

BEST COPY

AVAILABLE

SECRET

File Copy

SUGGESTED MAIN ITEM FOR THE NATIONAL SECURITY COUNCIL

(Based largely on General Counsel's draft of October 13th)

INTRODUCTION

1. When the Congress established a Central Intelligence Agency in the National Security Act of 1949, it was the intent of the Congress to place central responsibility for national intelligence on Central Intelligence Agency and to assure the coordination of the intelligence activities of the several departments and agencies of the Government in the interest of our national security. To carry out this intent, the Law assigned certain enumerated duties to the Central Intelligence Agency to be performed under the direction of the National Security Council.

2. We have been in operation for two years under this law and under certain directives issued by the National Security Council pursuant thereto, endeavoring to coordinate intelligence activities by mutual agreement with the other intelligence agencies concerned in national security. It is our opinion that under the current interpretations placed on the Law and on the existing implementing directives, CIA is unable to fulfill its legal responsibilities and duties.

3. The Dulles Report on the Central Intelligence Agency prepared for the National Security Council and also NSC 50 state that CIA has not fully discharged its coordinating responsibilities. The writers of the Dulles Report realize that "coordination" requires "direction" and is not just "cooperation." It recommended more forthright initiative and leadership on the part of the Director of Central Intelligence, but also stated that it realized he had no

SECRET

independent authority to direct the agencies he was to coordinate so had to rely upon the aid granted to him by the existing intelligence agencies.

CHIEF PLANNING

1. There are three broad areas in which the Central Intelligence Agency has been unable to fulfill what it believes to be its missions:

a. The coordination of the intelligence activities of the several Government departments and agencies in the interest of national security and the full performance of certain duties imposed upon the agency by law which cannot be fully implemented because of the delays and difficulties in obtaining concurrence among the Intelligence Advisory Committee members, who, naturally, place the interests of their own independent offices paramount and who tend to control CIA through the concept of being a Board of Directors rather than an Advisory Committee.

b. The production within CIA of adequate intelligence estimates in the national interest cannot be fully implemented due to the delays and difficulties and in some cases refusal of the IAC agencies to honor CIA requests for necessary intelligence information, departmental intelligence, or collection action. There is not a real free flow of data to CIA from the IAC agencies, especially of sensitive and so-called "operational" information so necessary for the preparation of real national intelligence.

c. The furnishing of adequate national intelligence estimates to the President, the National Security Council and other appropriate Government offices cannot be effected because of the lack of material noted in paragraph b above and because of the difficulties and delays under present procedures in obtaining concurrence or substantial dissents and proper coordination among the DC agencies for CIA estimates and intelligence

SECRET

SECRET

production and in obtaining departmental contributions thereto.

END OF MESSAGE

1. Sections 102 (d) (1) and (2) of the National Security Act assign to this agency the duty of advising the National Security Council on such intelligence activities of the Government as relate to national security, and to make recommendations to the National Security Council for the coordination of these activities.

2. To make the views of the principle intelligence agencies of the Government available to the Director, the National Security Council established the Intelligence Advisory Committee to advise the Director in matters of intelligence coordination. In view of the fact that the IAC views would also be made known to the National Security Council, it was further directed that the recommendations and advice of the Director of Central Intelligence to the National Security Council should contain the concurrence or non-concurrence of the members of the Intelligence Advisory Committee.

3. As a result of this effort, the Intelligence Advisory Committee members tend towards the position that they are not only advisers to the Director of Central Intelligence, but are rather a Board of Governors. They in effect suggest that the Director serve merely as an Executive Secretary of the Intelligence Advisory Committee and that all of his reports be issued only when they have approved of them.

4. After the professional interdepartmental working committees, or Standing Committee, have agreed to a proposal, the paper is brought before the IAC where very often one or more of the IAC members disagree with the findings

SECRET

SECRET

of the lower committee so that further discussions are necessary in an attempted ^{for} unanimity. Even with such delays there are sometimes discepts which are often of editorial rather than substantive nature.

5. This principle of control thus results in unconscionable delays, modification of verbiage, and watered-down versions of CIA recommendations. The resulting compromise produces a final version replete with loopholes, escape clauses, and equivocations. These broad, general, and almost meaning-less directives are then forwarded to the National Security Council for approval and issuance. In the majority of cases, therefore, the recommendations to the National Security Council are not in fact CIA's recommendations as required by law, but are compromises reached at the IAC level in an attempt to secure the unanimous support of the other intelligence agencies. It should be noted that the processes set forth above are subject to delays which run from weeks to months, and in some cases to years. By emasculating of any proposed strong directives, the IAC has been able to whittle away the clear intent of the Congress to establish a central intelligence agency.

