Mr. Valentine



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Sul Letters from Valentine 2E: Suggested Jolices for C7A.

Mr. Brayton Wilbur 320 California Street San Francisco, California

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DOCUMENT NO. NO CHANGE IN CLASS. A DECLASSIFIED CLASS. CHANGED TO: TS S 2010 NEXT REVIEW DATE: SD AUTH: HR 70-10 DATE: D

In order that you and other members of the executive Committee may be fully informed of any action I am taking relevant to the major decision in hand, I am enclosing herewith a copy of a letter sent today to Ascham, together with an earlier letter to Ascham referred to in the present one to bim.

Copies of this material, together with a orief explanatory note, are svailable for all other members of the executive Conmittee for presentation when a masked to meet with them.

i do not propose to send you or any other member of the Executive Committee any further reading matter in advance of my meeting with that Committee, unless you or other members request me to do so.

Cordially yours,

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"... government of the people, by the people, for the people"

## PRIVATE AND CONFIDENTIAL

August 6, 1952

Cear Aschami

Because 1 want to be sure that you are clear as to the thoughts 1 tried to convey to you in our two telephone conversations this week, I am writing them to you, not I fear briefly, but as briefly as possible.

Since I am eager to keep members of the Executive Committee informed of all my actions in this matter, I am preparing copies of this letter, for their later reading if they wish, and it is necessary for their information to summarize the background.

In Washington on July 26, told me emphatically that my leadership of Dipillar was, in his opinIon, unsatisfactory. Jwho was present, then made his statement regarding disaffection toward me in the Dipillar staff. Those were the first intimations I had received from any source that my work for Dipillar was subject to criticism. This came to me as a great shock, for up to that time 1 had some reasons to believe that, taken as a whole, my efforts had the cordial approval of our sponsors, as well as of the Executive Committee.

You will remember that the same afternoon, in their presence, i told you, on my initiative, of \_\_\_\_\_\_\_ statements and my intentions to investigate, improve and report to you. My steps from that point are recorded in my letter of July 31 to you, and since that time further steps of importance have been taken with the staff, to their stated satisfaction.

The first intimation 1 received of any Executive Committee involvement in this matter came to me just two days ago when Chester Virgo told me that the desirability of my resignation was "firmly" in his mind and gave me a copy of [ \_\_\_\_\_\_ nemorandum of July 28. This is also the first time 1 had any idea that 411ot had been in San Francisco then.

I then discussed \_\_\_\_\_ memorandum, in confidence, with my closest ranking associates, Mr. Rindskopf and Mr. Schultz. I told them that Chester Virgo had said to me that "they" (meaning your organisation) had made it so clear to him that I am persons non grata to our sponsors that he believed that fact along to make my resignation desirable. In inquirying precisely who "they" were, I understood Chester to intimate that he had not been in direct touch with you or the Eirector.

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By two associates above joined with me in the opinion that since my relations up to July 24 apparently gave reason to believe my work was satisfactory (including the fact that on that day you completely supported and implemented, as you have previously done, my position with regard to the proper relations between Dipillar and its sponsors, -- a position which I urged in accordance with instructions from my Executive Committee, and which I had reason to believe you shared), it would be important to discuss the situation on a face to face basis. We felt that since a chief stated basis of '\_\_\_\_\_\_ attitude is the report from \_\_\_\_\_\_ which involves your organisation, it would be proper to present directly to you some relevant facts which had not come to you from other sources. We felt that you would not want to be a major influence in the Committee's decision (indirectly) without having given opportunity to me to offer my comments directly to you.

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I have the utmost confidence in the judgment of the Executive Committee, but my sole desire was to take all necessary steps to present to them all information in the most accurate possible form. We felt that the best possible procedure would be for you to come here and assess the situation yourself, but that the next best would be for me to go to you.

