

Souers' Tenure as Director of Central Intelligence

With the signing of the directive on coordination of foreign intelligence on January 22, 1946 (Document 71), a peacetime national intelligence system was finally established. In fact, however, it existed only on paper. OSS had been broken up and dissolved. The Strategic Services Unit remained in the War Department as a potential nucleus of a clandestine intelligence capability, but at that point no one was certain of how or even whether it would be absorbed into the new national intelligence structure. A mechanism for producing "strategic and national policy intelligence" had yet to be devised, and there was not yet even a common definition of the term.

Beyond the generalities, there was no agreed view of how the new system should operate or even of what it should do. President Truman had his own idea of what the new arrangements could do for him, reflecting mainly his concern to be kept informed in a way that ensured that all of the relevant information was put together in a single package. Apart from this, his interest in the intelligence set-up seemed to be limited. The armed forces had been the prime movers of the effort to set up a centralized intelligence capability but they would soon begin to show signs of alarm that the new system was becoming too independent. The Department of State wanted to exert major influence on the Central Intelligence Group but seemed uncertain about how to do so, perhaps because it was still in the middle of its own bruising battle over intelligence. Secretary of State Byrnes feared that the new arrangements would enhance Admiral Leahy's role in foreign policy, to the detriment of the Department's.

Truman appointed Rear Admiral Sidney W. Souers as the first Director of Central Intelligence on January 23, 1946. As Deputy Director of Naval Intelligence, Souers had been one of the architects of the system that came into being with the President's directive. He had written the intelligence chapter of the Eberstadt Report, which advocated a unified intelligence system and apparently had made a significant impact on Forrestal. Toward the end of 1945, when the competing plans for a national intelligence system were deadlocked, Souers' views had come to the attention of the President, and he seems to have played a role in breaking the impasse. Working with Clark Clifford, he helped turn the Three Secretaries' proposal of January 7 into the directive signed by the President on January 22.

On the same day that he appointed Souers Director of Central Intelligence, Truman named Admiral Leahy as his personal representative on the National Intelligence Authority (NIA). Leahy heretofore had played a significant behind-the-scenes role on intelligence matters. From now on, he was a somewhat more visible as well as influential figure.

The documentation on Souers' tenure is limited, and partly because he was so briefly in office (serving less than 5 months), and partly because the intelligence structure was still so rudimentary. What has been found seems adequate to trace major trends, but there is a change in the quality of the surviving documentation, which begins to be more formal and bureaucratic, a change that becomes even more marked as the institutional development of the intelligence system continues under Souers' successors.

Although there were latent conflicts over fundamental intelligence issues from the beginning, these conflicts were muted under Souers' directorship. A reserve officer, he had been anxious to return to private life but was prevailed upon to serve as Director of Central Intelligence while a "permanent director" was sought. Both his personal style and the nature of his responsibilities at that point made it possible for him to avoid or at least minimize controversy. At the same time, having been through the controversy over the founding of the system, Souers was aware of the potential for disagreement and tended to move carefully. All of these tendencies were reinforced by his awareness that he was dependent on the State, War, and Navy Departments for personnel and funds. His approach was perhaps best summed up in National Intelligence Authority Directive No. 1, which declared that "The Central Intelligence Group shall be considered organized and operated as a cooperative interdepartmental activity, with adequate and equitable participation by the State, War and Navy Departments." (Document 141)

Souers had gone to work the last week of January. One of his first jobs was to organize the Central Intelligence Group, but even before that he had to write its charter. He did so in NIA Directive No. 1, in effect a set of instructions to himself, which laid out the basic guidelines for the operation of the national intelligence system. In two of its provisions, the directive foreshadowed later controversies. Paragraph 2, which provided that "The Central Intelligence Group will furnish strategic and national policy intelligence to the President and the State, War and Navy Departments" marked, at least symbolically, the beginning of the debate over national intelligence estimates and over whether CIG should be a large research and analytical agency or a small but expert estimative staff. Similarly, paragraph 3 of NIA Directive No. 1 encapsulated another future debate. It provided that "All recommendations, prior to submission to this Authority, will be referred to the [Intelligence Advisory] Board for concurrence or comment. . . . If any member of the Board does not concur, you will submit to this Authority the basis for his non-concurrence at the same time that you submit your recommendation." In a sense, this was the starting point for the long-running contest over the respective powers of the Director of Central Intelligence and the departmental intelligence chiefs that was fought out in the Intelligence Advisory Board and its successor, the Intelligence Advisory Committee. Whether the IAB/IAC was a board of directors or simply an advisory panel was an issue that was still being debated 4 years later.

The inauguration of the new intelligence system also marked the beginning of its two deliberative groups, the National Intelligence Authority and the Intelligence Advisory Board. The former held three meetings during Souers' directorship, the latter four. In general, their records during the Souers' period tend to be briefer and "drier" than in later periods, when a fuller record of the discussions (and eventually a transcript) were introduced. In any case, the proceedings of both bodies are important sources both at this and later periods, and the records of the NIA during its approximately 18 months of existence especially so because they provide a record of Cabinet-level oversight of the intelligence structure.

