

~~TOP SECRET~~COPY NO. 30~~TOP SECRET~~

IAC-M-6

16 November 1950

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's
Conference Room, Administration Building
Central Intelligence Agency, on 16 November 1950

Director of Central Intelligence
Lieutenant General Walter Bedell Smith
Presiding

MEMBERS PRESENT

Mr. Fisher Howe, acting for Special Assistant, Intelligence
Department of State
Major General A. R. Bolling, Assistant Chief of Staff, G-2,
Department of the Army
Rear Admiral Felix L. Johnson, Director of Naval Intelligence
Major General Charles P. Cabell, Director of Intelligence,
Headquarters, United States Air Force
Dr. Walter F. Colby, Director of Intelligence, Atomic
Energy Commission
Colonel H. H. Bassett, acting for Deputy Director for
Intelligence, The Joint Staff
Mr. Victor P. Keay, acting for Assistant to the Director,
Federal Bureau of Investigation

ALSO PRESENT

✓ Dr. William L. Langer, Central Intelligence Agency
✓ Mr. Ludwell L. Montague, Central Intelligence Agency
Colonel Louis W. Proper, Central Intelligence Agency
Mr. Allan Evans, Department of State
Mr. Mose L. Harvey, Department of State
Brigadier General John Weckerling, Department of the Army
Colonel Hamilton H. Howze, Department of the Army
Colonel Joseph T. Mozley, Department of the Army
Mr. Roy S. Tod, Department of the Army
Captain John M. Ocker, USN, Department of the Navy
Captain Ray Malpass, USN, Department of the Navy
Colonel Edward H. Porter, Department of the Air Force
Lieut. Colonel J. C. Marchant, Department of the Air Force

Acting Secretary
Mr. James Q. Reber
Central Intelligence Agency

APPROVED FOR RELEASE DATE:
26-Aug-2008

~~TOP SECRET~~

IAC-M-6

16 November 1950

HR 70-14
(U)

~~TOP SECRET~~

~~TOP SECRET~~

~~TOP SECRET~~

IAC-M-6

16 November 1950

Approval of Minutes

1. Action: The minutes of the meeting of 11 November 1950 (IAC-M-5) were approved.

NO RECORD OF RELEASE
NIE 7 (21 Nov 50)

National Estimate on Yugoslavia (NIE-7)

2. Action: Approved the draft National Estimate on "The Current Situation in Yugoslavia" subject to editorial changes and the following substantive changes:

a. There should be a covering note to this National Estimate pointing out that this estimate is only a part of the total Yugoslav situation and was designed primarily to meet urgent requirements.

b. Add a new paragraph 3 as follows: "In order to widen its support among the Yugoslav people, the overwhelming majority of whom are opposed to Communism, the Tito regime has inaugurated a number of ostensibly liberal changes in the political and economic system. These changes, however, have not changed the basic structure of the Tito regime, which remains an anti-democratic, dictatorial and repressive Communist regime dependent on its police power for continued existence."

c. Revise paragraph 4, page 2, to read as follows: "Without substantial outside logistic support the Yugoslav armed forces are, however, unable to withstand a combined Satellite attack, and even then their ability to resist other than through guerrilla warfare is questioned. The Yugoslavs would not be able to withstand a Soviet attack."

d. Paragraph 5, page 2, line 2, substitute "contributed to" for "brought on" and revise the last sentence of that paragraph as follows: ".... Yugoslav people until this crisis is past."

e. Revise paragraph 6, page 2, first line, to read as follows: "The USSR will spare no effort to exploit this crisis by increasing...."

f. Paragraph 9, page 2, insert "In this event" at the beginning of the sentence.

~~TOP SECRET~~

IAC-M-6

16 November 1950

~~TOP SECRET~~

~~TOP SECRET~~

~~TOP SECRET~~

IAC-M-6

16 November 1950

g. Add a new paragraph 11, page 2, with inclusion of appropriate discussion in the annexes, as follows: "The current Yugoslav economic crisis has provided an opportunity for the United States to seek further gains in exploiting the Yugoslav-Soviet break in behalf of the West. In addition to the opportunity to strengthen Tito's position as a deviationist, the granting of US aid would create a situation favorable to effecting more active Yugoslav support of the aims of Western World."

3. Discussion: Objections were raised to the statement of the problem in this estimate which is at variance with the agreement set forth in IAC-D-3. This change was made, it was explained, because of the limitations of material available and the particular needs of the State Department for which this estimate was prepared.

4. The issue was raised whether the present economic crisis in Yugoslavia was evidence of the failure of the Communist Government and system to provide a viable economic system. In reply it was argued that, on the basis of intelligence thus far, the present economic crisis arises out of the lag resulting from the realignment of economic ties with the West to replace those severed with the East. There is no evidence to indicate that once Western economic relations are established and given normal weather conditions for agricultural production Yugoslavia cannot be as economically viable as other European States in general. This issue was dropped with the suggestion that in further study on Yugoslavia there should be careful examination of the effect of the Communist ideology in the Yugoslav regime on Yugoslav economic conditions.

5. With respect to the question of exacting conditions from Tito in return for our aid, it was emphasized that Tito's Communism was thorough-going theoretically and that he has said that he is inexorably resistant to having conditions for aid imposed upon him. However, it was considered a proper intelligence function to point out to the policy officers in the Government that the current situation may provide opportunities for creating a situation more favorably disposed toward the Western Powers and leading to a weakening of Tito's position with regard to the question of conditions for aid in the future.

~~TOP SECRET~~

~~TOP SECRET~~

IAC-M-6

16 November 1950

~~TOP SECRET~~

~~TOP SECRET~~

IAC-M-6

16 November 1950

Chinese-Soviet Intentions

6. Action: In preparation for General Smith's discussions with Secretaries Acheson and Marshall on Chinese-Soviet intentions and capabilities in respect to Korea and elsewhere, it was agreed that there was no new evidence available to alter the estimate set forth in IAC-M-4, except that the doubling of the number of Chinese in Korea increases the risk of general war. It was understood that General Smith would have available to him for his meeting recent findings with respect to indications of Soviet war readiness.

National Estimate Priorities (IAC-D-1/1)

7. Action: Agreed that work on the fuller treatment of Yugoslavia of which NIE-7 is a part, should go forward promptly and be numbered and labelled so as to make this relationship clear.

*nothing to be released
NIE-7 (211) (211) (211)*

~~TOP SECRET~~

IAC-M-6

16 November 1950

~~TOP SECRET~~