At this point Rindskopf and Chaits voluntsered that they wanted to go to Washington with me, as soon as possible, to offer you their own thoughts. It was on this basis that I telephoned you on Monday, August 4. First I asked you to come here, but you said your duties would not prmit that. Then I asked you to let us come to you and you agreed to see us on Thursday morning, August 7, for a considerable length of time. We made plane reservations and as repidly as possible I informed  $\Box$  , who had that morning said that I might see you, of our plan.

When you telephoned me Tuesday morning and cancelled the sppointment I said to you that I quite appreciated the reason in your policy in that respect; that it was not my intent to inject you into the affairs of that Committee; and that I recognized its full authority and your right to disassociate yourself from the matter. I then tried to make clear to you my single point: that you were already injected as the deputy head of an organization which by the reports of your agents had put that organization in a position of advancing serious criticisms of me, suddenly and without hearing and comments, and that the chairman, at least, regarded the reports of your agents as official and determinant.

-2-

If course 1 cheerfully acquiesce in your decision not to see me or my associates at this time, though this may mean that the decision is likely to be greatly affected by the existing reports of your agents, and that the decision may be made before we have a chance to present our thoughts to you. This seems to me unfortunate.

You have been awars, though parhaps not completely so, of the difficulties of the job 1 did not solicit but was asked to undertake here. In that connection, and with specific reference to the criticians now offered, I hope you will find time to read again my letter report of February 18 privately to you.

You are also aware that 1 was asked to take this post, and was willing to take it, only with the mutual wish and understanding that it be for the long puil. It was for that reason that I asked that an especially thorough advance check be made on my qualifications and ability, so that if appointed there would be no question but what I might have the continuing confidence of sponsors and executive Committee during what I knew would be a very difficult and perhaps long initial period. You will also recognise that the entire standing of a man in my kind of work is dependent upon his reputation. Whatever respect and esteem I may have been able to acquire through many years of work is now in real danger of very serious impairment.

I do not question the right or the propriety of the Committee and its sponsors to dismiss me at any time, within their judgment. My concern is not so much with keeping my job as it is with having these drastic criticisms of me thoroughly discussed and evaluated from all angles. By concern is also for the future welfare and successful work of this Committee, which in spite of the tremendous handlcaps of recent events, I believe I can lead successfully. I therefore intend to oppose vigorously the criticisms which I believe greatly emaggerated, not based upon fact and adequate knowledge, and so sudden and extreme as to seem almost fantastic.

Cordially yours,

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## Sebruary 18, 1952

Dear

For some time I have felt both the wish and the need to prepare an over-all report for you and .B. It is overdue, but there have been handicaps to its preparation, as the report itself indicates.

I am deliberately making this report personal, informal, and private. I can tell you much more that way, -- and there are some things I should write which it might be indiscreet to have seen by any except you two, -- so I shall send it directly to you. If you like a report in this form, I shall try to write you one about once a month, -- though not at equal length! In any case I shall be sending you shortly a more formal and detailed report of projects, personnel, finances - and shall do so from time-to-time. But I plan to make those merely supporting material for these more private summaries.

I am rejuctant to give you an account of all the alarms and excursions of the past two months lest it appear to be a buildup for future allbis by me, or else a distribe against my predecessor. But you should know the facts, as I see them, and I shall have to risk your reactions.

I'll start by rounding out the good side, and there's a lot of it. Those comments can be brief and staccato, though it has always seemed to me unfair that the good things and people get recorded so summarily, whereas it takes longer to explain the bad ones. And we have some very pretty examples that the evil that men do lives after them, even if it's only small-time evil!

I have had every possible co-operation and assistance from Emmons Brown, who is intelligent, understanding, sympathetic, and brisk, and who performs quickly, responsibly, and without omissions. He seems to me (us) the ideal liaison officer. If he were not invaluable to us there, I should want him here.

We could not get such help from him if he and we were not being supported from above. I have had no frustrations, no doubts and restrictions on freedom of actions from the East, -- and that's a high tribute to your company under the circumstances. Believe me, I am grateful.