6. It is felt that CIA will be in default of its statutory obligations if this situation is allowed to continue. It is therefore proposed that the National Security Council issue a revised NSCID Number 1 to assure that the CIA will advise it objectively on matters concerning the intelligence activities of the Government and make its independent recommendations to the National Security Council on a firm time table. As provided by the Law, these recommendations will be the recommendations of CIA only, but will include such suggestions of the IAC agencies as CIA feels it can properly accept under the appropriate provisions of the statute. These recommendations will be accompanied by the

SECRET

SECRET

concurrences or non-concurrence of the IAC agencies as provided in the enclosed proposed revision of DCIS No. 1.

7. The function of the IAC and its Standing Committee will be clearly established as advisory only, so that this agency may assume that initiative which it is believed the Congress and the National Security expect of it in the field of intelligence pertaining to the national security.

WITHHOLDING OF INFORMATION FROM CIA

1. Section 1-2 (d) (3) places the duty on CIA to correlate and evaluate intelligence relating to the national security, and to provide for its appropriate dissemination within the Government. Objectivity is essential to national intelligence. Departmental intelligence production is inevitably, and even admittedly, colored by departmental policy. It is therefore inherent that CIA receive all raw information material necessary to perform its function of producing national intelligence. This was clearly expressed in the Congressional debates. For this purpose, Section 102 (e) was adopted, providing that such intelligence as relates to the national security shall be made available to the Director for correlation and dissemination. In practice, however, there has been actual withholding of essential information from CIA by IAC agencies, there are blocks in the way of acquisition of essential information by CIA, and countless unjustified delays have been encountered.

2. Denial of information to CIA has been based on a variety of theories, of which the following are major examples:

a. The Intelligence Division of the Department of the Army has stated that it should be the sole channel for CIA requests and the sole

SECRET

SECRET

determiner as to the information to be furnished CIA by the Department of the Army. ID or its Department has thus been able to classify certain information deemed important by CIA, but which was received by ID from other divisions of the Army, as "operational" rather than "intelligence" information, and therefore not available to CIA. While ID does not receive all such operational information, in many instances it is made available to it but in turn is held back from CIA. This theory of unilateral determination of availability is also held by other IAD agencies. The Intelligence and Research area of State does not receive all of the pertinent information collected by State, so some of this valuable material does not reach CIA. ID has even gone so far as to suggest that CIA may require only finished departmental intelligence and not items of incoming, unevaluated information. If accepted, this theory would mean that national intelligence would be based on finished departmental intelligence alone, thus vitiating any claim to objectivity.

b. It is common to withhold from CIA important messages of extreme intelligence value but which are sent back to a department on an "EYES ONLY" or highly limited dissemination basis.

c. New and important subjects may be treated by the departments as special security problems and related material given special handling out of normal channels, thus bypassing CIA.

d. Many intelligence resources prepared for circulation within IAD agencies are not disseminated to CIA, and it has been told that CIA would not receive them even if requested.

3. In addition to the actual withholding of intelligence information from

CIA, there are certain blocks in the way of the Agency's acquisition of intelligence information.

SECRET 6

SECRET

4. The first of these blocks is the absence of any authority by which CIA can enforce its requests for information on IAC agencies, or can discover whether its requests are being acted upon and, if so, in what priority they are being considered. Secondly, except for routine disseminations, there has been a failure on the part of the IAC agencies to make spontaneous dissemination of information to CIA. Instead, they await a request for specific information which even then may not be honored. Such material which is withheld unless requested is most important, and its withholding effectively cuts down the accuracy and effectiveness of CIA estimation. It is thus often necessary for CIA to discover the existence of this material through indirect means in order that a request for it may be made. Therefore such important information which should be spontaneously submitted to CIA is actually so closely held that its very existence is difficult to discover.

5. Although EXEC Order 3 provides for exchange of information between CIA and the IAC agencies on projects and plans for staff intelligence, this provision is honored by the IAC agencies mainly in the breach. CIA therefore cannot effectively plan intelligence production.

6. IAC agencies are producing intelligence for themselves or other departments which CIA should, but rarely does, receive. This is a clear evasion of the law. The IAC agencies take the position that while they will inform us of intelligence work being produced on their own initiative, they will withhold information produced by request or direction on the ground that the latter is a matter under the control of the requesting or directing authority. Most projects fall into the latter category.

7. The IAC agencies formerly demanded strict compliance with the so-called Third Agency Rule, which prevents the dissemination to a third agency

SECRET

SECRET

of information in the possession of one agency which has been produced in turn by a second. This rule was necessary when there was no central coordinating point. Insofar as it applies to the Director of Central Intelligence, it is not only a clear evasion of congressional intent, but also a serious block in the collection, production, and dissemination duties assigned to CIA by law.

