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CIA HISTORICAL STAFF

## The DCI Historical Series

GENERAL WALTER BEDELL SMITH AS DIRECTOR OF CENTRAL INTELLIGENCE OCTOBER 1950 - FEBRUARY 1953

VOLUME V EXTERNAL RELATIONS

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DCI - 1

December 1971

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#### THE DCI HISTORICAL SERIES

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GENERAL WALTER BEDELL SMITH
AS DIRECTOR OF CENTRAL INTELLIGENCE
OCTOBER 1950 - FEBRUARY 1953

VOLUME V EXTERNAL RELATIONS

bу

Ludwell Lee Montague

December 1971

HISTORICAL STAFF
CENTRAL INTELLIGENCE AGENCY
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# As Director of Central Intelligence October 1950 - February 1953

Volume V External Relations

## I. Relations Outside of the IAC Community

The Director noted ... that he would not go along with any committee that would interpose itself between the President and him.

-- Minutes, Director's Meeting 16 April 1952\*

The minutes of the Director's morning meeting indicate, in general, that Bedell Smith devoted far more of his time and attention to his relations with the President, the Secretaries of State and Defense, and the Joint Chiefs of Staff than he did to his relations with his colleagues in the Intelligence

. . .

<sup>\*</sup> This statement expressed Bedell Smith's reaction to a suggestion that CIA might protect itself against public criticism by having a Congressional or else a Presidential committee to "front" for it. It is cited to show the importance that Smith attached to his direct relationship with the President.

Advisory Committee.\* Smith regularly attended the meetings of the National Security Council and had also a private weekly meeting with the President.\*\*

Through the favor of the Secretary of Defense, his former patron, General George Marshall, he was invited to attend the weekly meetings of the Joint Chiefs of Staff.2/ He had also periodic luncheons with his colleagues on the Psychological Strategy Board (the Under Secretary of State and the Deputy Secretary of Defense), with the Secretaries of the Army, Navy, and Air Force, and with selected Congressmen in rotation. Smith enjoyed high favor in all these quarters, except for his running battle with the Joint Chiefs of Staff.

<sup>\*</sup> These minutes do not cover Smith's first five months in office, when he was working hard to establish a cooperative relationship with the IAC. See Volume II, Chapter II.

<sup>\*\*</sup> He saw the President on special occasions as well. Typically, when a paper before him moved him to wish to speak to the President, he would call for an appointment, call for his car, and dash off to the White House unaccompanied. He had easy access to the President whenever he asked for it.1/ (For serially numbered source references, see Appendix A.)

#### A. The President

President Truman had held Bedell Smith in high regard at least since Smith's selection, in 1946, to be Ambassador to Moscow. Truman had personally selected Smith to be DCI, had personally overcome Smith's reluctance to accept that office, and probably felt a corresponding personal obligation to Smith for having done so.\*

Truman's personal regard for Smith is further illustrated by the story of Smith's promotion to four-star rank. When General Eisenhower was appointed to be the NATO Supreme Commander in Europe, Smith begged to go with him again as Chief of Staff.3/ Eisenhower was willing, but President Truman declared that to be Director of Central Intelligence was a more important service than to be Chief of Staff at SHAPE, and that was that. Eisenhower therefore took Lieutenant General Alfred Gruenther to be his Chief of Staff. Subsequently Eisenhower recommended Gruenther's promotion to four-star rank. Reminded by Souers of his dictum regarding the relative

<sup>\*</sup> See Volume II, pp. 5-8.

importance of the two positions, Truman directed that Smith be promoted also. Nevertheless, Smith's name was somehow omitted from the promotion list.\* President Truman thereupon refused to promote anybody until General Smith had been promoted.4/ Smith was made a four-star general effective 1 August 1951.

Every Friday morning General Smith went to the White House to brief the President. He took this duty very seriously; he was always tense while he prepared himself for it and on his way to the White House. There he conferred briefly with Sidney Souers, the President's special consultant for national security affairs,\*\* before they went in together to see the President. No one else was present, except that James Lay, the Executive Secretary of the NSC, attended on occasion. Smith's presentation was brisk and soldierly, the President was closely attentive, but the attitude of both was completely informal. After the briefing, Smith and Souers

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<sup>\*</sup> Souers attributed this omission to the coolness toward Smith of the West Pointers in general and General Bradley in particular. See Volume I, pp. 6 and 17-18.

<sup>\*\*</sup> Souers had previously been the first DCI, of course, and also Executive Secretary of the NSC.

relaxed over coffee, noted whatever had particularly interested the President, and discussed other matters of mutual interest. On his way back to his own office, General Smith was almost always in a jovial mood.\*5/

The briefing materials that Smith took to the White House always included an annotated world map, a detailed order-of-battle map of Korea, and the President's "black book," a black loose-leaf binder inscribed "The President" in gold lettering. The "black book" always contained the Watch Report, the CIA weekly Current Intelligence Review.

It

might contain other printed materials, such as a national intelligence estimate to which Smith wished to draw the President's particular attention. The "black book" was left with the President until the following Friday, when a new one was exchanged for it.6/\*\*

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<sup>\*</sup> On these occasions Smith was accompanied by Meredith Davidson, his own briefing officer, age 31 in 1951. Davidson prepared Smith's briefing materials and shared in the post-briefing coffee, but did not enter the President's office.

<sup>\*\*</sup> President Truman was a dutiful and diligent reader of all of the intelligence publications presented to him by CIA.

Smith's private briefing of the President followed only 24 hours after his briefing of the NSC on Thursday mornings. What, then, had he to tell the President that the President had not already heard at the NSC? Almost certainly the chief difference was that Bedell Smith gave President Truman his personal judgment regarding the military situation in Korea. Smith never touched upon that subject at the NSC, in the presence of General Bradley, whose responsibility it was. 7/ President Truman, however, did not greatly trust the judgment of the Joint Chiefs of Staff, while he regarded Bedell Smith as an outstandingly intelligent general and his own man as well. In preparing himself to brief the President, Smith's chief concern was to make himself letter-perfect on the situation in Korea, and to make his Korean situation map more precise than General Bradley's.8/ Smith must have known that the President would question him most closely regarding the military situation in Korea, as a check on General Bradley's briefing on the same subject the day before.

One reason for Smith's tension as he prepared to brief the President was Harry Truman's phenomenal

memory for detail. On one occasion the numbered symbols for a group of divisions had been affixed to the Korean map in a different order from that of the week before. Truman noticed and inquired regarding that difference, after the passage of a week. Smith was amazed.\*9/

In the mutual esteem that Harry Truman and Bedell Smith felt for each other there was a psychological bond: they were both "mustangs." Truman had been an artillery captain when Smith was an infantry lieutenant — but, in a larger sense, Truman also had risen from the ranks to high station, against all odds. When Harry Truman sent to Bedell Smith his scathing comments on a JCS paper, \*\* he had reference to the substance, but it was also one "mustang" deriding the West Pointers to another. 10/

### B. The National Security Council

The National Security Act of 1947 made the Central Intelligence Agency subject to the supervision

<sup>\*</sup> Smith himself had a phenomenal memory, though it was awral rather than visual. More than once Davidson was amazed to hear his own oral briefing being repeated verbatim by Smith hours later.

<sup>\*\*</sup> See Volume IV, p. 32.

and direction of the National Security Council, and made the Director of Central Intelligence the Council's intelligence adviser. By direction of the President, the DCI attended all meetings of the Council in that capacity. Bedell Smith took this duty very seriously. In return, he enjoyed the complete confidence of the members of the Council.

In the meetings of the Council, Smith was associated with the President, the Vice President (Alben Barkley), the Secretary of State (Dean Acheson), the Secretary of the Treasury (John Snyder), the Secretary of Defense (George Marshall, 1950-51, and Robert Lovett, 1951-53), and the Chairman, National Security Resources Board (Stuart Symington, 1950, and afterwards Jack Gorrie). Also regularly present were Omar Bradley (Chairman, Joint Chiefs of Staff), Averell Harriman (Special Assistant to the President), Sidney Souers (Special Consultant to the President), and James Lay (the Executive Secretary, NSC).11/

The meetings of the Council were always opened with a briefing by General Bradley on the military situation in Korea, and another by General Smith on new intelligence in general and on intelligence

pertaining to the day's agenda. Thereafter Smith generally remained silent unless his comments were requested, but he did not hesitate to intervene in the discussion if he felt that the intelligence bearing on the problem was being mistakenly interpreted or ignored.12/

On one remembered occasion Smith waxed enthusiastic in his analysis of a political situation and was called to order by the President, who reminded him that the Secretary of State was present and that the subject was his business. Smith was greatly abashed by that incident. In general, however, his occasional interventions were received with attention and respect. 13/

#### C. The Senior NSC Staff

In July 1950 President Truman established a
Senior NSC Staff composed of men holding positions
of authority in their respective departments and
agencies. NSC papers, prepared by full-time Staff
Assistants (in effect, the former NSC Staff), would
be reviewed and perfected by this Senior Staff before
presentation to the NSC.14/

Admiral Hillenkoetter nominated himself to be the CIA member of the Senior Staff, with Ludwell Montague as his alternate, 15/ and also named Montague to be the CIA Staff Assistant.\* Inasmuch as Hillenkoetter rarely attended the meetings of the Senior Staff, Montague normally covered both positions.

In October 1950 Bedell Smith nominated his Deputy, William Jackson, to be the CIA member of the Senior Staff. 16/ Montague was continued as Staff Assistant (supposedly a full-time job) while serving also as a member of the Board of National Estimates. Hiram Stout, a member of the Estimates Staff, was designated to substitute for him on occasion. 17/

Jackson came to feel that the meetings of the Senior Staff were a waste of his valuable time. Much of the interdepartmental debate on policy questions was of no concern to CIA, even as guidance to the intelligence effort. Moreover, much of the time of that high-level Staff was taken up with just plain nitpicking. Jackson's attendance became increasingly

<sup>\*</sup> Montague had represented CIA in the NSC Staff since the fall of 1947.

infrequent, with Montague again substituting in that position. In July 1951, while Montague was on leave, CIA was represented by Hiram Stout. 18/

At that point James Lay, the Executive Secretary, complained to Bedell Smith regarding the low level of CIA representation at the meetings of the Senior Staff, over which he presided. Smith thereupon declared that he would himself attend the Tuesday afternoon meetings of the Senior Staff, accompanied by Dr. Langer, the ADNE, and that Jackson and Langer would attend on Thursday afternoons.19/\* Langer thereupon arranged to have Stout replace Montague as Staff Assistant, so that Montague could devote full time to the business of the Board of National Estimates.20/

This arrangement did not last long. After only two weeks of it, Smith declared that too much of the time of the Senior Staff was taken up with matters that should have been settled at the drafting stage. 21/He never went again. Langer also dropped out.

