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HR 70-14  
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~~SC-M-29~~  
22 October 1951

STAFF CONFERENCE

Minutes of Meeting held in Director's  
Conference Room, Administration Building  
Monday, 22 October 1951, at 1100 hours.

General Smith Presiding

Present

Allen W. Dulles, Deputy Director  
Walter R. Wolf, Deputy Director for Administration  
Joseph Larocque, Jr., Executive Assistant to the Director  
Colonel Chester B. Hansen, Assistant to the Director  
Captain Frank C. Acker, Deputy Director of Training  
James D. Andrews, Advisor for Management  
James M. Andrews, Asst. Director for Collection and Dissemination  
George G. Carey, Assistant Director for Operations  
H. Marshall Chadwell, Asst. Director for Scientific Intelligence  
Kingman Douglass, Asst. Director for Current Intelligence  
L. S. Hitchcock, Acting D/Asst. Director for Research and Reports  
William L. Langer, Asst. Director for National Estimates  
Franklin A. Lindsay, Acting D/Asst. Dir. for Policy Coordination  
Maj. Gen. H. M. McClelland, Assistant Director for Communications  
James Q. Reber, Asst. Director for Intelligence Coordination  
Colonel Robert Taylor, Office of Deputy Director for Plans  
Maj. Gen. Willard Wyman, Assistant Director for Special Operations

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1. Colonel Hansen stated that it was necessary to provide a CIA progress report for the NSC on January 1, 1952. The period covered will be from October 1950 through December 31, 1951. Type-script copy should be ready by 1 January and final copies by 1 February. An ad hoc committee has prepared a draft outline which will be circulated to the interested offices by Colonel Hansen. Briefly it is proposed that the report will be in the following three sections:

- a. Introduction
- b. National intelligence problem
- c. Critical examination of CIA in the following steps:
  - (1) Prelude to reorganization, Dulles Committee recommendations, etc.
  - (2) Roll and responsibility of CIA in coordination of intelligence activities
  - (3) Roll and responsibility of CIA in collection
  - (4) Roll and responsibility of CIA in the processing of intelligence, production of National Estimates, etc.
  - (5) Covert operations

Annex 1 - Administration

Annex 2 - Communications intelligence

Annex 3 - Nuclear energy.

Colonel Hansen said that responsibility for each section would be delegated to one individual. He asked that the various offices designate a representative to assist on each section. After the first draft, there will be a Board of Review composed of the chiefs of offices concerned.

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Colonel Hansen will call upon the chiefs of all offices during the next week with draft terms of reference and a tentative timetable.

The Director stated that this progress report was pursuant to an NSC directive implementing the findings of the Dulles Committee. He further stated that he is very anxious that the report should constitute a critical self analysis.

The Director stated that the question of O/PC operations, paramilitary operations and the whole Magnitude situation may have some effect on the form of the report. He feels that operations have assumed such a very large size in comparison to our intelligence function that we have almost arrived at a stage where it is necessary to decide whether CIA will remain an intelligence agency or become a "cold war department". We have never had trouble with the Bureau of the Budget in asking for funds to conduct our intelligence work but the very large proposed budget for 1953, most of it for operations, may cause the Bureau of the Budget to scrutinize our activities very carefully.

The Director is giving this matter serious thought and would like any suggestions from the Assistant Directors. One solution might be to act as the operating agent if the Military would provide the necessary funds and personnel. Another solution might be to break down the budget into two brackets.

2. Mr. Wolf reported briefly on conversations between General Davison and General Hershey. There is presently a gentlemen's agreement that

- a. There will be no deferment for departmental or U.S. field positions;
- b. CIA will be allowed certain necessary deferments for overseas assignments;
- c. Where deferment is granted for overseas slots, training should be completed and personnel should be dispatched overseas within six months. Extensions are to be the exception rather than the rule.

The Director stated that we could not bind ourselves completely to such a six months' limitation and that we will not justify each exception.

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3. Captain Acker spoke on nominations for the course at the Naval Intelligence School in Washington. Up to the present, our agreement on a quota has been on a "one-shot" basis. Captain Acker asked that the various offices nominate only the most highly-qualified personnel so that we would have a better chance in obtaining a continuing permanent quota.

4. The Director mentioned Service personnel in O/NE. He would like Dr. Langer and Mr. Kent to examine the present method of using Service personnel in staff assignments. He believes that we are not employing them to the full extent of their capabilities.

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