

**CONFIDENTIAL**

12 November 1947

MEMORANDUM FOR THE ASSISTANT DIRECTOR, R & E

Subject: Production of a "World Situation Estimate."

1. The Global Survey Group is charged with the production of "World Situation Estimates." The content and frequency of these Estimates are not specified. I understand that ORE undertook to produce them on its own initiative, and suppose the content and timing are left to the discretion of ORE. Presumably the Estimates would consist of a more extended exposition of those matters presented in current and summary form in the CIA Series. It has been anticipated that Estimates would be produced semi-annually, the first by the end of the current year.

2. A prerequisite to the preparation of a World Situation Estimate, as herein envisaged, is the existence of a body of staff intelligence prepared by the several Branches with reference to their particular concerns but affording coverage of all situations of global significance. This is not to say that the World Situation Estimate would be merely a miscellany of Branch estimates collected under one cover. On the contrary, it must be a coherent analysis of the world situation from a global point of view. The Branch estimates from which it is derived will presumably have to be reworked by the Global Survey Group to meet this requirement. The prerequisite staff intelligence must be provided, however, before the Global Survey Group can proceed with its task.

3. On my return from leave in early September it was my intention to initiate a series of projects designed to close the gaps in our staff intelligence coverage and to permit the completion of the first World Situation Estimate on about 1 December. During September and early October, however, the Global Group was pre-occupied with meeting the unanticipated and urgent requirements of the National Security Council and its Staff Group. Thereafter I was unwell and had to defer specific planning for the World Situation Estimate until about 1 November.

4. On canvassing the situation I now find that the available staff intelligence is generally adequate with respect to the Near East, the Far East, and Latin America, but that it is decidedly inadequate with respect to the U.S.S.R., the U.K., France, and Germany. Those four countries, however, constitute the very crux

**CONFIDENTIAL**

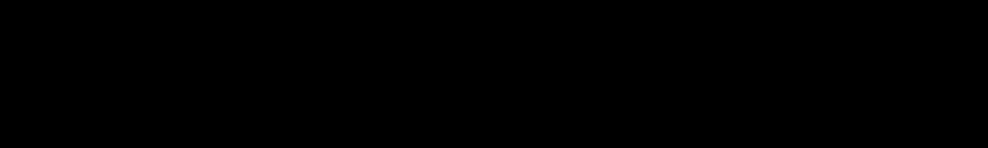
000114

CONFIDENTIAL

of the world situation as we have analyzed it in CIA 1. ORE should have produced a complete and thoroughly analytical coverage of them on general grounds, apart from the requirements of a World Situation Estimate. The actual state of ORE coverage with respect to each is as follows:

a. The U.S.S.R.: ORE has produced no general analysis of Soviet objectives and strategy since ORE 1 (23 July 1946). That part of ORE 1 relating to the basic policy of the U.S.S.R. is still generally valid (as it should be). But ORE 1 was produced by one man over the weekend to meet an unanticipated and urgent requirement. It has always been subject to improvement with more time for deliberation and, at the age of sixteen months could also be improved in the light of subsequent developments. As regards current Soviet strategy for the accomplishment of basic objectives (see Special Evaluation No. 22), it is of course far out of date.

25X8



c. France: ORE coverage of France has been exclusively in the form of current intelligence; no thorough analysis of the French situation has ever been attempted or projected. Yet France is the key to the situation in Western Europe. There is presently in preparation an estimate of the current political situation in that country, but on form it is more likely to run as current than as staff intelligence. A thorough analysis of all factors in the French situation is definitely required.

d. Germany: ORE has produced no staff intelligence on Germany except ORE 11/1 (8 April 1947). That paper, as its title implies, was a summary review of the objectives and policies of the occupying powers rather than a thorough analysis of the German situation. Such an analysis should have been produced ere now in anticipation of the C.F.M. meeting a fortnight hence. A report on Germany is in preparation, but its original version was current rather than staff intelligence and it is still too slight and superficial to provide the thorough analysis of the German situation that is required.

5. Personnel of the present Global Survey Group produced both ORE 1 and ORE 11/1, the first singlehanded, the second with some assistance from the Branch. The Group, however, is not the

CONFIDENTIAL

**CONFIDENTIAL**

proper body to prepare any one of the four estimates specifically required and certainly cannot produce all of them and a World Situation Estimate simultaneously.

6. Under the existing organization of ORE it is an implicit function of the Global Survey Group to propose projects designed to correct deficiencies in ORE coverage as the Group perceives them. The procedure for giving effect to such proposals is unclear, however. The Group itself lacks authority to direct the Branches to take appropriate action or to see to it that any action taken actually satisfies the requirement indicated. Moreover, three requirements indicated herein result from the consistent inability or disinclination of two Branches to perform the primary function of ORE (thorough intelligence analysis, as distinguished from current intelligence reporting). This is a matter too fundamental to be dealt with through the routine functioning of the Global Survey Group and the Estimates Group. Both in theory and as a practical matter, it appears that only the Assistant Director himself has the requisite authority to give the direction and the instruction needed in these circumstances.

7. Recommendations:

a. That the Eastern European-U.S.S.R. Branch be directed to prepare, as a matter of priority, an analysis of basic Soviet objectives and of current Soviet strategy, on the order of ORE 1.

b. That the Western European Branch be directed to prepare, as a matter of priority, thorough analyses of the situation in France and the situation in Germany.

c. That the Northern Branch be directed to complete ORE 26 as a matter of priority.

d. That each Branch be instructed that in each case the desideratum is a thoughtful analysis of the fundamental situation rather than a superficial account of current events.

e. That the preparation of a World Situation Report be deferred until the estimates referred to above are available at least in final draft.

LUDWELL L. MONTAGUE  
Chief, Global Survey Group

cc: Assistant Dir., ORE

**CONFIDENTIAL**