Support from the Executive Committee has also been good. Of course 1 must speak of it in more qualified terms because under the circumstances one would expect less from it. The Executive Committee has backed me up well when called on, and that's all I ask. I am a little relieved that it has not wanted to participate more in the actual Committee work and decisions, for that could have made problems.

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Brayton I admire particularly for having kept his hand off, and increasingly off, during the past six weeks, for Brayton had had to enter well into operations in November and December, and is also of the temperament and habit that makes him a vigorous participant in whatever interests him. I think his present quiescence does not mean diminishing interest or approval, but a combination of confidence, relief, and also conscious conviction that he should supervise only in the over-all sense. I like him! As for the rest, they are a very good lot but they are of course extremely busy, and though they are all interested, other things interest them more. I had hoped the Executive Committee would meet regularly every two weeks, but we have had to settle for once a month -- and then for a two-hour lunch session. Perhaps later when we get into impressive operations, they may be pulled in more, but I rather doubt it, for we will never be very impressive in the sense that our best work will be usually unmeasurable and sometimes unmentionable.

At any rate, 1 see nothing to worry about in the present set-up of the Executive Committee or my relations with it, -- or at least nothing that can't be handled. The proper relationship, under these peculiar circumstances, is probably one of Committee confidence in the officers, plus remoteness from day-to-day activities, -like a university board of trustees. There's a delicate balance between having such a board too active or too inactive. I shall try to find that balance. They are fine men, and if I can win and keep their confidence, there will be no problem.

A little more on the rosy side. The staff here has gone through some very trying times, and most of them have survived. There is a good chance that its members can now be welded into an effective and loyal working group. That is still far from certain. however. The Greenes and Florence (Smith) Cross (who probably should be in the hands of a psychiatrist) did put on a series of emotional orgies and misrepresentations that shook the staff badly - particularly as many liked George personally and also as the two Greenes and Cross had very effectively established in the staff's minds an erroneous and unflattering concept of Brayton and his associates as domineering. unjust, reactionary, and generally unappreciative of George. Most of the staff still don't know, and probably shouldn't be told, the whole truth about the act this trio put on - and is still putting on. 1 had hoped we could bury and forget the past, but at least two of the trio are still actively at work. They must be getting some aid and comfort from one or more people in your group - 1 don't know but 1 think I could name them. So far as I'm concerned, my only interest is to maintain security, efficiency, and morals, but that's not been easy. I don't much care what anybody says about me as long as they'll let me get on with the job, and I don't propose to waste any energy slapping mosquitoes who bite me alone, but not everyone else is equally thick-skinned or remote.

But the Greene episode was - is - not the only staff morale problem. On top of that is the normal worry of those not too sure of themselves and their jobs when a new boss comes in. And beyond that is the fact that some of the staff have had too little to do, partly because they were indiscriminately recruited, badly assigned. frequently misled by G.G. and Cross as to the terms of their appointments, and never properly or ganized. Some of this, in fairness, was probably inevitable under the circumstances. This made for frustrations, recriminations, unsettled plans and rumors! All that is slowly being straightened out, but it's by no means all over yet. We may have to let two or three men go, not because they are third rate, but because there's no place where we can utilize what they have. We may lose one or two others when they find they can't have what they want, although I'm doing my best to work it all out. Noble is able, difficult, and had rapidly developed some delusions of grandeur. He may not be willing to adjust his ambitions downward toward his limitations. Aldrich is a sweet, kindly gentleman who has so far displayed no decision, initiative, vision, or drive, but who may have set his heart on being Elrector of Asian operations, -- a hope G.G. did not discourage.

One more point about the staff. It includes some good people -Stewart, Ivy, Ryan, Rinker, Henry of course, and one or two others. But beyond that I found myself engulfed in a sea of well-meaning, fuzzy-minded and alas also sometimes ambitious mediocrity, although much of the fuzzy-mindedness was due to working in the dark under G.G. There were other troubles: proportionately too many Id China Hands; too many friends or friends of friends of Greene and Cross, both Caucasian and Asian - but the real problem was and is the dead weight of that Mediocrity.

