

DEPUTIES' MEETING

Present: Mr. Dulles, General Cabell, Colonel White,  
Mr. Kirkpatrick, Mr. Helms, Mr. Barnes, Mr. Carey,  
Mr. Abbott Smith, [REDACTED]

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MR. DULLES:

25X1 a. Noted that he was extremely concerned about the  
situation in Katanga [REDACTED]

[REDACTED] He said by all reports the Soviets are  
moving fast and unless something is done to counter-act this action,  
there was not much doubt that the Soviet would soon have a guiding  
hand in the Government and the economy of Katanga. The Director

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b. Noted a State cable from Tehran (#514, August 29)  
reporting on the exchange of letters between the Shah and Khrushchev  
and stated that there is no doubt that the Soviets had penetrated the  
Iranian Government at a very high level.

ACTION: DDP to discuss with State.

c. Noted a State cable from Moscow (#575, August 27)  
and asked for the comments of the Board of National Estimates.

d. Reported on his recent meeting with Mr. Maurice  
Stans, Director of the Bureau of the Budget, and stated that the Cuban  
and African situations were discussed in some detail. He said  
Mr. Stans had made it quite clear that, in his opinion, CIA does too  
much political reporting and not enough on the action side. The  
Director said Mr. Stans had indicated he would be willing to support  
an increase in our budget for political action activities provided we  
can show a substantial reduction in political reporting. The Director  
stated he was inclined to agree with Mr. Stans' comment and remarked  
that the length of some of our cables containing purely political  
information could be reduced to a paragraph or two and, in a great  
many instances, the information could just as well be forwarded by  
pouch.

~~SECRET~~

After some discussion, it was agreed that DDP would draft a directive to the field for the Director's approval on the subject of political reporting. Mr. Helms pointed out however that in some justice to certain field stations, political reports are in fact <sup>an integral</sup> a part of the station activities, particularly those stations where the COS is in close contact with the head of the host government, [redacted]

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[redacted] The Director stated that in these cases certainly there was no objection to reporting fully and completely on such conversations with heads of governments and our people in the field would be derelict if they did not in fact do so.

ACTION: Mr. Helms to prepare draft directive <sup>to the field on Pol. Reporting</sup> for DCI approval.

Colonel White also pointed out that [redacted] had advised him that the State Department had advised him that there had been quite an upsurge in the use of our channels by the State Department in sending messages addressed to individuals in the Department in Washington. The Director commented he was aware of this and asked DD/S to keep him advised.

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ACTION: DDS to prepare report for DCI on/about 14 September.

e. Referred to [redacted] and in particular the retirement of a number of high ranking officers of the Army and in fact throughout the Civil Service and noted this action could well create a bad situation.

ACTION: O/NE to prepare a memo.

COL. WHITE:

a. Reported that the [redacted] had a number of "incompatible packages" destined for delivery to certain [redacted] countries (he defined an "incompatible package as one containing, e.g., dynamite and caps). He stated that the Interstate Commerce Commission regulations banned such shipments, however we had dropped these packages from altitude and as far as he is concerned, there is no danger. In response to a query from the Director, Col. White stated that it is impossible to break the packages down and deliver the component parts separately. The Director concurred in going ahead with the one-package provided every precaution is taken.

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b. Reported that we had in the past attempted to put as much money as possible in Vouchered accounts in order to hold down the total amount of Unvouchered funds. He said that GAO had found some objection to this practice and, should we include funds for marginal covert/overt activities in the Unvouchered accounts the unvouchered total of expenditures would rise from about [redacted] of our total budget. He also pointed out that expenditures from Unvouchered funds

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in each instance requires certification by the Director. The Director commented that, while he had no objection to certifying these expenditures, he felt we should expend our funds through Vouchered accounts as much as possible.

c. Reported that the Agency is faced with making a decision on nominating qualified employees for the following awards:

1. Rockefeller Public Service Award -- Otto Guthe -- Director approved.
2. Brookings Program - Fellowships for Federal Executives -- Six months to a year of study at Brookings - CIA to pay salaries of those accepted; Brookings to furnish office space, etc. The Director agreed we should participate in this program.
3. President's Award for Outstanding Public Service -- Mr. Bissell was nominated for this award two years ago, however in view of his participation in the U-2 program the Agency was unable to furnish sufficient data for the Committee. Question: In view of the publicity now given this program, should Mr. Bissell again be nominated? The Director said he would have to consider this and asked Colonel White to bring it up at a later date.



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