<sup>\*</sup> Smith met with the NSC on Thursday mornings and with the IAC on Thursday afternoons.

When Allen Dulles succeeded Jackson as DDCI, in August 1951, he inherited Jackson's position on the Senior Staff. Dulles declared that the meetings of the Senior Staff were important, that he would try to attend every one of them himself.22/ By December, however, Loftus Becker, the Executive Assistant, was regularly substituting for him.23/ When Becker was made DDI, in January 1952, he was also made the regular CIA member of the Senior Staff.\* In May 1952 William Bundy, of the Estimates Staff, replaced Stout as Staff Assistant. That arrangement was continued through the remainder of Bedell Smith's term as DCI.

In short, Bedell Smith, William Jackson, and Allen Dulles, all came to have a poor opinion of the Senior NSC Staff and to avoid attendance at its meetings. In addition to their impatience with its tedious proceedings, they were offended by the blandness of its policy recommendations to the NSC.

<sup>\*</sup> See Volume II, pp. 163-64.

The latter point is illustrated by an indignant exchange between Dulles and Smith in July 1952. Dulles reported that a draft policy paper before the Senior Staff simply ignored the most striking development in the Soviet-American world-wide confrontation: the fact that the United States was now the target of a Soviet propaganda campaign of greater intensity than had ever been seen in the world before. Smith responded by denouncing the "inadaptability" of US policy to changes in the situation. "We are sitting on our hands until the situation has deteriorated to a point where open conflict or a complete failure of our policy is the consequence. "24/\* Both Smith and Dulles felt that the United States was under heavy attack by the USSR, throughout the world, and that the United States should respond with wartime vigor and tactical flexibility.

#### D. The Department of State

It appears that Bedell Smith had no close personal relationship with Dean Acheson, the

<sup>\*</sup> Presumably Smith meant to say "are the only remaining alternatives."

Secretary of State, although they met regularly at the NSC. Smith's inability to establish such a relationship may have rankled. On one occasion James Webb (the Under Secretary) called Smith by telephone to say that Acheson had taken exception to something that Smith had said at the NSC that morning. Plainly, Webb meant to be helpful, but Bedell Smith responded, in his most emphatic style, that if the Secretary of State had anything to say to him, he could make his own phone call — and with that the Director of Central Intelligence hung up on the Under Secretary of State!25/

Smith's sensitivity on this score is further illustrated by his instruction to Frank Wisner, the DDP, not to accept any summons to the State Department.\* Smith did not want any of his Deputies to go hat-in-hand to any Department. If State had anything to say to Wisner, let it come to him.26/

As matters settled out, Smith's principal personal point of contact within the State Department

<sup>\*</sup> Before Smith's arrival, Wisner had been the State Department's man, not Hillenkoetter's. See Volume II, pp. 53-55.

was with the Under Secretary, James Webb, who was also the State Department member of the Psychological Strategy Board.\* Correspondingly, Dulles's principal contact at this time was with Freeman Matthews, Webb's Deputy,\*\* and Wisner's was with Robert Joyce, Matthews's emissary.27/

Of course, Smith had contact also with Park
Armstrong, the Special-Assistant for Intelligence
Research and State Department member of the IAC, but
Smith rebuffed Armstrong's repeated efforts to interpose between CIA and the Under Secretary's office in
matters relating to clandestine operations.28/

#### E. The Department of Defense

In contrast, Bedell Smith enjoyed a close personal relationship with the Secretary of Defense, George Marshall, his former patron.\*\*\* Smith venerated Marshall, 29/but Marshall, for his part, was always cool, correct,

<sup>\*</sup> In January 1952 David Bruce succeeded Webb in both positions.

<sup>\*\*</sup> Ambassador Matthews later became a member of the Board of National Estimates, 1962-69.

<sup>\*\*\*</sup> See Volume I, p. 6.

and impersonal in his official relations. The correspondence between the DCI and "the Honorable, the Secretary of Defense" was evidently written by staff officers for signature — as was the DCI's correspondence with "the Honorable, the Secretary of State."

In the Defense file, however, there are also notes addressed to "Dear General Marshall" and "Dear Smith."

They too are correct and businesslike, but they have a distinctly different tone and were evidently composed by the signers themselves.30/

These more personal notes show that Smith always knew that he could obtain fair consideration from the Secretary of Defense, no matter what the position of the Joint Chiefs of Staff or the Service Secretaries might be. That knowledge was invaluable to Smith in view of the state of his relations with the Joint Chiefs of Staff.\* In one such note Marshall told Smith that, if he could not obtain satisfaction from the Secretary of the Army (Frank Pace), he should let Marshall know of it and Marshall would then see what

<sup>\*</sup> See Volume IV, pp. 30-32.

he could do.31/ In another, a handwritten note attached to a more formal letter, Marshall assured Smith that he had spoken personally to the Chiefs of Staff and that they would cooperate.32/ In yet another, Smith offered his "sincere thanks" for Marshall's personal good offices in obtaining an "eminently satisfactory" solution for an urgent problem.33/

Bedell Smith was also aware, however, that he could invoke the personal intervention of the Secretary of Defense only as a last resort and only if he had a very strong case. Insofar as the record shows, he did so only three times: to obtain an adequate field training area for the clandestine services, to obtain military training for CIA recruits,\* and with regard to an attempt by the Joint Chiefs of Staff to revise NSCID No. 5.\*\* It is notable that he did not do so with regard to so serious a matter as the JCS attempt to revise NSC 10/2. He reckoned that he could handle that matter himself, with the aid of John Magruder and Robert Lovett.\*\*\*

<sup>\*</sup> See pp. 29-32, below.

<sup>\*\*</sup> See pp.23-29, below.

<sup>\*\*\*</sup> See Volume IV, pp. 30-34.

In September 1951 Robert Lovett succeeded George Marshall as Secretary of Defense. Lovett had been an early advocate of the establishment of a Central Intelligence Agency.\* He had been personally associated with Smith in the Psychological Strategy Board.\*\* As Deputy Secretary of Defense, Lovett signed himself to Smith as "Bob".34/ As Secretary of Defense, he became "Robert Lovett,"35/ but that made no difference in their relationship of mutual appreciation and respect.

The correspondence between the DCI and the Secretary of the Army, Frank Pace, was signed simply "Bedell" and "Frank". So was that between the DCI and the Assistant to the Secretary of Defense for International Security Affairs, Frank Nash.\*\*\*36/

In his struggle to obtain proper military consideration for CIA's personnel requirements in a time of war and manpower stringency, the DCI was greatly aided by the personal friendship of Anna Rosenberg, the Assistant Secretary of Defense for

<sup>\*</sup> See Volume I, pp. 20 and 48.

<sup>\*\*</sup> See Volume IV, pp. 24 and 32-33.

<sup>\*\*\*</sup> Nash was the Defense Department member of the Senior NSC Staff.

Manpower. Indeed, the personal relationship of Bedell Smith and Anna Rosenberg was warm enough to excite gossip. That apparently pleased and amused Bedell Smith. He laughingly dismissed the subject by declaring that his reputation greatly exceeded his capabilities. 37/ Be that as it may, it did CIA no harm that the Assistant Secretary of Defense admired Bedell Smith and was personally concerned to protect his interest.\*

## F. The Joint Chiefs of Staff

It would be too simple to attribute Bedell Smith's conflict with the Joint Chiefs of Staff to the coolness toward him of West Pointers in general and General Bradley in particular.\*\* Whatever Bradley may personally have thought of Smith, he was perfectly correct in his official relations with him, insofar as the record shows. The conflict was really institutional, and therefore perhaps inevitable in the circumstances of the time.

<sup>\*</sup> It was Anna Rosenberg who alerted Sidney Souers to the fact that Smith's name had been omitted from the Army's promotion list. See pp. 3-4, above.

<sup>\*\*</sup> See Volume I, pp. 6 and 17-18.

During the war, 1941-45, the Joint Chiefs of Staff had directly advised a President who had little regard for his Department of State and was pleased to think of himself as the Commander-in-Chief, enjoying an intimacy with his generals and admirals that no other civilian could share. The Chiefs of that time (Leahy, Marshall, King, and Arnold) had all been taught in Service schools that it was potentially disastrous to permit politicians to interfere in matters requiring professional military judgment. That lesson was driven home by heavy stress on a historical example, the patent presumption and stupidity of President Lincoln's interference in the military operations of General McClellan. That war had been won only after General Grant was given a free hand. Thus the Chiefs of Staff were politely deferential toward the President, but firm with him. They had him pretty well in hand, except for the ever-present danger of Mr. Churchill's influence. They treated with scorn British military proposals that were evidently inspired by Churchill for ulterior political purposes. They were accustomed to dispose of an unwelcome civilian idea by unexplained references to "overriding military necessity," of the existence of which only they could judge. In time of war the sole national objective had to be to win the war in the shortest possible time. After that the politicians could take over again.38/

The Chiefs of Staff had not maintained so brave a figure during the years before 1950, when the military budget was being arbitrarily cut, but the unpreparedness of the United States for war in 1950 seemed to vindicate the proposition that military affairs were too serious a matter to be left to politicians. After June 1950, there was a real war in progress in Korea, no matter what the President might call it. More important, there was acute apprehension that war might break out in Europe at any time. 39/

To a considerable degree, the Joint Chiefs of Staff, and their joint and single-service staffs, were indeed isolated in the Pentagon. Nevertheless, much of what others regarded as their overweening arrogance was nothing more than a natural presumption on their part that the precedents of 1941-45 applied in the circumstances of 1950-53. When the Joint Chiefs of Staff were confronted with the Central

Intelligence Agency, the precedent that they had in mind was the wartime subordination of OSS to the JCS, 1942-45.40/

General Bedell Smith, for his part, regarded the incumbent Chiefs of Staff (Bradley, Vandenberg, Collins, and Sherman) with no awe. Bradley outranked Smith, but Smith had dealt with him on even terms or better as Chief of Staff at SHAEF. Moreover, he was well aware that he was by statute subordinate only to the NSC, that he was actually working in the service of the President, the Secretary of State, and the Secretary of Defense, and that he could rely on their sympathetic understanding and support. Nevertheless, Smith himself understood the legitimate interests of the Joint Chiefs of Staff and their theater commanders. He always sought a reasonable accommodation of all of the interests involved. It was the Chiefs who were demanding and intransigent. 41/

Bedell Smith's confrontations with the Chiefs of Staff over the revision of NSC 10/2

have been recounted above. Those were typical experiences. By giving way on non-essentials, Smith accomplished his essential purpose in both cases.\*

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<sup>\*</sup> See Volume IV, pp. 27-45.