Much of it can be useful if it is properly placed and led, and tempered by some first-rateness, or even good second rateness. That's the way I'm playing it, with my fingers crossed and my breath held, and at present I have hopes of CFA coming through. At last we have some more people joining us who I know have ability and judgment - General Maddocks, Siegbert, Gerard as Comptroller - others, I hope, lower down. It will be nice to be able to turn to men whose judgment, discretion, and detachment I can trust! I think the worst is over; that's why I'm writing you now. I didn't want to write until I felt maybe I could get on top of a situation more difficult than I, and I think you, realized - and even now we're not out of the woods.

We have some excellent people in the secretaries and younger ranks, and I think among our Asians, who are not yet all being properly utilized. At present the work-load is very unevenly distributed, but as that is adjusted, and as we get further into operations, morale will mount rapidly, I think. I'm told it is far better now than it has been for several months. However, we face one permanent and almost insoluble problem of morals - our Asians. We cannot make them witting; therefore we cannot include them in our staff meetings, which must be limited to the witting if they are to serve their purpose. The Asians see people come and go, whom they do not meet, but who are obviously folk of importance taken into our inner councils. They are aware of letters they cannot see; of lock files they cannot use; of security measures, no matter how we gloss them over. They are also intelligent people who ask difficult questions and are not easily put off.

This situation constitutes a constant threat to basic security, no matter how perfectly everyone plays the game of security. Many of these Asians now believe we are associated with government: some will name the organization. Some believe we receive federal funds, So long as nothing can be proven, and no one admits anything, it may be all right, but that's the best we can hope for.

But the effect upon morals is currently more harmful than the present threat to security. We cannot admit Asians to our inner councils, or answer their questions, or explain certain obvious cautions and secrecies - and we cannot even tell them why. It is natural for them to assume they are excluded because they are Asians,particularly in a city where landlords refuse to rent to our highly cultivated Chinese because (and it has been said to their faces) "We want to rent, but we won't rent to any Chinese." I see no way out of this; appointing them to "advisory boards" or taking them to lunch doesn't fool them.

However, I propose more informal "office parties" than I would otherwise approve, and I propose to give small private dinners as often as possible to eight or ten of the staff, notably including Asians, and you must be prepared for more time and bigger bills from me in this operation than I like or had planned.

The real solution would be to be able to take some at least of these Asians completely into our confidence. Where they are American citizens, even by recent action, I understand that to be possible, and we may try that out soon. But some of the ablest are not American citizens. I raise the question whether a non-citizen Asian can be cleared. Of course at best we would turn in only an occasional name, as essential. Please inform me.

Either with this document, or shortly to follow it, you will receive a summary of our finances to date. The same difficulty we had in getting the facts on our projects arose in securing an all-over financial picture. I think we have it now, in form fairly satisfactory to us and you. We will improve it soon. Those CFA expenditures which have been under the control of Kops as administrative officer have been adequately kept. The difficulty has been to find out (a) what commitments Greene had made and not recorded, (b) what projects appropriations had or had not been formally voted and budgeted by the Executive Committee, (c) what agreements existed with you and your friends. There has been no thought of any irregularity - just looseness - and mome waste by top management.

On Tuesday Frank Gerard will take over as Comptroller, and our worries will, I believe, largely end. We have to date received adequate funds in adequate time. My only further comment on funds will come later in this letter, under future plans.

Personnel obviously remains the crucial problem. You will remember that I stated that in W.B.'s office on agreeing to take over, and asked for his help. He replied that is the one field in which you cannot help us, - and I know your problem. But I repeat that C.A will fall d even approaching its objective unless we can recruit competent men and women for overseas service more extensively, quickly, and successfully than to date. Since January 1, it has been our top priority effort. We have also had Sorgano, Antell & Wright working for us; our New York office has helped and we have had a few dividends recently, but not enough.

