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# The \$350-Million-a-Year CIA Writes Its Own Tight-Mouthed Ticket

By John Scali

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A MONEY-CONSCIOUS Congress bestows an estimated \$350 million a year on an agency so secret that only a handful of the highest officials know how the money is spent.

The hush-hush expenditures are charged off to the high cost of spying. And the supersecret outfit is the Central Intelligence Agency.

The CIA operates a vast espionage network in an atomic-space age when the merest scrap of information could mean the difference between survival and annihilation.

So rigid is the secrecy that when brickbats fly, when Congress grumbles over failures, real or imaginary, the CIA takes it in silence. It says simply: "We never alibi. We never explain."

To alibi or explain might reveal a source and endanger the undercover legion of men and women who gather its information throughout the world.

THE CIA IS unique among American governmental agencies.

Its estimated budget of \$350 million is little better than a reasonably good guess. No one outside the highest official circles can say for sure.

But if the estimate is correct, it is \$130 million more than the State Department spends on its 282 diplomatic outposts around the world.

Only a handful of top Government executives know exactly how many people work for the CIA. The State Department has about 16,000 American employees. It has

been estimated that the CIA has almost as many.

(Russia is believed to be spending six times as much on the CIA on espionage. And up to 45,000 Soviet agents are said to be directly engaged in spying.)

COMPARISONS drawn between CIA and State are particularly apt. Each is run by a man named Dulles.

CIA Director Allen Welsh Dulles, 65, brother of Secretary of State John Foster Dulles, is a heavysset man with a bushy, white, walrus-type mustache. He tells friends that his sole ambition in government is to stay on as intelligence chief until he dies. He's headed the CIA for 5 1/2 of its nearly 11 years of existence.

Allen Dulles' job is unique in at least one respect. He can write a check for a million dollars without telling even the Government Accounting Office exactly why he is spending the money.

Most Congressmen, who watch financial matters like a detective eyeing a pick-pocket, have only a vague idea of how much the CIA spends and what it spends it for. Yet each year the agency's budget is appropriated promptly.

The exact figure is known to six Senators and Representatives who form the special subcommittee which handles CIA finances. They alone of Congress see the agency's detailed budget.

WHY SPEND so much on espionage? Like everything else, the cost of spying has shot up like the sputniks and missiles which make it urgently necessary.

Only a small percentage of CIA funds goes to pay the salaries of its thousands of men and women employees stateside and overseas. A big chunk goes for maintenance of its Washington nerve center, housed in 35 buildings. Headquarters is a gray, forbidding quadrangle of three-story buildings on a hilltop in the Capital's "Foggy Bottom" area.

Tourists see little more than spike-tipped wrought-iron gates and barbed wire fences. There are armed guards at each building entrance. Privileged visitors are escorted through the buildings to keep appointments.

Inside the administration building hangs a sign. It says "Classified Waste Only—Stapled Bags Only—0620-1300."

The sign means that bags of waste paper—each bearing a red band with the word "secret" in white stencil—burned only at special times.

THE ESSENCE of CIA intelligence reports winds up each morning on President Eisenhower's desk. It covers the high spots of the previous 24 hours in the world's trouble spots.

The report goes to the President as a terse 500-word summary, written in short, punchy sentences. It can be digested by a busy President in about two minutes.

The streamlined, more sprightly written report has replaced a lengthier summary previously given the President. The change was made shortly after Russia beat the United States to the satellite punch.

That's only a coincidence, says Allen Dulles, whom the Russians call "America's master spy." But Administration foes say it's more than that. They say the Administration did not heed previous CIA warnings so the agency now is resorting to simple ABC language in its reports.

WHAT KIND of records has the CIA compiled in forecasting cold war events?

A newsman going to the source, invariably runs into the tight secrecy surrounding the heart of the operation. But from other sources, including congressional, it is

possible to estimate the CIA record on nine important world developments of the past three years.

The scoreboard: Russian satellites—Excellent. The CIA warned for a year that Russia would be capable of launching its first sputnik in 1957.

Missiles—Good. But the agency was conservative in forecasting the size and limits of Soviet rockets.