Recounted below are Smith's encounters with the Joint Chiefs of Staff on five other matters: (1) the revision of NSCID No. 5; (2) the recruitment and training of CIA career personnel from among young men subject to military service; (3) the intelligence exploitation of captured sources; (4) intelligence access to US military information; and (5) the preparation of estimates of Soviet net military capabilities, taking into account opposing US capabilities.

## 1. The Revision of NSCID No. 5

NSCID No. 5, 12 December 1947, provided that the DCI should conduct all Federal espionage and counter-espionage operations outside of the United States, except for certain "agreed activities" to be conducted by others, and except for military counter-intelligence operations necessary for the security of US forces and military installations. The DCI was, moreover, made responsible for coordinating covert and overt intelligence collection activities.42/

"Agreed activities" meant espionage operations to be conducted by others with the knowledge and expressed consent of the DCI. No agreement, however, had ever been reached on that subject. Without consulting the DCI, the military simply extended their licensed counter-intelligence operations to include a considerable amount of amateurish espionage and covert action. That was done on the ground of an inherent right to ensure the security of US forces.43/

As early as May 1950 the Joint Intelligence Committee of the JCS was considering a revision of NSCID No. 5 designed to bring all US espionage and counter-espionage operations under the control of the JCS in time of war.44/ The underlying thought was the same as that underlying the later JCS attempt to assert a similar control over covert action operations.\* The precedent for it was the subordination of OSS to the JCS, 1942-45.

During the discussion of the revision of NSC 10/2, in February 1951, Bedell Smith himself proposed to the JCS a new NSC directive that would have consolidated NSCID No. 5, NSC 10/2, in accordance with Smith's conception.45/ That draft, however, was discarded in the circumstances of the actual revision of NSC 10/2.\*\*

<sup>\*</sup> See Volume IV, p. 31.

<sup>\*\*</sup> See Volume IV, pp. 33-34.

In June 1951 the Joint Chiefs of Staff submitted to the Secretary of Defense, for transmission to the NSC, a proposed revision of NSCID No. 5 that incorporated the JIC's May 1950 draft, but went beyond it to authorize the military services to engage in espionage operations without the knowledge and consent of the DCI. Secretary Marshall invited the DCI's comments. General Wyman, the ADSO, denounced the JCS draft as completely unacceptable on both legal and doctrinal grounds.46/ After studying the matter for four weeks, Bedell Smith dispatched a personal letter to Secretary Marshall.47/

In this letter dated 2 July, Smith showed dispassionately that the Joint Chiefs of Staff had simply ignored the National Security Act of 1947. He cited the President's own handwritten comments on the JCS proposal to revise NSC 10/2 (April 1951)\* as a recent reaffirmation of the principle that the DCI was subject to the direction of only the NSC and the President. He demonstrated that in practical terms the idea of mounting independent and uncoordinated clandestine operations in the same area was "a thoroughly bad business."

<sup>\*</sup> See Volume IV, p. 32.

Having established these points, Bedell Smith turned conciliatory. He was ever ready to consider on its merits any proposal made to him regarding "agreed activities." He recognized explicitly the necessary authority of a military theater commander within his theater. That could be accommodated by using the language recently approved in the revision of paragraph 4 of NSC 10/2 (April 1951).\*

Bedell Smith concluded by advising the Secretary of Defense that the JCS proposal was unworthy of being submitted to the consideration of the NSC.

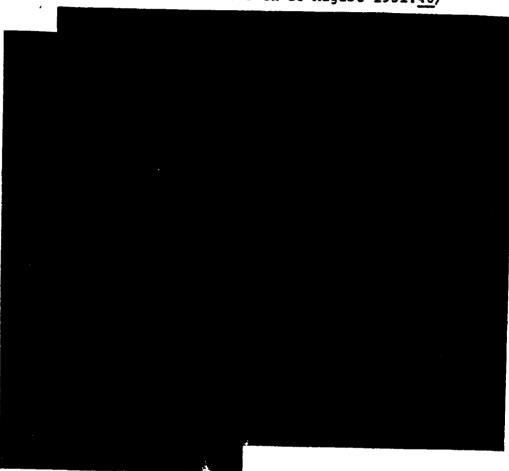
Secretary Marshall evidently accepted Bedell
Smith's advice. The JCS proposal was not forwarded
to the NSC. Instead, Smith prepared his own revision
of NSCID No. 5, in accordance with his own prescription.
He kept the 1947 text, but added to it four short paragraphs that defined CIA's relationship with the "Senior
US Representative" (the Ambassador or the equivalent),
the "Senior US Military Commander" (the theater commander
where applicable), and the Joint Chiefs of Staff, with

<sup>\*</sup> See Volume IV, pp. 33-34.

regard to the clandestine collection of intelligence.

The key added paragraph was the same as paragraph 4

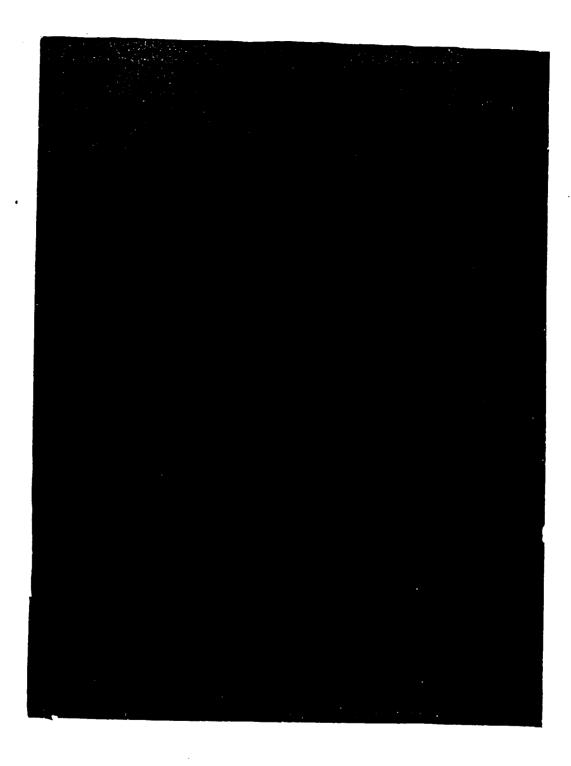
of NSC 10/2 as revised in April 1951.\* The NSC adopted this revision of NSCID No. 5 on 28 August 1951.48/



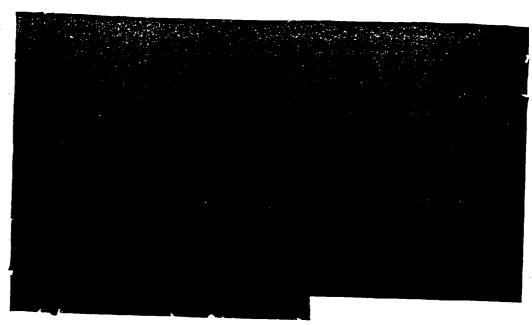
<sup>\*</sup> See Volume IV, p. 34.

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2. Recruitment and Training



General Smith desired to develop a CIA career service. He considered that military training,

experience, and discipline would be highly beneficial for the young men to be recruited into that service.\*

What he had in mind was not only basic military training but also specialized training, including language school, and two or three years of actual military service in the field or at sea. Smith requested the Secretary of Defense to arrange for the Services to provide such training for 150 college graduates (per year) to be selected by CIA.55/

The Joint Chiefs of Staff were willing to do that, on a reimbursable basis (although they were to get two or three years of service from the trainees), but they stipulated that none of Smith's recruits could be from "Service-controlled sources," particularly from the ROTC or the Reserve.56/

Bedell Smith asked Anna Rosenberg what the Chiefs of Staff meant by that. Every able-bodied young man in the country was under Service control, through the draft, if not otherwise. He argued that even if his recruits were ROTC graduates, the Services would be

<sup>\*</sup> See Volume II, pp. 98-99. Initially at least, Smith was thinking primarily of recruits for the clandestine services.

getting all of the active service out of them that they could expect, short of all-out war. He provided a way out by volunteering to count his recruittrainees against his present allotment of officers.57/

In the end the Secretary of Defense informed Smith that the Services would train, as Smith proposed, up to 200 men recruited by CIA from sources other than the ROTC, the Service Academies, and the active military establishment. If CIA wanted to recruit ROTC graduates, let it first obtain (from Congress) an expansion of the ROTC program to meet its needs.58/\*

Bedell Smith was thus disappointed with respect to the recruitment of ROTC graduates, but he was pleased to get this military training program established. He thanked Secretary Marshall for his support59/ -- although the Secretary had actually obtained for him no more than the Joint Chiefs had been willing to grant at the beginning.\*\* The training program was put into effect. The

<sup>\*</sup> It was to this disappointing letter that Secretary Marshall attached his handwritten personal assurance that the Chiefs of Staff would cooperate. See p. 17, above.

<sup>\*\*</sup> At about the same time, Secretary Marshall did obtain for Smith a good field training area that otherwise would not have been available to him.60/

Army, Navy, Marine Corps, and Air Force accepted non-ROTC college graduates recruited by CIA, put them through basic training and officer candidate school, and gave them a year of experience in active service at sea or overseas. They were then assigned to CIA in active duty status until the expiration of their military obligation.\*61/

## 3. The Exploitation of Captured Sources

The war in Korea was producing quantities of captured sources of intelligence: North Korean and Chinese documents and prisoners of war, Soviet weapons and other military equipment. It was an obvious function of the DCI to coordinate the intelligence exploitation of these sources, but they were in the actual control of the military: that is to say, of the Joint Chiefs of Staff.