3. In addition to the withholding from CIA of important information and the blocks placed in the way of its acquisition by CIA, this Agency encounters continual delays in the fulfillment of CIA collection requirements. CIA must rely virtually 100% on the I-C agencies for overt collection. The I-C agencies can and do assign a very low priority to CIA field collection requests. The delays encountered materially detract from or destroy the usefulness of such information as may ultimately be received. As an example, the average delay by the State Department in merely transmitting CIA collection requests to the field is 25 days. Further approximately 25% of our field collection requests to the Department of State have never been transmitted to the field, on the basis that in the State Department's opinion the particular request is unnecessary or would serve no useful purpose.

COORDINATION OF INTELLIGENCE PRODUCTION

1. A most important duty of CIA is the production of national intelligence estimates for the top policy planners of the Government. The problem of securing the material which forms the basis of this production has been set forth above. The present HQ/CIA and I-C's establish procedures for coordinating such estimates with the I-C agencies. The resulting system is inadequate.

SECRET

SECRET

2. Initial coordination at the working level may be achieved by personnel who are unable to speak for their superiors. Hereafter, CIA is often faced with a dissent from the IAC agencies on completely different grounds from any which were raised at the coordination meeting. This usually results from the fact that some of the IAC agencies cannot concur in an intelligence estimate which in any way conflicts with agency policy. One of the main purposes in establishing CIA, which was stressed before the Congress, was to have available for the President and his top policy advisers national intelligence estimates from which departmental bias would be completely lacking. It has been our experience that it is difficult for the IAC agencies to free themselves not only of departmental bias, but also from their budgetary interest, in the preparation of intelligence estimates. Therefore, the coordination of the simplest intelligence estimates take days, often weeks, and sometimes months. The result is not a CIA estimate but a compromise position in which CIA must attempt to screen-out departmental bias.

3. In addition, dissents to CIA estimates are often in disagreement with the truth or the soundness of the intelligence involved, but are entered under the dictates of a political chief or policy-making officials who insist that the intelligence estimate, no matter how true, must be modified to suit the policies being followed in the department. That this negates the fundamental principles of intelligence as well as the coordination process goes without saying.

4. Departmental insistence that CIA estimates include all of their corrections or be faced with a dissent completely violates the spirit of the National Security Act and the implementing directives of the NSC. It should further be noted that many of these dissents are devoid of constructive criticism or of any positive statement as to position or substance.

SECRET

SECRETINSPECTION AUTHORITY

1. In order to advise the National Security Council properly regarding the coordinating of intelligence activities of the Government and to eliminate the withholding of intelligence material from CIA by the IAC agencies, it is necessary to reaffirm and establish the Director's authority to inspect the intelligence activities of the IAC agencies (with due regard to the exemption afforded the FBI by law).

2. NSCID No. 2 states that the Director of Central Intelligence shall make such surveys and inspections of departmental intelligence material as he may deem necessary. This provision, not having any enforcing authority, has not been effective. The ability of CIA to determine the amount of withheld information is accordingly limited. Proper inspection, under appropriate provisions, would make it possible for the Director to ascertain what information is withheld and to survey overlaps and gaps in the field of foreign intelligence which should be corrected or filled. It would also permit him to make recommendations to the National Security Council regarding intelligence budgetary requirements.

COMBINED CHANNELS

A difficult problem in the whole question of carrying out the functions of CIA is that raised particularly by the military agencies concerning command channels. It is repeatedly claimed that to authorize the Director to enforce NSC directives on the other intelligence agencies, to establish priorities in collection or production activities of the other agencies, or to inspect activities would be a violation of the normal military concept of command channels. It is submitted that the claim of violation is superficial and that, actually, insistence

SECRET

SECRET

on the military position is a violation of the will of Congress and the directions of the National Security Council on which the Secretaries of Defense and State sit.

CONCLUSIONS

1. I wish to invite the National Security Council's attention to the authority granted by the National Intelligence Authority at its 9th meeting on 12 February 1947 to my predecessor: "The Director of Central Intelligence shall operate within his jurisdiction as an agent of the Secretaries of State, War and the Navy, and the necessary authority is hereby delegated by the Secretaries of State, War and the Navy to the Director of Central Intelligence so that his decisions, orders, and directives shall be considered as emanating from them and shall have full force and effect, as such, provided any approved agency may have access to that agency's Secretary, and through him, to the CIA."

2. I requested that this authority to the Director of Central Intelligence be withdrawn as I preferred to coordinate the intelligence activities of the Government by mutual agreement. As pointed out in this paper, however, this method has not been successful, so I should appreciate the National Security Council giving consideration to the granting of more authority to the Director of Central Intelligence so that he may more adequately fulfill his statutory obligations.

3. In view of the shortcomings and deficiencies set forth in this paper, I submit herewith a revised NMIS No. 1 which it is thought will allow the Director to exercise those authorities which are inherently his by law and essential to the fulfillment of his legal responsibilities.

SECRET