If what I shall present below as a time-scheme for our operations makes any sense to you, we will have to step up overseas recruiting much further; we shall have to risk making some mistakes in selection in order to get going; we shall have to provide for allowances for transportation, for a family, on a level at least equal to that of the foreign service, and we may have to offer salarles about \$2000 per man per year higher than we had planned.

How can we step up recruitment? 1 don't know, unle se you help us.

Offices - At present our activities are decentralized in a manner somewhat harmful to unity, efficiency, and morale. Eadio is at one address; editorial operations at another nearby; the central office, here. The reason was inability to get adequate space in one building.

Now Radio must expand, and cannot do so in its present quarters. This central office needs much more space immediately, and can get no more in this building. We have been conducting a wide search for adequate space in a single building, and have found several adequate possibilities. None are ideal; each will require a large sum for essential rehabilitating (more basic than "decorating")... Whether we buy or rent (and it looks as though rental is more sound), we may need to pay at least up to an initial \$100,000 for improvements and an annual rental of say \$100,000 a year. These are approximate figures. They are based upon our estimate of a need by July and thereafter (we hope maximum in San Francisco for the duration) of 30,000 sq. ft., which is in turn based upon a very rough guess as to our total office staff here, approximated by July, 1952.

We shall get the figures in good snape; recommend to the Executive Committee; and inform you of their vote, and the size of the bill. Since there is no alternative, and since the local businessmen on our Executive Committee are probably the best judges of local values, I shall assume your authority to act upon that committee's vote, unless I hear from you to the contary.

Radio Free Asia. This is the one CFA activity already in effective operation. Elwood appears to have full competence to direct it, and has assembled a good staff of assistants. His own experience was whofly in the conventional one of a U. S. broadcasting station operation, and it took him and his assistants some time to visualize the possibilities of the new RFA program as conceived and agreed in my recent talks in your city. Elwood now has that vision and agrees it is more challenging, more sensible, and more difficult than the earlier one. He is going about its development with intelligence, vigor and courage, and is getting places. At first there was a natural tendency for RFA to keep off by itself and run its own show, but I think I have won Elwood's confidence and allayed his alarm lest I (we) dominate and impede his operation. There will surely be headaches to come, but I wish the balance of CFA were as well-staffed, well-led and effective as RFA.

<u>Staff Pattern and Organization</u>. I have made some chan es in the staff organization apparently planned here on arrival. They are most simply indicated by the diagram attached. I have explained this plan in staff meetings, and "sold" it pretty effectively, but always with the reminder that it is still flexible in the light of experience and of the opinions of new men being brought in to help head it. So no copies of the enclosed chart have been distributed here. The three Vice Fresidents (2 already appointed) may wish to change it soms what, and I will be malleable, but Maddocks, Siegbert and Gerard have all had it explained to them in advance and have accepted it - except that Siegbert hopes to be appointed, in due course, my deputy, but has no such assurances.

The chief thinking back of the pattern is this: (1) to give centralized recognition, authority and responsibility to the three obvious major functions of CFA - administration, operations and planning and policy, (2) to centralize all operations, (3) to centralize all overseas activities, (4) to mave the minimum number of people report directly to the President, so he is not tied down to excessive routine, (5) to have the evaluation of existing operations done primarily by others than those engaged in those operations, (6) to make the best possible placement of men gresently attached to our staff. Several important vacancies remain to be filled beyond the overseas staff, which is the most important of all. These are (1) VP for Administration, (2) Chief of Public Relations, (3) Chief of Asian Operations, (4) Chief of American Program.

(1) will have to be filled from without, and we are actively searching, (2) ditto, though the need is less pressing and the search less active. I had hoped to get Coulter Huyler from State but appear stymied. (3) can probably be filled from within, but Maddocks should make the recommendation, and to do so should be given whatever time can be spared (not much1). (4) is a much less important post and can be filled from within, possibly as a consolution prize.