The JCS proposed to the Secretary of Defense the establishment of three JCS agencies to conduct this exploitation: an Armed Services Document Intelligence Center (ASDIC), an Armed Services Personnel Interrogation Center (ASPIC), and a Joint

<sup>\*</sup> This program continued in effect until 1966.

Materiel Intelligence Agency (JMIA). The Secretary requested the DCI to ascertain the views of the non-Defense intelligence agencies. The FBI opted out; it preferred to do its business (such as it was in this case) by direct liaison, free of CIA coordination.\* State and the AEC agreed to permit CIA to represent their interests, apparently to hold down the number of civilians intruding upon the military. Smith proposed the amendment of the JCS paper to provide for the appointment by CIA of assistant directors for ASDIC and ASPIC, and a special adviser for JMIA, to ensure that the interests of CIA, State, and the AEC received adequate attention.62/

On 5 March 1951, in the absence of General Smith, General Wyman (ADSO) reported to William Jackson (DDCI) that General Megee (Deputy Director of the Joint Staff for Intelligence) had said that the Joint Staff was strongly opposed to the idea of CIA participation in the direction of the JCS agencies to be established for the exploitation of captured sources. Jackson emphatically declared

<sup>\*</sup> See pp. 57-60, below.

that, if the IAC did not concur in General Smith's proposals, the issue would be taken to the NSC.63/
The IAC (including General Megee) concurred.64/

For whatever reason, none of the three agencies proposed by the JCS in December 1950 was actually set up until December 1951, when the JMIA was finally established.\* Lyman Kirkpatrick (the Executive Assistant) then noted hotly that the JCS had established the JMIA without consulting CIA. General Smith, however, was quite relaxed about that. He said that CIA's real objective was only to make sure that CIA received the product of such military intelligence agencies and that proper attention was paid by them to CIA's requirements. He directed James Reber (the ADIC) to make sure of this, if possible without direct CIA participation.65/

Bedell Smith understood, better than did his civilian associates, the prerogatives of a theater commander and the sensitivities of the military in general. During 1951 Smith had fought two big battles with the JCS, over NSC 10/2

<sup>\*</sup> One may suppose that the Joint Staff, of the same opinion still, had arranged to have the work done by the Far East Command, so as to keep it beyond the reach of CIA.

<sup>\*\*</sup> See Volume IV, pp. 27-45.

December he was seeking to induce the Department of Defense to assume the cost of OPC's paramilitary operations.\* He did not choose to expend his credit in Defense over what was, to him, a peripheral issue. His own proposals, in March, had provided for nothing more than a CIA adviser with JMIA.\*\*

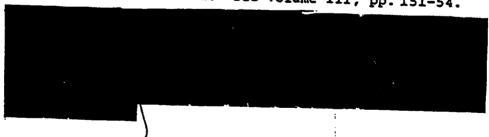
The arrangements that Reber made with JMIA were evidently satisfactory.

The research units of ORR and OSI were able to obtain the data that they required.

## 4. Access to US Military Information

On 1 February 1951, General Smith briefed the JCS regarding his proposed revision of NSC 10/2 and

<sup>\*\*</sup> It may be noted also that this was the period of the military onslaught on the SIC, before which Bedell Smith retreated. See Volume III, pp. 151-54.



<sup>\*</sup> See Volume IV, p. 48.

CIA's requirements for military support for covert operations. He took advantage of the opportunity to say:

In addition to the above, we need to be kept informed by receiving the papers of the Joint Chiefs of Staff and the military cable traffic. These papers are essential to keep our operational planning current and up-to-date, and to keep our Office of National Estimates informed. These papers will naturally be handled with maximum security and minimum circulation. 67/

The Joint Chiefs of Staff were not responsive to this plea. 68/ Rather, they evidently gave instruction that no JCS papers and no military operational cables should be released to CIA. Even the Joint Intelligence Committee refused to permit the Director of Central Intelligence to see its estimates.\* Prior to JIC approval they were merely drafts that it would be improper to send outside of the Pentagon. After JIC approval they were JCS papers, no longer under JIC control. 69/

The only concession that the JCS would make on this point was to permit ONE Board Member General

<sup>\*</sup> The JIC was composed of the military members of the IAC.

Clarence Huebner to see some JCS papers in the Pentagon.\* Huebner could not quote such papers to the Board of National Estimates, but he could advise the Board with cognizance of their contents.70/ No doubt he kept General Smith more explicitly informed.

In January 1951 President Truman requested of General Smith an estimate of "the prospects for the creation of an adequate Western European defense."\*\*
Such an estimate would, of course, require the collaboration of the Joint Strategic Planning Group of the Joint Staff. General Smith told the IAC that he would arrange that with General Bradley.71/

Two weeks later General Smith told the IAC that he had discussed the subject with the Joint Chiefs of Staff, with negative results. NIE 13 (the number assigned to the project in ordinary sequence) would have to be completed as a strictly intelligence paper. He would then send it to the JCS requesting their comments on particular aspects of an operational nature.72/

<sup>\*</sup> See Volume III, pp. 46-47.

<sup>\*\*</sup> President Truman never recognized any distinction between intelligence and operational information and judgments. See Volume III, p. 102.

Even on this basis, NIE 13 was not viable. The military members of the IAC objected strenuously that the draft conveyed an implicit judgment on the adequacy of JCS-approved plans.73/ In the end the project was cancelled.74/ Thus it was demonstrated that not even the President of the United States could obtain a combined assessment of intelligence and operational information.\*

It happened that in February 1951 Senator Brien McMahon, the Chairman of the Congressional Joint Committee on Atomic Energy, requested of General Smith an estimate of the Soviet capability to prevent the delivery of US atomic weapons on targets in the Soviet Union. This time the subject was an enemy capability, rather than the capabilities of the US side, but again the estimate would require cognizance of the capabilities and vulnerabilities of US forces. Noting that such an estimate would serve to ensure Congressional support for related US military programs, General Smith requested the Secretary of Defense to authorize the participation of the Defense Department's Weapons

<sup>\*</sup> But see pp. 42-49, below.

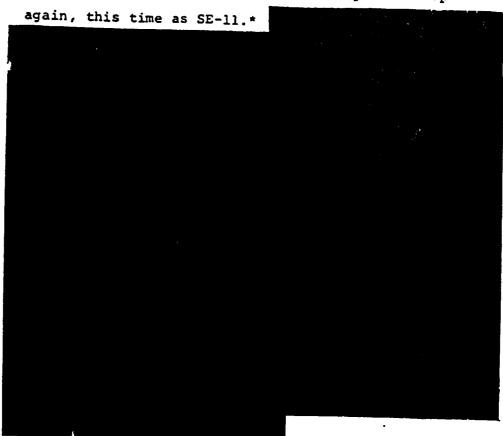
Systems Evaluation Group, which had recently completed certain relevant operational analyses.75/

General Smith may have hoped thereby to bypass the JCS and their Joint Staff, but Secretary Marshall referred his request to the JCS for their advice and the JCS pronounced a veto. Senator McMahon was not authorized to request such an estimate, and in any case he had not addressed his request to the proper agency (themselves). Secretary Marshall adopted the JCS position.76/ The project (NIE 30) was cancelled.77/

A third case of this kind arose in May 1951. General Bolling, the Assistant Chief of Staff, G-2, requested a national estimate on "the probability of a Communist attack on Japan during 1951."78/\* An estimate, NIE 37, was laid on, but in July it was cancelled79/ -- because the intelligence community had been unable to obtain information on the strength and dispositions of US forces in and near Japan, information that the Soviets would certainly have and would take into account in deciding whether or not to attack Japan.80/

<sup>\*</sup> Soviet activities on Sakhalin had raised an alarm. Bolling wanted others to share responsibility for his estimate that no attack was impending.

In August, however, the same subject was up



In proceeding as he did in this case, Bedell Smith had two purposes. He took the occasion to

<sup>\*</sup> SE's (Special Estimates) were national intelligence estimates prepared for a special purpose and for specially limited dissemination.

demonstrate that he gave more weight to the advice of his own Board of National Estimates than he did to that of the Intelligence Advisory Committee.\* He sought also to demonstrate, to the President, the National Security Council, and the Chiefs of Staff themselves, the absurdity of the JCS position. Enemy intentions could not be estimated without regard to the capabilities of US forces that the enemy knew to be present. Bedell Smith would never make an estimate without taking the presence of US forces into account. The only question was whether he would be well or ill informed about them.

In April 1952 Bedell Smith was still pleading.

He then told the NSC that it was not necessary for intelligence officers to know very much about US plans, but, if they were to make a timely intelligence contribution to US planning, they must have in advance at least a general idea of what was up for consideration and what future US actions foreign powers would be reacting to. Liaison with State in this respect was reasonably satisfactory, but that with the armed services was less than satisfactory.82/

<sup>\*</sup> See Volume III, pp. 117-18.

This problem was never resolved during General Smith's time. In January 1953 it was again presented, as follows:

As Western strength increases, estimates of Soviet military capabilities are increasingly meaningless without cognizance of Western capabilities to resist. Thus the 1952 NIE on Soviet air defense capabilities is nothing but an inventory of Soviet hardware applicable to the subject. The Council's recent directive for an evaluation of the Soviet net capability to inflict injury on CONUS\* is an example of what is required in major cases.83/

This passage is from a draft report to the NSC prepared at General Smith's direction. That report was never submitted. In February the new DCI, Allen Dulles, cancelled the project.\*\*

### 5. Net Evaluations

In July 1951 the Senior NSC Staff requested an estimate of Soviet capabilities for direct attack on

<sup>\*</sup> That is, the continental United States.

