 18, 1950, SC-M-1, (Secret), in O/DCI/HR.

²Ibid. These minutes (numbered SC-M-1) were evidently the first of the formally kept minutes of General Smith's frequent conferences with his Assistant Directors. No earlier minutes, before Dec. 18, 1950, have thus far been found, which bear on the historically significant preceding ten weeks, October-December 1950, when General Smith's administration of CIA was launched and when most of his basic organizational decisions seem to have been made.

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Even cursory observation of the world situation at the end of 1950 and the beginning of 1951, however, leaves no doubt of the great pressure that was necessarily felt by the intelligence apparatus of the U. S. Government to contribute all it could with the greatest possible speed. It could well have seemed to those with the responsibility that nothing could justifiably be postponed. In the words of a contemporary document intended for the President, the director of his Budget Bureau, and a few "cleared" members of the Senate and House of Representatives: the situation with respect to "national intelligence" under the circumstances of 1950-51 was described as follows:

"The recent outbreak of hostilities in Korea has made it necessary for the Agency to intensify its estimates of Soviet intentions around the entire periphery of the Soviet orbit. In addition to the normal surveillance of indications of Soviet preparations for its own military effort, each and every situation in the Far East, as well as Eastern and Western Europe, must now be examined continuously and analyzed systematically with a view toward detecting the capabilities, preparations, and intentions of Soviet Satellites to engage in operations similar to the North Korea aggression. An increasing effort must be applied to specific indications of Soviet intentions either to employ their own military forces or to incur increasing risks of direct military action against United Nations forces by manipulation of other dominated peoples. In addition to intensifying its surveillance of the Soviet orbit, the Agency must concomitantly address itself with equal attention to the non-Soviet political, economic, psychological, and military pressures. The Agency must estimate the potential of such countries to support the United States in achieving its objectives in the continuing cold war with the USSR and the contingency of the cold war developing into open warfare. Further, the Agency must provide continuous intelligence appraisals of U. S. objectives, commitments, and risks in support of the established

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policies of the United States toward the non-Soviet countries with regard to military aid, economic assistance, the Point Four Program, and other measures designed to strengthen the capabilities of such countries against Soviet aggression"¹

The "international situation", however, was clearly not the whole reason for the precipitate changes in the organization for production of national intelligence that took place by March 1951. Changes very much like these had been forecast for some time, and there had long been pressure on the CIA administration to make them. The endorsement of the Dulles Report by the National Security Council in the form of peremptory orders for change within a stated limit of time would normally have resulted in a drastic reorganization of CIA to conform to the suggestion of the Dulles Committee long before General Smith became Director. The orders of the NSC, however, had not been carried out by October 1950, at least to the satisfaction of those needing to be satisfied. What had been happening instead was a prolonged dispute over the form and extent of actions that would be taken in response to NSC demands, and out of it had come numerous suggestions and demands from several different parts of the Government. Many suggestions were outstanding, in other words, and General Smith and his colleagues naturally had ideas of their own.

¹"Introductory Statement" (Secret), p. 4, of CIA's Budget Estimate for Fiscal Year 1952, Sept. 1, 1950, appended as tab D to CIA Comptroller's "Historical Notes" 1945-1952 (Top Secret, TS #74650), in O/DCI/HS files.

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All of these General Smith had to incorporate into some form of reorganization that could not well be indefinitely delayed.

Even so, the effect of destroying the major substantive component of the Agency (ORE) and dividing its main functions among three newly-created offices within the space of ten weeks, was, of course, disconcerting from the point of view of the disestablished component, whose members had abruptly to reorient all that they had been doing over a space of four years in accordance with the new dispensation. Specifically:

(1) With the exception of four officers brought in by the Smith administration to deal with the problem of national estimates, ORE consisted, for several months after its establishment on November 13, of a complement withdrawn from ORE.¹ In the uncertainty that naturally prevailed for some time after November, this group, under its new chief, had to evolve the means whereby national estimates could be produced under the changed circumstances of 1950-51.

(2) The Office of Research and Reports, for some time after November 13, was little more than the Office of Reports and Estimates renamed. The same Assistant Director who had headed ORE remained in office as head of ORR until January. Decisions that eventually made of ORR a headquarters for research and production in economic intelligence were not finally reached until after January. Under those circumstances, there was not much that the new Office of Research and Reports, as constituted, could do but wait for orders.

¹See Chapter IX, below.

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(3) The Office of Current Intelligence was not even formed as such until mid-January, but the function of producing current intelligence did not cease in the interim. Although most of the current intelligence publications lately circulated by the Office of Reports and Estimates had been cancelled even before November, no order was received to abandon publication of the "Daily Summary" or the "Daily Korean Summary", both of which seem to have been required by the white House. The first became the responsibility, until January, of the Office of National Estimates, while the second was furnished through the facilities of the Office of Research and Reports. The establishment of OCI represented, among other things, a decision in favor of continuing current intelligence production by CIA, even though the general circumstances of 1950-51 called for abandoning it. The task, however, of reassembling, within OCI, the elements that had formerly produced current intelligence for CIA, and organizing them for a similar function under different organizational conditions, was one that would obviously take time.

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