This leaves the charted post of Chief Overseas Representative. It is my present thinking that this post need not be filled for some weeks or months, if at all, and may even be deleted from the plan of organization. There are personal problems involved in the appointment, and these also argue for delay. Noble created the job for himself. Other important staff members strongly oppose him in that post, and with reason. He has formally asked for his immediate appaintment to it; I have refused; made no promises, and sent him of f/a badlyneeded 22 weeks rest. He returns tomorrow; Maddocks takes over then, and will be very much in on the decision. Noble may "cut up rough," or he may not. He is able. Possible posts for him are to return to head an editorial department reduced to its proper status, or to head the local CFA office in Manila, an important post.

<u>Personnel Losses</u>: The prompt resignation in December of Florence Cross was a Godsend. We could not possibly have kept her. She is still making trouble, but nearly everyone here, even her old friends, is now on to her. I wish we could get her out of town.

Dr. Henry is forced to withdraw from active duty by his heart, on doctors' orders. This I greatly regret, professionally and personally. He is a tonic of sanity and humor. I have refused as yet to separate him from staff or salary, and have sent him on to New York to "convalesce." Shortly we shall probably have to put him down as a Consultant (probably to the New York office) on a per diem, and use him a little if we can.

Harrison Arnold, "office manager" of the New York branch was an old China friend of Greene, appointed by him without consultation with L. K. Little. He had to be let go, but unanimous agreement of Little, Valentine, Ivy, Rinker, and Mrs. Lent (among others), and we were lucky to get the Ford Company to take him back.

John "aldron is a dear, and we would like to keep him. But it is agreed by all, including Dr. Henry, his chief, that for him to go on wearing two hats is detrimental to the security and efficiency of both operations. Nominally we may give him his choice between them, but Noble has already told him (without my advance knowledge or approval) that he must go back to Dick's operation. This is where he belongs. for he likes the opaque, but I deplore the lack of gentility with which Noble handled the matter in my absence in January, and have done my best to make repairs.

Curtis Carrison, another man from your shop ... had been assigned to head our "Research Department" here, located at the Hoover Library in Palo Alto. He is badly miscast in that job, and knows it. Without any suggestion from me, he offered, three weeks ago, his resignation, to return to your mop for a job more appropriate and congenial. I accepted but asked him to stay until April 1 (he had planned that anyhow), and to May 1 if I requested it, for general morale purposes (he has acquiesced). I doubt that we need our own research department, at least on the terms and scale it now possesses. That is being investigated. But if we do have one, we need a good one, and that would mean an almost complete change in its existing proonnel, which in any case is a concern to your security officers. I believe we shall conclude to retain an effective fact-finding department to service, as at present, radio, editorial and policy departments, but to eliminate the research aspects, most of which can be done where you live. We may need to keep one or two research men attached to policy planning, but they must be competent and experienced research men, not pre-Ph.D. graduate students of dublous merit on high temporary salaries.

We are sending a personal friend of Florence Smith's China days, ilfrida Barradas, a Portuguese girl imported at CFA expense and guarantee from Lisbon, back to Lisbon at CFA expense as guaranteed by Greene, as soon as possible. She should never have been brought here; she is here under false pretenses as far as Greene's assurance to immigration authoirities is concerned; she has no special talents and is a proved source of leakage of office gossip and misinformation to Florence Smith, who then further distorts it and sends it back. CFA will have lost about \$1,000 of transportation money, and more in less tangible ways, on this flasco;

It will be hard to find jobs for Keller, Aldrich, and Noble (and for some of the Greene Asian appointees) which will satisfy them in view of their ambitions and Greene's quasi-promises to them; and still be consistent with the limitations of talent from which each suffers in a different way. Noble is able but makes few friends; Aldrich makes more friends but is less able; Keller has a more imposing front than (mental) behind.

I have saved the major question for the last:

In our operations, speed is essential. We must reach at least 25% of maximum effectiveness by July, 1952, 50% by December, 1952, and much more by July, 1953. If we cannot manage this, CFA will not have Justified its existence. This means that development in the next six months must far surpass development since August 1, 1951, in rate, amount, and quality of expansion. It must exceed the accelerated pace of the past six weeks in expansion of staff for overseas, in establishment of branches overseas, in actual effective operations.