<sup>\*\*</sup> The issue of intelligence access to US military information was still sensitive in 1955, when the author was assigned to the permanent staff of the Net Evaluation Subcommittee of the NSC. The participation of a CIA representative was indispensable, but such a representative would necessarily have access to sensitive US military information. It was hoped that the Chairman, JCS (Admiral Radford), would not notice the author's presence in the NESC Staff. Whether he did or not, he made no issue of it, and that was regarded as an important breakthrough.

the continental United States. Again, Bedell Smith observed that such an estimate could not be made without cognizance of US capabilities to repel the attack — that is, without the collaboration of the Joint Staff.84/ Since it was by then evident that it would be futile to propose direct Joint Staff collaboration in an NIE, Smith worked out with the Executive Secretary, NSC, a five-part procedure, as follows:85/

- 1. An NIE on the maximum scale of the direct military attack that the Soviets were capable of launching against the continental United States.

  (In 1951 such an attack would have had to be delivered primarily by propellor-driven medium bombers carrying atomic bombs, the Soviet version of the US B-29.)
- 2. A JCS evaluation of the US capability to repel an attack of that scale and nature.
- 3. An IIC\* estimate of Soviet capabilities for clandestine attack (that is, for the delivery

<sup>\*</sup> The Interdepartmental Intelligence Conference (IIC) was established in 1939 to coordinate the investigation of foreign clandestine activities in the Western Hemisphere. J. Edgar Hoover, Director of the FBI, was chairman; State, Army, Navy, and Air Force participated.86/

of atomic bombs on targets in the United States by clandestine means).

- 4. An ICIS\* evaluation of US capabilities to counter such an attack.
- 5. On the basis of these four contributions, a final evaluation of the net result by the DCI in collaboration with the Chairmen of the JCS, IIC, and ICIS.

The NSC did not adopt this plan until September, 88/
but meanwhile action was proceeding in accordance with
it. The IIC refused to estimate, \*\* but ONE produced
an estimate on the basis of data furnished by the IIC,
and the IAC adopted it on 30 August.

<sup>\*</sup> The Interdepartmental Committee on Internal Security (ICIS), composed of representatives of State, the Treasury, Defense, and Justice, was established in 1949.87/

<sup>\*\*</sup> One of J. Edgar Hoover's cardinal principles was that the FBI, an investigative agency, should not evaluate or interpret the information that it collected.

It remained to obtain the judgment of the JCS and the ICIS on the ability of the United States to defend itself against attacks of the scale and nature indicated by these intelligence estimates. That took

indicated by these intelligence estimates. That took longer -- a full year in fact. For one thing, the Joint Chiefs of Staff were determined not to expose their judgment on such a subject to profane eyes. For another, they were caught in a dilemma. The honor of the Services required that US defensive forces be shown to be wonderfully efficient, but budgetary considerations required that they be shown to be dangerously deficient. The Joint Chiefs of Staff avoided ever pronouncing on that subject themselves. As for the ICIS, it shamelessly thumped the tub for greatly increased appropriations to defend against the dire threat of clandestine attack with weapons of mass destruction.92/



On 26 June 1952 General Smith announced to the IAC that at last all of the preliminary returns, from the IAC, IIC, ICIS, and Joint Staff, were in. The fifth step, the preparation of a Summary Evaluation, remained to be accomplished. Smith asked for the designation of an Air Force officer to represent the interest of the IAC in that work, in company with representatives of the DCI, JCS, IIC, and ICIS.93/\*

The actual work of preparing the Summary

Evaluation was accomplished by a group in CIA specially constituted by Smith for the purpose. Robert Amory, the ADRR, was in charge.\*\* He was assisted by Vice Admiral Bieri, Lieutenant General Bull, and Dr. Edgar Hoover\*\*\* -- members of the Board of

National Estimates -- and by William Bundy, the NSC Staff Assistant.94/ In short, Bundy drafted the report, subject to the direction and approval of the others.

<sup>\*</sup> The DCI would be representing the NSC interest, not that of the IAC.

<sup>\*\*</sup> Amory may have already been identified as the future DDI. (See Volume III, p. 95.) He was Acting DDI when the draft report was presented.

<sup>\*\*\*</sup> Hoover was an economist. The Summary Evaluation was largely concerned with industrial damage in the United States and the consequences for the US war economy.

On 10 December the Summary Evaluation had been through all the lower levels of review and acceptance and was ready for presentation to the Joint Chiefs of Staff on the 15th. Smith announced that he would attend, with Amory and Bull. Amory would do the talking, as instructed by Smith.95/

Two weeks later Smith was baffled by his inability to get the Joint Chiefs of Staff to act on the Summary Evaluation, either one way or the other. He went to see General Bradley about that. Bradley proposed that the entire problem be transferred to an NSC subcommittee with General Edwards in the chair. 96/ No doubt Smith perceived that this was a multipurpose device to get Smith out of the chair, to put a JCS man in it, to absolve the members of the JCS of any personal responsibility for the findings of the Summary Evaluation, and to make an ad hoe committee (the "Edwards Committee") responsible for it. 97/ Nevertheless Smith acquiesced, in order to get the task done. The NSC established the "Edwards Committee,"98/ and Smith appointed General Bull to it.\*

<sup>\*</sup> As the former G-3 at SHAEF, "Pinky" Bull knew how to serve General Smith and also how to cope with the Joint Staff.

The real work had already been done. The Edwards Committee had only to go through the motions of taking testimony and reviewing extant studies, in order to show that it had done something. Its report was drafted by Willard Matthias, a member of the National Estimates Staff, who had accompanied General Bull as amanuensis.99/

The last difficulty was that of obtaining the concurrence of the Director of the Federal Bureau of Investigation. Mr. Hoover was outraged by a conclusion of the Summary Evaluation that the Soviets would not risk forfeiting at least tactical surprise in their bomber attack by smuggling atomic weapons into the United States before D-day, as would be necessary in the case of a clandestine attack. Even though the FBI could not guarantee the detection of such an operation, its accidental detection would alert the United States and risk provoking a decisive preemptive attack on the USSR.100/ Robert Amory finally succeeded in bringing J. Edgar Hoover into camp, but only at the last minute before the presentation of the Summary Evaluation to the NSC.101/

establishing in this case was continued after he had ceased to be DCI. In 1954 a second Summary Evaluation was made by a second ad hoc committee. In 1955, on the initiative of Allen Dulles as DCI, the NSC established a permanent Net Evaluation Subcommittee. The procedure was applied, however, only to the case of a Soviet attack on the continental United States. It was never used to estimate the net capabilities of Soviet forces in other cases. 102/

# G. Service to Other Components of the Defense Department

The non-military components of the Department of Defense were highly dissatisfied with the quality of the intelligence support available to them within that Department, from the Service intelligence agencies and the Joint Intelligence Committee. Consequently they turned to CIA for such support.\* General Vandenberg and Admiral Hillenkoetter were always glad to oblige, but General Smith tried to put a stop to that practice.

<sup>\*</sup> See Volume III, pp. 141-44, with regard to the interest of the Research and Development Board in obtaining intelligence support from CIA. The Assistant to the Secretary of Defense for International Security Affairs (ISA) also preferred intelligence obtained from CIA to that obtainable from the military intelligence agencies. 103/

General Smith had been DCI for only two months when he observed that the policymakers were turning more and more to CIA for advice and assistance.

(Evidently he was not aware that they had long been doing so; he had been given a false impression by the "Dulles Report.") He said that the problem now was to get the Departments to make full use of their own intelligence agencies. 104/

In April 1952 Loftus Becker, the DDI, and Sherman Kent, the ADNE, met with the Joint Intelligence Committee to seek a better allocation of requests for estimates between the JIC and the IAC. 105/CIA (ONE) was not trying to take business away from the JIC. On the contrary, it was trying to get the JIC to relieve it of the burden of responding to requests that were properly the business of the JIC. The root of that problem was, of course, the requesters' judgment that estimates prepared by ONE were greatly superior to those produced by the JIC.

In June the Research and Development Board (RDB) requested of the DCI an estimate of the capabilities of Soviet science and technology. Bedell Smith told the members of the JIC, present as members of the IAC,

that his business was to attend to the requirements of the NSC. The RDB, a component of the Department of Defense, should have gone to the JIC with its request. CIA would be glad to help the JIC, on a spare-time basis, but CIA did not participate in JIC estimates and would accept no responsibility for them. The DCI would not act on the RDB request unless the JIC told him that it was incapable of satisfying it.106/

The RDB must have continued to beat on the DCI's door, for Smith returned to the subject seven weeks later. The RDB request, he said in exasperation, could readily be answered (by the JIC) out of OSI publications. CIA did not propose to do the JIC's work for it, but would, of course, honor a request from the Secretary of Defense through the NSC.107/\*

Bedell Smith was not always so strict about this matter. In October 1952, in response to a request from Lieutenant General Geoffry Keyes, Director, Weapons Systems Evaluation Group (WSEG), Smith undertook to propose to the IAC the initiation of the desired estimate. As before, he stressed that his prior responsibility was to satisfy the requirements of the NSC, but he shifted his ground from a none-of-our-business to a time-available basis, as follows:

"While we are glad to assist agencies of the Department of Defense by furnishing intelligence which transcends the capabilities of any single department or agency, our acceptance of such requirements must be understood to be subject to priority tasks which may be set by the National Security Council."108/

Having said that for the record, Bedell Smith added in longhand, "Jeff -- I think we have a lot of data on this already, so it won't take as long as if we started from scratch. WBS"

One may speculate on the difference between Smith's treatment of the RDB and the WSEG. Both were components of the Department of Defense independent of the JCS and the three Services. The RDB was civilian; WSEG was military. But the chief difference seems to have been that "Jeff" Keyes was an old friend in need of help.

It should be noted that the Secretary of Defense did not really have to go through the NSC to get service from the DCI. In November 1952 the Acting DDI, Robert Amory, responded to an urgent request from the Secretary of Defense, Robert Lovett, by providing the Secretary with an uncoordinated memorandum from the Board of National Estimates. Amory was careful to point out that this memorandum was supplementary to NIE 21, and that it would be coordinated as soon as possible as NIE 21/1.109/

#### H. The United States Communications Intelligence Board

Communications intelligence (COMINT) was a critically important source of information during 1950-53, but under the terms of NSCID No. 9, 1 July 1948, it was excepted from the coordinating jurisdiction of the DCI and IAC. The function of coordinating COMINT activities was assigned instead to a special body, the United States Communications Intelligence Board (USCIB), in which the DCI was just one among the several members. Inasmuch as the leaderless USCIB could act only with unanimous consent, it could accomplish no effective coordination.\*

<sup>\*</sup> See Volume III, pp. 105-09.