Anti-Nixon riots in Latin America—Very good. But the CIA apparently failed to foresee the dangerous disorganization of the new Venezuelan police force.

Indonesian revolt—Excellent.

Soviet nuclear test ban—Excellent.

Bulganin-Khrushchev reshuffle—Very good. The CIA not only forecast this three months earlier but it fingered Frol Kozlov as a fast-rising Kremlin newcomer.

Hungarian revolt—Fair. The CIA reported signs of mounting unrest in Hungary but even it was surprised when the people actually revolted.

Suez war—Good. The CIA predicted that British and French troops would invade Egypt a few days before they did.

Suez Canal seizure—Not good. The CIA failed to estimate fully Nasser's reaction to the withdrawal of a proposed United States loan for construction of the Aswan Dam.

THE TOUGHEST employment hurdles in the Government are those set up before applicants for jobs with the

CIA. Only about 1 in 15 makes the grade.

A whole section of a CIA headquarters building is taken up by elaborate equipment designed to probe the thoughts, feelings, inhibitions and rationality of those who would become American espionage agents.

There's even a lie detector—and it's used as a matter of course.

The rigorous tests are set up to weed out the security risks, who may range from infiltrating Soviet agents to just plain blabbermouths.

Rumors occasionally make the rounds to the effect that the CIA pries unnecessarily into the sex lives of its women employees. The agency denies that it asks questions about what is regarded as normal sex experience.

The only sex question asked, says the CIA, is "Are you a homosexual?"

A second question which might have bearing on sex is: "Have you ever done anything for which you could be blackmailed?"

AS FAR AS can be learned, the CIA is the only Government agency which employs the lie detector on a mass scale as a normal personnel practice.

An applicant can refuse to take the test and still be hired, but it is extremely unlikely. And if he is hired, his chances of advancement to a more sensitive post are virtually nil.

Even after he lands a job, a CIA employe may be asked to take the test again. Some employes have taken

being suspected of being doing on the job.

"Have the Russians ever succeeded in planting an operative inside the CIA?"

There has never been a direct public answer to that question. Some time ago Dulles was asked about it and he skirted a flat yes or no reply.

"I naturally assume," he said, "that the Soviets will attempt to penetrate the CIA."

"I don't think they are going to find it easy (but) we are going to keep on our guard all the time."

THE DANGEROUS role of spy holds a strange attraction for many wealthy socialites and college graduates who could take it easy or strike it rich in other fields. In fact, you might say, the CIA's top leadership wears an Ivy League look.

Of the 20 highest officials, 17 are graduates of Eastern Universities. Harvard, Yale and Princeton each graduated three. So did West Point. The others came from Columbia, Virginia, Williams, Johns Hopkins and American University.

Dulles acknowledges that 5 of his top 20 are independently wealthy, earning as much from outside sources as they do from CIA. That includes Dulles himself, a Princeton grad, who makes \$21,000 a year as director.

THE CIA operates on the theory that a person's Ivy League background, social graces or wealth should not bar him from a spot in the Nation's espionage network.

"What is more important, says CIA, is a person's compe-

tence, his dedication and his willingness to accept the anonymity that necessarily goes with the job. Those who treat the work as a glamorous sideline don't last long.

This policy apparently is paying off. A newsman checking into CIA's record finds surprisingly little criticism, even from those who turn a fishy eye on almost everything the Eisenhower Administration does.

"I won't knock them," says one former leader of the Truman Administration. "I think most of this Administration is lousy. But this is one outfit that knows its business. Believe me."

PART OF THE reason CIA has escaped widespread criticism could be the above-average quality of its rank and file employees. This has been noted by congressional committees and study groups which looked into its personnel.

CIA salaries follow closely the regular Civil Service scales. But Dulles, who probably operates under less restrictions than any other Government department head, is not required to abide by those rules.

Salaries of new CIA employees are sometimes low. Some recruits quit early to seek more lucrative rewards in private industry. Many remain.

What holds them? Mostly it's the lure of an exciting cloak-and-dagger existence combined with a deep sense of patriotism that keeps them on, year after year, playing a deadly, undercover game of wits against the Kremlin.



ALLEN W. DULLES  
top Ivy Leaguer