

15 April 1970

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Publications Procurement Program

1. This memorandum is for your background. It presents my considered views on the usefulness of the publications procurement program and the funds allocated to it.

2. In our discussions of your memorandum on cutting the funds for publications procurement, I felt that I was unable to formulate a rationale effective enough to support my intuitive judgment that the Agency's publications procurement program is worth far more than its cost. I hope that you will take what follows as a sincere attempt on my part to convey my feelings on what the Agency's policy should be on the matter.

3. There are several aspects of the program itself which need to be put into their proper perspective. First, the program is currently allocated less than one-tenth of one percent of the Agency's budget. Second, some people have the impression that most of the [] earmarked for the program is for general purpose periodicals, such as the New York Times, Newsweek, Life, and for books like Kirkpatrick's The Real CIA. The fact of the matter is that less than 8 percent of the money is spent on general periodicals of this type. Although expenditures on popular books have not been compiled, I am certain that they are an even smaller amount than the [] spent on general purpose periodicals.

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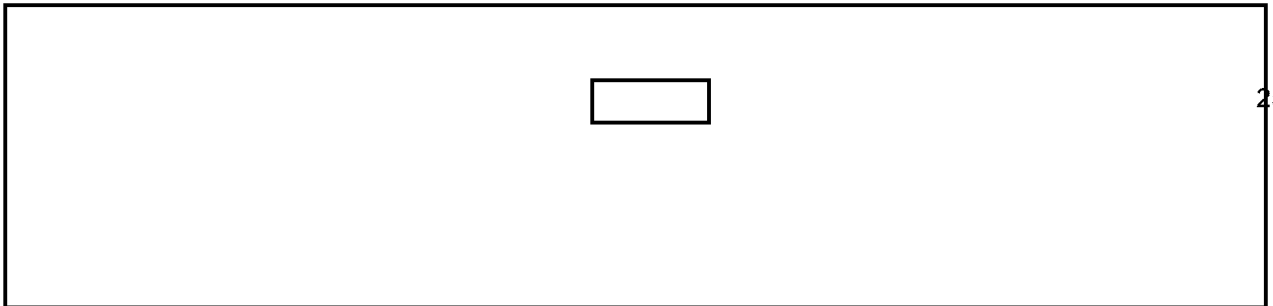
4. I cannot assure you that every single subscription to a popular periodical like the New York Times or every copy of a book like The Real CIA is essential to the operation of the Agency. When I consider, however, that the Agency's major commodity is information and that the cost of general periodicals, both essential and marginal, is less than [] per person annually, I doubt that the effort to restrict even this category of publications procurement is wise. I also believe that if having a New York Times on a professional's desk every morning makes him feel important, it is worth the [] per year. Furthermore, he may even get some useful background information on foreign developments and what is being said about them. If he asks that we buy him a book which is even remotely related to his work in the Agency or that will improve his understanding of world affairs or new developments in his field of specialization, I believe it is worth the \$10.00 to \$15.00 that the book costs. I am sure that the Agency spends far more than the full costs involved in such "non-essential" procurement on things which have far less potential benefit for the substantive background and morale of our employees. This is not intended to be a plea for fiscal irresponsibility. Rather, it is meant to be an effort to generate a more liberal attitude toward the expenditure of relatively small amounts of money to promote what I believe to be a worthy purpose.

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5. Whatever your decision is on these general purpose publications, it is important that decisions on limiting expenditures for that purpose not be extended to the rest of the procurement program which is on the whole essential to the production of finished intelligence in the Agency and the community. It is for this purpose that the major portion--at least 85 percent--of the publications procurement funds are expended.

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7. Our recent survey of the sources used in the finished intelligence produced in the Directorates of Intelligence and Science and Technology revealed how essential to the operation of the Agency the publications procurement program is. The survey showed that the conclusions in over 20 percent of these publications could not have been reached without the information supplied by the press and open literature. It also showed that the press and open literature provided information of real importance to about one-third of the finished intelligence produced in the Agency. Although only two of the other ten sources cited had higher ratings than open literature, none had a lower total cost. On specific topics the contribution from this source was cited as essential to 75 percent on basic science, 47 percent of the items on economics, and 45 percent on biography.

8. There are two developments which affect this program. First, the curtailment of US representation abroad and the additional effort to restrict cable traffic have already reduced reporting from State and our stations significantly. One way to compensate for this decrease is heavier reliance on foreign publications. Second, the inflationary pressure has caused an average annual increase in the price of books of about 5 percent. Even if the number and types of publications we procure were not to change significantly, we would have to increase our expenditures for this purpose at a comparable rate. Freezing our publications procurement budget at the present level will decrease the benefits we derive from this basically inexpensive source.

9. Because this means of acquiring information for the production of intelligence is the least expensive program I know and because it contributes so much to the production of intelligence, it must be the most cost-effective.

10. I hope that this memorandum has supplied enough information so that sufficient funds will be allocated to cover procurement of the essential publications [redacted]

[redacted] In addition, I hope it will also foster a more liberal attitude to expenditures for general purpose publications.

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EDWARD W. PROCTOR

Assistant Deputy Director for Intelligence

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