During Souers' tenure there also began the series of National Intelligence Authority Directives which provided the basic charters for the intelligence system during its formative period. While

these are formal documents, they tend to reflect the main issues and concerns, at least of an institutional and procedural nature, with which the intelligence system was grappling. The discussions of the draft directives in the NIA and the IAB, despite the latter's penchant for becoming involved in detail, provide significant insights into how intelligence issues were approached.

Souers' organizational problems were in one sense relatively simple. His main concerns were to have a planning group that could sort out the problems and issues that had to be addressed and a reporting group that could provide a nucleus for the "strategic and national policy intelligence" function. All of this could be and was done with a small staff. Souers' problem was that the staff (and the funding) had to come from the State, War, and Navy Department, and there seems to have been a constant struggle to ensure a flow of qualified personnel to CIG.

NIA Intelligence Directive No. 2 of February 8, 1946 (Document 142), drafted for the Authority by Souers and his colleagues, assigned two "first priority" tasks to the new Director of Central Intelligence. One of them, "conducting a survey of existing facilities for collection of foreign intelligence information, and submission of appropriate recommendations," was the charter for the planning process on which Souers understandably put so much emphasis. To achieve this objective, he established a Central Planning Staff responsible for "planning for the coordination of intelligence activities related to the national security, and...preparing recommendations regarding the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission." In this initial phase, the Planning Staff seems to have been occupied mainly in preparing studies on a wide variety of proposed functions and real or perceived intelligence problems. There are some indications that at the outset Souers would have preferred to conduct the planning process by interdepartmental committee but that the problem of getting adequate committee staffing from all concerned agencies led him to rely increasingly on his own Planning Staff.

The second of the "first priority" tasks laid upon Souers was the "production of daily summaries containing factual statements of the significant developments in the field of intelligence and operations related to the national security and to foreign events for the use of the President."

Although there was little question that the President wanted some kind of daily digest of information (in his own mind it seems to have been one of the main reasons he established a national intelligence system), the President's summary gave the National Intelligence Authority its first contentious issue. At the Authority's first meeting on February 5, Secretary of State Byrnes raised the problem and "pointed out that he is responsible for reporting to the President on matters of foreign policy." (Document 140)

Byrnes was not mollified by Souers' explanation that his reports to the President, based on intelligence dispatches, would be "purely factual" and not imperative or offer advice or by a subsequent explanation by Admiral Leahy of why the President wanted the summaries. The Authority decided to defer action "pending further study by Secretary Byrnes." Byrnes then discussed the matter with the President and at the NIA's second meeting on February 8 (see the

Supplement) and told his colleagues that the President had assured him that "only factual statements were desired" in the summaries. The Authority thereupon agreed to describe them accordingly in NIA Directive No. 2. The daily summary appeared for the first time the following week.

For the preparation of summaries and other substantive intelligence papers, Souers established a Central Reports Staff, which was intended from the beginning to produce estimates but which had to devote much of its energy and resources to the preparation of summaries. During Souers' directorship, it had not been decided whether the Central Reports Staff should try to develop a separate research capability of its own or whether it would remain a small group of experts who would work closely with the departmental intelligence agencies, drawing on their resources and synthesizing their products. But there was a hint of the future in the Intelligence Advisory Board meeting on April 8, 1946 (Document 146). After a discussion of the State Department's difficulties in securing budgetary support for its fledgling intelligence organization, and against the prospect of the Russell Plan's dispersal of the analytical units to the policy offices, both the Army G-2 (who would shortly become the Director of Central Intelligence) and the Chief of Naval Intelligence suggested that perhaps the time had come for the State Department to transfer the research and analysis function it had inherited to the Central Intelligence Group.

In his valedictory report to the National Intelligence Authority on June 7, 1946 (Document 154), Souers laid out the agenda for his successor. He indicated that the initial planning and organizing phase had been completed and that the Central Intelligence Group should begin operation of centralized common services as soon as possible. He alluded to the inauguration of the Presidential summaries, but declared that "the primary function of C.I.G in the production of intelligence, however, will be the preparation and dissemination of definitive estimates of the capabilities and intentions of foreign countries as they affect the national security of the United States."

Finally, Souers asserted that "the National Intelligence Authority and the Central Intelligence Group should obtain enabling legislation and an independent budget as soon as possible, either as part of a new national defense organization or as a separate agency." This last recommendation became one of General Vandenberg's first and highest priorities when he succeeded Souers a few days later.

"Souers' Tenure as Director of Central Intelligence". *Foreign Relations of the United States, 1945-1950, Emergence of the Intelligence Establishment*. Washington, D.C.: U.S. Government Printing Office, 1996, pp 316-320.