One can readily imagine what Bedell Smith thought of such a fatuous arrangement.

On 20 October 1951 Kingman Douglass, the ADCI, urged upon Smith the need for "a fresh look at the entire communications intelligence picture." 110/On 10 December Smith expressed to the NSC his grave concern regarding the security and effectiveness of US COMINT activities and proposed a high-level survey of the situation.111/

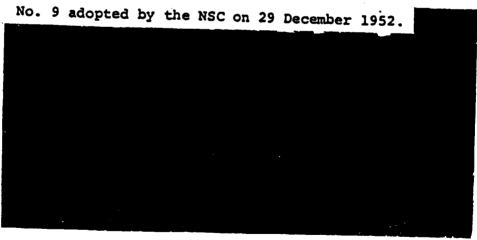
The ground must have been well prepared in advance. Within three days the NSC proposed and the President approved the assignment of the task of making such a survey to the Secretaries of State and Defense. By 18 December it was known that they would appoint a select committee to make the survey, and that it would be composed of George Brownell (Chairman), Charles Bohlen for State, John Magruder for Defense, and William Jackson for CIA.\* General Ralph J. Canine, representing the JCS, would serve as a consultant, not as a member of the committee. 112/

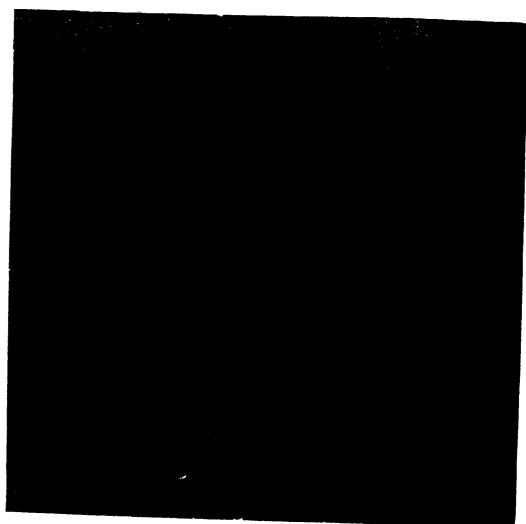
<sup>\*</sup> Brownell was a New York lawyer and reserve brigadier general who had served as special assistant to the Secretary of the Air Force. Bohlen was Counsellor of the Department of State; Magruder, deputy for "psychological" affairs in ISA. Jackson was, of course, the DCI's senior consultant.

The committee was formally appointed and instructed on 28 December and went to work on 5 January.113/

The Brownell Committee submitted its report to the Secretaries of State and Defense on 13 June 1952. This was fast work for a committee dealing with such a complex and controversial matter. It was possible because all concerned knew that Dean Acheson, Robert Lovett, and Bedell Smith were determined to obtain a prompt and effective solution of the problem — and also because the responsible military authorities were themselves disgusted by the in-fighting of the past three years and by the inefficiencies inherent in the existing set-up.114/

The recommendations of the Brownell Committee were subsequently embodied in the revision of NSCID No. 9 adopted by the NSC on 29 December 1868





This revised NSCID still maintained communications intelligence as an activity separate and distinct from the IAC community, but brought it under the effective



control of the DCI. Not until 15 September 1958 were the IAC and USCIB combined to form the all-inclusive United States Intelligence Board.

# I. The Federal Bureau of Investigation and the IIC

Bedell Smith was unsuccessful in his efforts to obtain CIA participation in the Interdepartmental Intelligence Conference (IIC), which was the personal preserve of J. Edgar Hoover.\* In this case, his usually irresistible force came up against an immovable object.

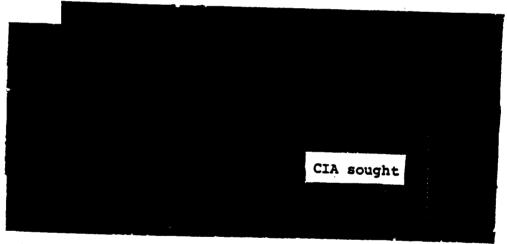
In October 1945 the FBI had aspired to be assigned the task of conducting US secret intelligence operations, world-wide.\*\* That aspiration was frustrated by the postwar creation of CIG and OSO. The FBI remained resentful of the existence of CIG/CIA and determined to prevent any CIA encroachment upon its internal security functions. The National Security Act of 1947 contained two provisos to protect the Bureau's prerogatives.\*\*\* Relations between OO and the FBI were difficult.

<sup>\*</sup> See p. 48, above.

<sup>\*\*</sup> See Volume I, p.40.

<sup>\*\*\*</sup> Sections 102 (d) (3) and 102 (e).

In 1948 the NSC Survey Group took cognizance of the strained relationship between CIA and the FBI. It sought to ease the tension and facilitate coordination by recommending that the FBI be made a member of the IAC.116/ That was done, but J. Edgar Hoover refused to attend the IAC, where he would have had to sit below the DCI. His representative almost always abstained from the proceedings of the IAC, "the subject being outside of his jurisdiction," as indeed it almost always was. His responsibility was clear—to see that the IAC took no action prejudicial to the interest of the FBI.117/



a seat at the Interdepartmental Intelligence Conference analogous to the FBI seat in the IAC. These requests were rebuffed.

A new effort

must be made to obtain

for Dollar Doverts a seat on the IAC was subject to review. 118/

The task of persuading J. Edgar Hoover was assigned to Allen Dulles, but Bedell Smith laid down the line that Dulles should take. The matter was too important for us to quibble about media of exchange or details of protocol.

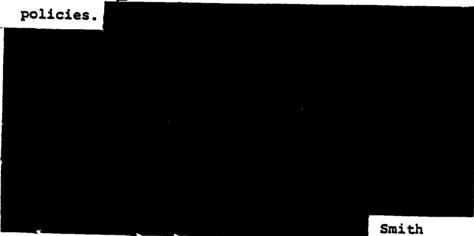
CIA was willing to give

to the FBI whatever information it obtained overseas, but it would make no special collection effort for the FBI unless it got something in return. 119/

Evidently Dulles accomplished nothing, for in November Smith took up the task himself. He had Hoover and two of his henchmen come to lunch with

<sup>\*</sup> Colonel Sheffield Edwards, USA (Ret.), was CIA's Director of Security (under various titles), 1947-63.

Dulles, Wyman, Kirkpatrick, and himself. When his guests had been properly regaled, Smith said that his purpose was to work out closer cooperation between CIA and the FBI. Past misunderstandings had resulted from a clash of personalities, not of



handed Hoover a staff study on the subject. 120/

J. Edgar Hoover was genial. He welcomed the idea of a monthly luncheon with Bedell Smith. His staff would take up with Kirkpatrick the details regarding a reciprocal exchange of information. But Hoover was adamant in refusing to CIA a permanent seat in the IIC. CIA would be specially invited to attend whenever (in Ecover's indirect) CIA had a legitimate interest in the subject under discussion. 121/

That was the best that Bedell Smith could get out of J. Edgar Hoover.

### J. Congressional Relations\*

Members of Congress in general regarded the Director of Central Intelligence as personally responsible for all US intelligence activities, under the terms of the National Security Act of 1947. In the event of an "intelligence failure," it would be the DCI whom they would hold accountable, not the chief of any departmental intelligence agency nor the IAC collectively.122/

Bedell Smith's relations with Congressional leaders were characterized by a strong mutual respect, rather than by personal warmth. Like others of his generation in the military, Smith had been brought up to regard Congressmen with respect. His bearing toward them was generally deferential, responsive, and soldierly — although he did practice a bit of showmanship on them on occasion. One of his favorite devices, when being questioned too closely, was

<sup>\*</sup> For a fuller treatment of the subject, see the history of CIA's Congressional relations to be prepared by Walter Pforzheimer, who was CIA's Legislative Counsel, 1946-56.

to divert attention from the subject by saying, "Now, as I recall, Marshal Stalin once told me ...."\*

That always made a big impression. 123/ There were not many men in Washington who could recall what Marshal Stalin, the Arch-Enemy, had once told them.

The record of the Senate subcommittee hearing on Smith's nomination to be DCI reveals clearly the immense respect in which he was held by those Senators, even before he took office, 124/ and afterwards Congressmen naturally responded in kind to such a distinguished man's evident respect for them.

There was one Senator who disliked Smith -before he had met him. He was Senator Brien McMahon,
Chairman of the Joint Committee on Atomic Energy.

McMahon had been offended by a speech that Smith had
made, before becoming DCI, in which Smith had criticized the AEC's control of the development of atomic
weapons. When the time came for the periodic briefing
of the Joint Committee on the Soviet atomic energy
program, Walter Pforzheimer, the Legislative Counsel,

<sup>\*</sup> Actually, Smith had had only seven conversations with Stalin during his three years as Ambassador.

ventured to tell General Smith of Senator McMahon's dislike of him.\* Forewarned, Bedell Smith turned on his charm, with the result that Brien McMahon became one of Smith's strongest admirers.125/

At a later briefing, Senator McMahon wanted to know how Smith knew what he was saying about the Soviet program. The source of Smith's information was too sensitive to be revealed to a Congressional committee. Smith invited McMahon to come to his office for a personal briefing, on McMahon's solemn promise not to reveal what he would hear to his committee. McMahon came and a battery of CIA staff officers gave him a formal briefing. Then Smith cleared the room and remained closeted with the Senator. During that time he could have said nothing that he had not himself been told by the staff officers he had dramatically dismissed, but he gave McMahon the impression that he was sharing with him secrets that even his own staff could not be permitted to overhear.\*\*126/

<sup>\*</sup> Smith's response to Pforzheimer's apology for mentioning this unpleasant fact was "That's your job."

<sup>\*\*</sup> Smith used this technique on others on other occasions.

