

MEMORANDUM FOR: Director of Central Intelligence
THROUGH : Deputy Director of Central Intelligence
SUBJECT : Project Review Committee

14 October 1954

1. As the proposed new regulation governing the PRC would name me its chairman, I have reviewed the regulation with care as well as all the written comments on earlier drafts submitted by members of the PRC. I have also discussed the subject informally with each of the Deputy Directors.

2. On the basis of these conversations and of my own study of the papers I have no minor changes of wording to suggest. It seems to me that this regulation and the related ones concerning the submission of projects and programs are skillfully drafted. It may be that after further experience I will be able to propose some simplification in the format in which projects are submitted but I do not believe it would be worthwhile to reopen this question at the present time.

3. Despite my belief that these documents are technically well drafted and embody effectively the present views of the Director and the Deputy Director, I have to state my emphatic nonconcurrence with them. I am confident that I shall be over-ruled but wish at least to summarize my reasons for believing that this is an anomalous and ill-conceived organizational arrangement. Basically there are two.

4. First, I think it is generally a bad idea (and specifically so in the case of this Agency) to place upon a group of line officers of equal or comparable rank responsibility for reviewing collectively decisions and programs each of which is the primary responsibility of one or another of the officers in question and has been made or developed in the first instance by his subordinates in the line of command.

a. Both the DD/I and DD/P have pointed out the anomaly of asking them as members of a committee to pass judgment on projects that they had already endorsed as line officers. This has been recognized in the new regulation by providing that a Deputy Director does not sit as a voting member of the PRC on any project coming from his area in the organization. But this elimination of one anomaly merely underscores a more basic defect of the present arrangement.

b. The basic defect is that membership by senior line officers on a reviewing committee is an invitation to each to concern himself with programs and decisions that are expressly the responsibility of the others. Whenever I have seen an efficient and harmonious organization in the Government it has been one in which the division of labor between different parts of the organization was so clear cut that each senior line officer could be expected to handle

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his business without interference from, or the requirement of constant clearance with, parts of the organization not under his command. Governmental affairs are so hideously complicated that it is rarely possible to achieve and to insist upon such a clear cut division of functions and responsibilities. But surely it should be recognized that "coordination" (i.e. the practice of "horizontal" clearance as distinct from successive "vertical" approvals as a decision travels up the chain of command) is the enemy of decisiveness and the thief of time. Any organizational arrangement which requires a decision of one part of the office to be cleared with another when the nature of the issue or project is not such as absolutely to require such "coordination" is therefore objectionable.

c. In an organization like the FQA, which is split up into area divisions and functional divisions, it is practically impossible to avoid a great deal of cross checking because almost every piece of business is the concern, at a minimum, of two units: one area division and one functional division. In the CIA this situation does not obtain in so acute a form and with a little good will and energy the number of signatures required on the average action document could be appreciably reduced. There is, therefore, no compelling functional argument peculiar to this Agency in favor of requiring the signatures of all three Deputy Directors on projects originating in any one area. On the contrary, the efforts made in this Agency to maintain some degree of compartmentation would seem to me to strengthen the case for handling business along not across lines of command so far as possible.

d. These are arguments against the inclusion as members of a review board of the senior line officers of an organization. They would not apply to a committee made up of other individuals. To my mind, however, there is an equally decisive argument against such an alternative. It is that a group of staff officers should not be placed, as it were, between the senior executive on the one hand and his senior line officers on the other. Staff officers are apt to be a nuisance under the best of circumstances. At least they should be kept in their place and limited to giving the chief executive advice when requested; their approval should not be required as a precondition of action by line officers.

5. Second, assuming that the foregoing arguments are unavailing and that the approval of the present voting members of the FRC is going to be required on all projects in excess of \$25,000, the present procedure seems to me to be open to a weighty objection. It springs from perhaps the most universal and one of the wisest of all rules of public administration, to wit: No business that can be transacted outside of a committee or without a meeting should ever be brought into a committee or made the subject of a meeting. Believing deeply in this principle, I submit that most of the business of the FRC could be conducted without the necessity for meetings and that such a manner of conducting it would not only reduce the expenditure of man hours but minimize the temptation of a review committee to second guess line officers.

a. With respect to projects which under the present procedure are unanimously approved by the members of the FRC without the need for extensive explanation additional to that contained in the project description, there will be an obvious saving of time and trouble by merely circulating the project for signature instead of considering it at a meeting. I understand this category includes a sizeable majority of the projects that now come before the

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PRC, which is scarcely surprising because many of them must be extensions, renewals, and obviously needed amendments of projects previously considered.

b. With respect to projects which do not fall into this category because one or two members of the PRC have questions they wish to raise, it would often, perhaps usually be the case that the most efficient procedure would be to have the sponsors of the project meet with the member or members who have questions about it to furnish further explanations and, if need be, to work out amendments. It is only in those rather rare cases in which a project (which, it must be remembered has already been approved by the appropriate Deputy Director) raises in the minds of one or more members of the PRC a major issue of policy that a meeting of some seven senior officers of the Agency for the purpose of thrashing out the policy issue can really be justified.

c. In short, even granted the wisdom of the review of projects by the members of the PRC, I submit that the present procedure should be precisely reversed. The Committee should meet as a committee only when there is a demonstrated need for discussion of a major policy issue. Each individual project should be regarded as innocent, at least until a grand jury has brought in an indictment. Specifically, a meeting of the Committee should be held only when one of its members has specified that a project requiring his approval raises a policy issue which justifies a meeting. This he should not be allowed to do until he has not only studied the project submitted but also met with the sponsors of the project and heard whatever explanation and arguments they could offer. Under this procedure each single member would retain the right at least to delay a project until it had received a fair trial in court. But each member would be at least mildly discouraged from availing himself of this privilege too often by the requirement that, before doing so, he hold an extra preliminary meeting with the sponsors of the project. I submit that this procedure would retain the protection of the requirement of approval by a group of senior officers but would discourage interference by one in another's business and would save many man hours.

6. Conclusions and recommendations:

a. The recommended solution would be to abolish the PRC and substitute the following arrangements to ensure adequate coordination (clearance) of projects before they reach the DDCI.

(1) Each Deputy Director would be responsible with respect to every project originating in his area for securing in the first instance the concurrence of those officers in other areas of the Agency who have a legitimate concern therewith.

(2) A designated officer on the staff of the DCI or DDCI would be responsible for reviewing the concurrences thus obtained before passing the project to the DDCI and the DCI for final approval and he would be responsible for requiring such further concurrences as he thought necessary.

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(3) Comments or dissents, if any, from outside of the area of the sponsoring Deputy Director would be submitted to the DDCI along with the project.

b. Assuming that the foregoing recommendation is not acceptable, it is recommended that the PRC's procedures be modified to provide that it meet only to consider important issues of policy raised by projects circulated for concurrence to its members in accordance with the procedure proposed in paragraph 5.(c) above.

7. Although I do not wish to implicate any of my colleagues in the foregoing heresies, and therefore have not inquired as to their views on these specific proposals, it is my private belief that all of the three Deputy Directors would be favorably inclined toward the views I have here expressed.

SIGNED


Special Assistant to the Director
for Planning and Coordination

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O-Addressee
1-DDCI
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1-DD/P
1-DD/I
2-SA/PC/DCI (Chrono) (Subject)

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