Many of our best projects must a wait the establishment of semipermanent overseas CFA offices in key spots. Each must be headed by a man in whose experience, knowledge, loyalty and judgment we have high confidence. They are the nucleus of all our operations; we cannot risk picking poor ones in the interests of speed. But once they are secured and established at their posts, we must quickly support each of them with an able and trained (though not necessarily Asian-experienced) first aide and a wholly secure secretary. Meanwhile we must have developed our contacts with Asians in each of these spots to an extent which will enable us to recruit, on the ground, Asian helpers - full and part-time - for each of the se offices and the projects they will supervise.

Except fot the selection of our office reads, we must take changes in the selection of personnel in order to get them and to get them fast. We must then move fast in the securing of Asian personnel, for the same reason. We must get our projects going, from establishing and even building broadcasting stations to importing printing machinery, setting up bookstores and local committees, etc.

Speed means risk. We shall have to risk making mistakes - in judgment, in personnel, in Asian contacts. Let us hope they will not be too great, or too expensive. But to be too cautious will be to be too late.

Speed also means expense. As in any war, we may have to spend more to get action. We may have to spend more to get men. We must use the long distance telephone more than I would normally approve, to get speed in recruiting.

Our greatest special problem in speed, in spite of the fine work of \_\_\_\_\_\_\_ and others, is in getting fast initial clearing and then much faster the full clearance that enables us to tell our men the facts of life. Practically all our full-time American overseas staff, including secretaries, will have to be fully witting when they is ave the home office - unk as much of our usefulness in the field is to vanish.

It is therefore of the greatest importance to find some way in which the initial clearance and full clearance process can both be accelerated.

The necessary expansion of staff and operations, at the necessary speed, will take money. This is not an appeal for a large 1952-53 budget for its own sake. In fact, I should prefer to wait another two months

before suggesting even a rough figure. The reasons I mention any budget now are these:

(1) Our expenditures will be a rough measure of our development and achievement, and therefore i hope our expenditures will mount very rapidly before June, and mount even more rapidly thereafter.

(2) At present we are not spending enough because we are not doing enough.

(3) Therefore funds and reserves at the present level are currently adequate, and therefore perhaps misleading.

(4) I hope you will not fear that this Scotch-Dutch-Quaker will ever be extravagant of expenditure except as justified by the need. I hate to spend money, but I would hate even more to see this operation fail.

The purpose of the last fact of this report is therefore to state my concept of the way I believe (FA must move, and what that will mean in risk of mistakes and of cost. I hope my concept seems to you the right one. If not, please tell me and I willchange it.But if you agree, you must, please, somehow:

- 1. Help us recruit, at all levels, for overseas.
- Allow us to set salaries and allowances as high as we may find necessary (which may be at least as high as foreign service at comparable levels, perhaps higher) to get people of adequate quality and experience, and immediately.
- 3. Speed up all clearances far beyond their present average rate.
- 4. Be prepared for mistakes, and condemn us for them, but do not slow us down1
- 5. Be prepared for a great expansion of budget for 1952-53, perhaps far beyond the October, 1951 rough guess of 4½ million. That may seem, two months hence, adequate. But I favor whatever arrangement will ensure that we have plenty when we need it. Let's set a high budget and then not spend it all!
- 6. Be prepared (and this I hope to avoid) for the occasional appearance of waste in spending as in many wartime projects. This could be very embarrassing, but of one thing I think I can assure you; our books and records from here on out will be kept in order beyond reproach.

These matters I hope to talk over with you at some length on March 9, 10, 11, 12, as suits your convenience. But I felt much time could be saved you, and permaps the cause, by an informal written presentation in advance.

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l me ve never had a job that seemed to me more important, more challenging, more interesting, or more difficult. And if you thought I couldn't bepatient - well, my best friends wouldn't know me!

Yours ever ,