In September 1952 Bedell Smith got himself into some trouble by his incautious testimony in Senator Joseph McCarthy's libel suit against Senator William Benton. Smith had been subpoenaed by Benton to refute McCarthy's slanderous attack on the patriotic loyalty of George Marshall, which Smith was of course glad to do. In cross-examination he was asked whether he did not know it to be a fact that the State Department had been infiltrated with Communists in 1947 (when Marshall was Secretary of State and Smith was Ambassador in Moscow). Smith replied that he did not know that to be a fact. He was then asked whether he agreed with Senator Benton's testimony that Benton had known that there were Communists in the Department in 1947 (when Benton was Assistant Secretary of State). To that Smith replied that he did believe it -- and then added gratuitously that he believed that there were Communists in his own organization! 127/

Smith went on to explain that this was only a prudent assumption. He knew of no Communist in CIA; if he had found one, he would already have disposed of him. 128/ His explanation was lost in a crescendo

of bold black headlines such as "Gen. Smith Believes Reds Are in U. S. Intelligence!"129/

A quotation to the effect that the DCI believed that there were unidentified Communists in CIA would be sensational at any time. To appreciate the impact of Smith's incidental remark one must recall the atmosphere of the Cold War, the McCarthy phenomenon, and the Republican presidential campaign of 1952, which sought to make a major issue of Communist infiltration of the Government under the lax administration of the Democrats. Harry Truman's initial reaction was to suppose that Bedell Smith, Eisenhower's man, had deliberately betrayed him to the Republicans: 130/

Bedell Smith made his embarrassed explanations to Harry Truman, Dwight Eisenhower, Adlai Stevenson, the Press, and the House Un-American Activities Committee, and got Eisenhower's promise not to exploit the incident, but the echoes continued to reverberate. No less an authority than General Smith believed that the Government was infiltrated with Communists!

At this same time, Bedell Smith was even more seriously involved in the case regarding the loyalty of John Paton Davies.

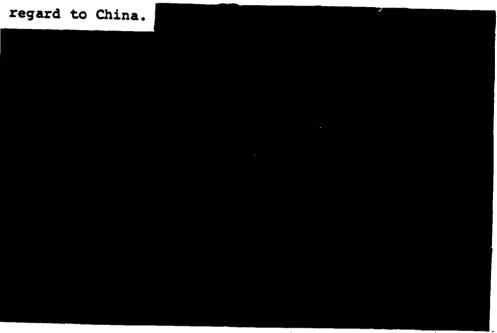
Davies was born in China, of missionary parentage, in 1908. He entered the Foreign Service in 1931, and served in China, 1942-45, and at Moscow, 1945-47. In Moscow he impressed the Ambassador, General Smith, as "a very loyal and very capable officer of sound judgment." 131/

From 1947 to 1952 Davies was a member of the State Department's Policy Planning Staff under George Kennan, with whom he had served in Moscow. By training and experience he was particularly well qualified to appreciate the developing situation in China. His comment on the decline and fall of the Nationalist regime was that, in Chinese eyes, it had "lost the Mandate of Heaven."\*\* This line of thought, however, brought Davies (and his entire generation of Foreign

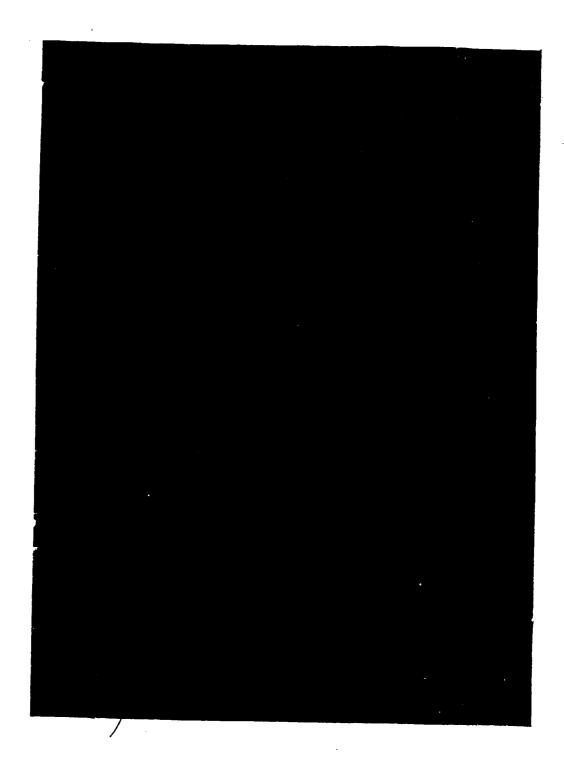
<sup>\*\*</sup> The author, who was associated with Davies in the NSC Staff, remembers well his exposition of this theme, which seemed particularly apt in the light of Chinese history and ideas.

Service China specialists) under increasing attack as having been treasonously responsible for the "loss of China."\*132/

George Kennan was charged with providing policy guidance to OPC. His man Davies acted for him with



<sup>\*</sup> Nelson Johnson, Ambassador to China, 1929-41, sympathized with these-young men, although he did not share their view. He considered them victims of having been sent to language school in Peking, where their mandarin tutors had poisoned their minds against the Nationalist regime, which had moved the capital from Peking to Nanking. Johnson had no doubt of their sincerity and loyalty.



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bedell Smith was bedeviled by this problem throughout his tenure as DCI. Smith's personal position was that he still thought Davies a very loyal and very capable officer. He said that he believed that he would know a Communist when he saw one, and that he did not believe Davies to be one. He had not been DCI at the time of the incident in question, but if he had been he would have been disposed to act on Davies's suggestion, which he considered good.

The matter came to a showdown when Bedell

Smith was nominated to be Under Secretary of State,
in January 1953. Senator McCarran then got the

Senate Committee on Foreign Relations to hold up the confirmation of Smith's appointment until McCarran could conduct a full-dress hearing on the Davies case with Smith as DCI.

At the eventual hearing on his nomination
Bedell Smith was asked the direct question, should
Davies continue to be a Foreign Service officer?
He answered as follows:

I will give you a categorical answer, no. Moreover, I do not think that John Davies, even if he is the most loyal man in the world — and I do not answer for his loyalty except from observation — that he is of any use now to the Foreign Service or to the United States, if it were for no other reason than for the fact that Davies does not have the confidence and, indeed, has the complete suspicion of very important members of this body, and the State Department cannot afford to have people like that.

Bedell Smith was confirmed as Under Secretary of State. John Davies remained a member of the Foreign Service until November 1954, when he was dismissed by the Secretary of State, John Foster Dulles, on the basis of a finding by the President's Security Hearing Board that he lacked judgment, discretion, and reliability, without prejudice with regard to his loyalty. 133/ The evident motivation

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of that finding was that mentioned by Bedell Smith:
the State Department could not afford to keep an
officer so thoroughly condemned by important Senators.

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## III. The Departure of General Smith

As Director of Central Intelligence, he made an outstanding contribution to the national security of the United States. Through his firmness and tact, perceptiveness and judgment, and withal, through his brilliant leadership in a position of highest responsibility, he assured the realization of that ideal of a coordinated intelligence effort which was set forth by the Congress in 1947, and brought to a new height of effectiveness the intelligence machinery of the United States Government. Through his well-grounded and clearlydefined concept of intelligence, reinforced by his recognized integrity and high personal prestige, he won acceptance of the principle that policy decisions must be based upon sound intelligence.

> -- Dwight D. Eisenhower 21 February 1953\*

As we take leave of Bedell Smith as DCI, it is well to consider again President Eisenhower's excellent summation of his accomplishment during his 28 months in that role. As this history has shown, he had indeed (1) realized, for the first time, the conception of a coordinated intelligence effort set forth by the Congress

<sup>\*</sup> Reprise. See Volume I, p. 1.

in 1947, (2) brought to a new height of effectiveness the intelligence machinery of the United States Government, and (3) won acceptance of the principle that policy decisions must be based upon sound intelligence. The history of US intelligence is indeed divisible into two distinct eras, before Smith and after Smith.

The Director of Central Intelligence expressed no view, of course, with regard to the presidential election of 1952. At the direction of President Truman, he arranged to provide intelligence briefings for both of the major candidates. His intention was that both should be briefed by Meredith Davidson, who prepared the DCI's own briefings for the President. It happened, however, that both asked to have their initial briefings on the same day, Stevenson in Springfield and Eisenhower in New York. Davidson, the DCI's Assistant, was then sent to Springfield, and Melvin Hendrickson, Davidson's assistant and later successor in OCI, was sent to New York. This arrangement was maintained during the rest of the campaign. Stevenson was always briefed in Springfield, to which he returned every weekend to function as governor, but Hendrickson traveled all over the United States. Davidson and Hendrickson

took care to make their briefings substantially identical. The only difference was that items derived from COMINT were identified as such to Eisenhower, who had a COMINT clearance.212/

One must suppose that, personally, Bedell Smith favored the election of his former commander, "Ike" Eisenhower. Certainly he had more to expect from that outcome, in the way of influence and favor. But Bedell Smith was a great admirer of Harry Truman -- and, when Adlai Stevenson's questions and comments on his briefings were reported to him, Smith remarked admiringly on the acuteness of Stevenson's perception. When Bedell Smith noted that, it was remembered that he had once said that Ike was not so bright. 213/ Not so bright as Bedell Smith, that is. Few men were. But there should be no doubt about the sincerity -- indeed, the sentimental extravagance -- of Bedell Smith's admiration of Dwight Eisenhower. 214/

Smith lost no time in paying court to the Presidentelect. After the election Eisenhower disappeared for a
time. On 21 November he traveled clandestinely to
Washington in a private railroad car for the purpose
of conferring privately with old Army friends there,

particularly with regard to his undertaking to go to Korea. But Eisenhower's train made an unscheduled stop in Baltimore, where Bedell Smith and Meredith Davidson got on board. 215/ Bedell Smith had stolen a march on the Pentagon establishment!

Smith briefed Eisenhower on the situation in Korea, but the occasion was primarily a sociable reunion of two old comrades. At Washington the Eisenhower car was shunted off into the railroad yard. Smith and Davidson made their surreptitious departure from it at 12:45 AM, and the Eisenhowers did so after that.

On 28 November Smith and Davidson went up to the President-elect's headquarters in the Commodore Hotel in New York. Smith was alone with Eisenhower for about an hour. During that time the President-elect asked him to initiate action on several matters. One of them was a reappraisal of "cold war activities."\* Smith went directly from Eisenhower's office to an apartment that was at his disposal in New York and summoned William Jackson and C. D. Jackson to join him there. After their discussion of how to conduct

<sup>\*</sup> See Volume IV, pp. 51-52.

the reappraisal, as William Jackson was leaving, Smith remarked to him, "You know what I want -- to be Chairman of the Joint Chiefs of Staff."216/

One can readily imagine what satisfaction Bedell Smith, the former private soldier in the Indiana National Guard, would have derived from becoming the ranking US military officer in active service. Remembering all the trouble the Joint Chiefs of Staff had given him as DCI, what personal satisfaction there would have been in stalking in and taking the chair vacated by Omar Bradley! And it was not unreasonable for Bedell Smith to suppose that Eisenhower, who had esteemed him as his Chief of Staff, would appreciate what he could do to improve the performance of the Joint Chiefs of Staff and the Joint Staff.

But that could not be. Even if Eisenhower would have liked to have had Bedell Smith as his Chairman of the Joint Chiefs, there was an established custom that precluded it. Omar Bradley was an Army General. His successor must be a Navy Admiral. The only question was which Admiral.\*

<sup>\*</sup> Forrest Sherman would have been the obvious choice, had he lived. Eisenhower chose Arthur Radford, the Commander-in-Chief, Pacific, who impressed him when he was enroute to Korea.

On another occasion Robert Amory, the Acting DDI, accompanied Bedell Smith to Eisenhower's head-quarters in New York. Smith entered Eisenhower's office in high spirits. He came out crushed. He never explained what had happened, but sat in morose silence all the way back to Washington, finally muttering "And I thought that it was going to be great."217/

One can only conjecture that it was at this meeting that Bedell Smith learned not only that he could not be Chairman of the Joint Chiefs of Staff, but also that the President-elect wanted him to be Under Secretary of State.

Bedell Smith loathed the thought of becoming

Under Secretary of State. For one thing, he did

not like John Foster Dulles, the Secretary-designate.\*

For another, he considered the State Department a

hopeless case. Even the great General Marshall, although he had introduced procedural innovations

<sup>\*</sup> Meredith Davidson tells how Smith coldly rebuked J. F. Dulles for rudeness in failing to acknowledge Smith's introduction of Davidson.218/ Dulles, of course, was totally preoccupied with his own concerns.

derived from his experience as Chief of Staff of the Army, had never been able to make the Department function with good military discipline and efficiency. Finally, Smith foresaw that his successor as DCI would be Allen Dulles,\* and he had misgivings about that.

Bedell Smith had reservations about Allen

Dulles.220/ Apart from issues of substance,\*\* Dulles

often "rubbed him the wrong way."\*\*\*221/ Nevertheless,

Smith did respect Dulles's general ability and his

particular mastery of the tradecraft of clandestine

operations. After two years of close personal observation, however, Smith lacked confidence in Dulles's

self-restraint. It was all right for Dulles to be

an enthusiastic advocate of covert operations as

<sup>\*</sup> It appears that the only other person who wanted to succeed Smith as DCI was William Donovan, but his appointment was not seriously considered.219/

<sup>\*\*</sup> See Volume II, pp. 85-86 and Volume IV, p. 63.

<sup>\*\*\*</sup> It seemed that almost every name that came up in discussion was that of some old acquaintance of Allen Dulles. This was so -- Dulles had a remarkably wide acquaintance in American and European "ruling circles" -- but Smith felt that he was being constantly up-staged by Dulles.

long as the decision rested with Bedell Smith, but, if Dulles himself were DCI, who then would control and restrain him? Smith feared that Dulles's enthusiasm for covert operations would eventually lead him into some ill-conceived and disastrous adventure.222/In short, Bedell Smith anticipated a fiasco like the Bay of Pigs, although that did not happen until eight years later.

It was widely known that Bedell Smith did not want to be Under Secretary of State. Consequently it has been widely supposed that Smith's transfer to State was forced upon him by John Foster Dulles pursuant to a devious scheme to make Allen Dulles Director of Central Intelligence.\* It was well known that Allen Dulles had wanted to be DCI ever since that office was created.\*\* Foster Dulles was regarded by Smith as a crafty and calculating man.227/

It was not Foster Dulles's idea, however, to make Bedell Smith Under Secretary of State. That idea was conceived by Dwight Eisenhower, for his own purposes.

<sup>\*</sup> This opinion is held, for example, by Sidney Souers, 223/William Jackson, 224/Lyman Kirkpatrick, 225/ and Robert Amory. 226/

<sup>\*\*</sup> See Volume I, pp. 33-34.

Dulles could of course perceive the advantage in it for his brother. That consideration may have reconciled him to an appointment that he might otherwise have opposed.

As Bedell Smith understood it, there were two parts to Dwight Eisenhower's consideration of this matter. He first concluded that Bedell Smith should not remain DCI. He then perceived that Smith could be useful to him in State.

Bedell Smith attributed the first idea, not to Foster Dulles, but to Lucius Clay.\* Smith told Souers that Clay had told Eisenhower that it would be improper for both the President and the DCI to be military men. (Souers's comment was that it was more obviously improper for the Secretary of State and the DCI to be brothers.) 228/

The idea attributed to Clay seems far-fetched.

Smith regarded it bitterly as an example of the length to which the West Pointers would go in order to get

<sup>\*</sup> General Clay, USMA '18, had been Commander-in-Chief, US Forces, Europe, and Military Governor, US Zone, Germany, and, since his retirement in 1949, Chairman of the Board and chief executive officer of the Continental Can Company.

rid of him. Whether Eisenhower took it seriously or not, he apparently used it as an argument in his efforts to persuade Smith to agree to go to State.

There is another man who may well have exerted his considerable influence to persuade the President-elect to relieve Smith as DCI. He was Sherman Adams, the prospective White House "Chief of Staff". When Smith proposed to open an office in the Commodore Hotel, next door to Eisenhower's, Adams assigned a distant broom closet to CIA.229/ Evidently Eisenhower's new Chief of Staff did not want the old one to have such access to him as Smith had had to Truman.

Bedell Smith later explained to Sidney Souers the positive side of Eisenhower's desire for him to accept appointment as Under Secretary. For political reasons antedating his nomination, Eisenhower was obliged to make John Foster Dulles his Secretary of State, but Dulles was essentially a stranger to him. For that reason he desired to have a man whom he knew well and in whom he had confidence as No. 2 in the State Department.230/

There was an interval between the time when Bedell Smith realized that he could not remain as

DCI and the time when he reluctantly consented to be Under Secretary of State. During that interval he was heard to mutter that it was time for him to "get out and make some money"231/ (as Lucius Clay had done). But in the end Bedell Smith simply could not refuse any service that Dwight Eisenhower demanded of him.

Bedell Smith had one clearance to obtain, however, before he finally submitted. He asked the

President if it would embarrass him in any way if
his DCI were to accept a political appointment in
the Eisenhower Administration. Harry Truman was
deeply moved by Smith's loyal consideration; he had
tears in his eyes when he told Congressman John
McCormack about it.232/

Bedell Smith attended his last IAC meeting on 8 January 1953, but did not then mention his impending departure. 233/ He never took formal leave of the IAC.

The President-elect's intention to nominate
Bedell Smith to be Under Secretary of State was
announced to the press on 11 January 1953. The next
morning Allen Dulles proposed to send a message informing CIA's overseas stations.234/ That was the
first mention of the subject at the Director's

The state of the s

morning meeting. Smith attended these meetings for the last time on 23 January. Thereafter Allen Dulles presided.

The Senate confirmed Smith's appointment to be Under Secretary on 6 February.\* Three days later he formally resigned as DCI. Allen Dulles continued as Acting Director until 26 February, when he formally took office as the fifth Director of Central Intelligence.235/\*\*

<sup>\*</sup> His confirmation was delayed by Senator McCarran. See p. 70, above.

<sup>\*\*</sup> Bedell Smith served as Under Secretary of State for only a year and a half and then resigned, in August 1954. Apparently he had intended from the first to stay no longer than military honor required. Then he went to "making money," principally as Vice Chairman of the American Machine and Foundry Company. He died seven years later, in August 1961.

## Appendix A

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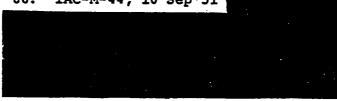
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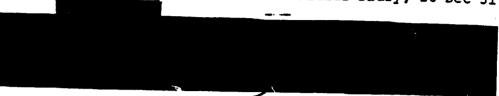
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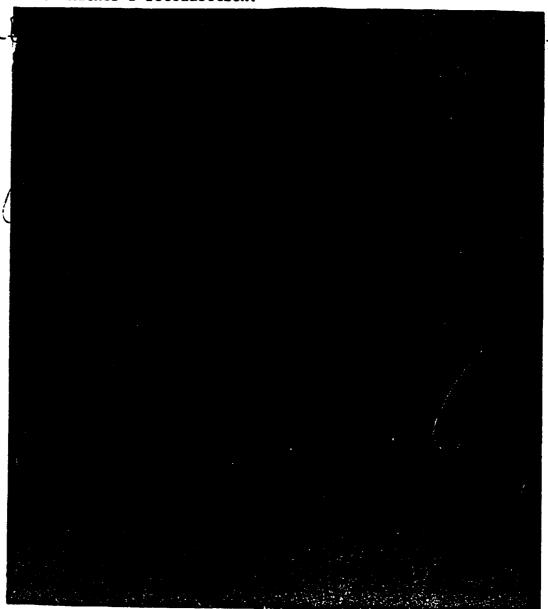


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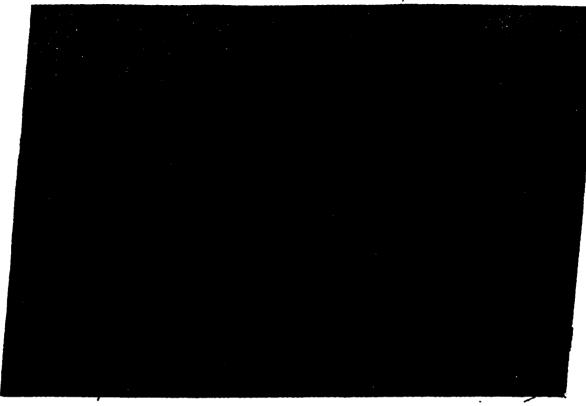
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