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# 'A CREDITABLE JOB' IS VERDICT ON C.I.A.

### Doolittle Survey, However, Tells President of Areas That Need Improvement

Special to The New York Times.  
WASHINGTON, Oct. 19.—The Central Intelligence Agency won "a creditable job" rating today from a special study group acting directly for President Eisenhower.

The group reported, however, that there were "important areas in which the C. I. A. organization, administration and operations can and should be improved."

The agency is aware of these problems and in many cases steps are being taken toward their solution, the group informed the President.

Heading the group was Lieut. Gen. James H. Doolittle. Other members were William D. Franke, Assistant Secretary of the Navy; Morris Hadley, New York attorney, and William D. Pawley, former Ambassador to Brazil.

The White House said the group had been asked by the President "to look at certain phases of the work of the C. I. A."

"The President feels that such periodic reviews are conducive to good government and serve to give him an independent appraisal of the sensitive aspects of the agency," the White House statement explained.

#### Hoover Study Separate

The Doolittle study, it was stated, "does not duplicate the work of the task force of the Hoover Commission under Gen. Mark W. Clark which is particularly studying the over-all organizational problems of the United States Intelligence services."

The group held what General Doolittle called its "first and final meeting" with the President today. Certain recommendations were made. These will not be made public, whether they are put into effect or not.

General Doolittle, through the White House, issued this statement in behalf of the study group:

"With respect to the Central Intelligence Agency in general we conclude: (a) that its placement in the over-all organization of the Government is proper; (b) that the laws under which it operates are adequate; (c) that the established provisions for its financial support are sufficiently flexible to meet its current operational needs; (d) that in spite of the limitations imposed by its relatively short life and rapid expansion it is doing a creditable job; (e) that it is gradually improving its capabilities, and (f) that it is exercising care to insure the loyalty of its personnel. areas in which the C. I. A. organization, administration and operations can and should be improved. The agency is aware of these problems and in many cases steps are being taken toward their solution. We are well aware of the tremendous problems facing the director and staff of an organization such as C. I. A. and appreciate the sincere efforts being made to solve them.

"In an attempt to be constructive and in the hope that we may be helpful, we have made certain recommendations to the President."



The New York Times

**HEADS INVESTIGATION:** Lieut. Gen. James H. Doolittle, who is charged with investigating operations of Central Intelligence Agency.

## DOOLITTLE HEADS INQUIRY INTO C.I.A.

### His Investigation Is Second Under Way on Intelligence —Clark Directs the Other

By HANSON W. BALDWIN

Two extensive investigations of the Government's intelligence activities are now in progress in Washington and elsewhere.

One of them, which never has been announced publicly, is headed by Lieut. Gen. James H. Doolittle, U. S. A. F. (retired). General Doolittle's group is charged with investigating the secret operations of the Central Intelligence Agency, and was authorized by the White House.

The second investigation, already announced, is that of the Hoover Commission Task Force on Intelligence Activities, which is headed by Gen. Mark W. Clark, U. S. A. (retired), which was authorized by Congress and appointed in cooperation with Executive authority. The Hoover Commission group will have its first meetings in Washington on Monday.

The exact scope of the Doolittle investigation and the reasons for the establishment of this group when the Hoover Commission was preparing to undertake a comprehensive survey of all intelligence activities were veiled in secrecy yesterday. General Doolittle, who is vice president of the Shell Oil Company, referred questions to the White House, and Allen W. Dulles, Director of the Central Intelligence Agency, would make no comment.

General Doolittle has two or three men, whose names have not been made public, working with him, and his investigation has been under way for some weeks. None of its results are will be announced.

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3 NEW YORK TIMES, THURSDAY, OCTOBER 14, 1954.

# DOOLITTLE HEADS INQUIRY INTO C.I.A.

sen, U.S.A. (retired), is the staff director for the group and heads about a dozen staff specialists, who will do much of the investigative spade work for the task force.

2 R  
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Continued From Page 1

arrest of Joseph S. Petersen Jr., discharged employe of the Government's ultra-secret communications intelligence unit, the National Security Agency, with the Doolittle investigation, but there was absolutely no substantiation of this and some informed quarters denied there was any connection.

### Speculation on Scope

Other sources indicated that some secret ventures in the intelligence field that "went wrong", or in which funds were wasted, including the preclusive purchase of tungsten ore and the charter of shipping, were among the activities under investigation.

Most authoritative sources, however, believed that General Doolittle and his group were making a broad survey of all the secret operations of the Central Intelligence Agency in order to measure them against a yardstick of adequacy and effectiveness.

There was no indication yesterday how the two current inquiries would fit together. The Hoover Commission task forces are interested primarily in Government organization. But these groups have found in the past that it is impossible to recommend improved organization without studying the functions and activities of the agency concerned.

General Clark, who is president of The Citadel, a military college in Charleston, S. C., said his task force would study not only the C.I.A. but also intelligence activities of the Government.

These would include Army, Navy and Air Force intelligence units; the National Security Agency, a unified armed forces agency that monitors and when possible breaks foreign codes; and perhaps the counter-espionage agencies, including the Federal Bureau of Investigation.

The exact scope of the investigation will be determined, it was said, at the first meeting of the full committee Monday. Other members of the committee, in addition to General Clark, are Edward V. Rickenbacker, chairman of the board, Eastern Air Lines; Admiral Richard L. Conolly, U.S.N. (retired), president of Long Island University; Donald Russell, president of the University of South Carolina, and Ernest Frederick Hollings, Lieutenant Governor-elect of South Carolina.

Maj. Gen. James G. Christian-

A preliminary report to Congress probably will be made in January, but the committee does not expect to complete its investigation until some time in 1955. Final reports may have to be completed before May 3, when the present legislative charter of the (Hoover) Commission on Organization of the Executive Branch of the Government expires.

### Reasons of Inquiries Discussed

There was some feeling among intelligence circles yesterday yesterday that the two investigations represented some duplication and overlapping, and that some friction had developed, or might develop. This was said to be partly because one investigation, that of General Clark, stemmed from legislative, or Congressional, authorization, whereas the other—that of General Doolittle—represented the executive branch of Government.

In any case informed circles agreed that the investigations probably meant that both Congress and the Executive Department were determined to improve the Government's intelligence operations and evaluations.

Experts believe much progress has been made in the development of global intelligence services but some "leaks" and failures—some of which are inevitable in any intelligence service—and recent events have caused some anxiety.

These include the arrest of Mr. Petersen, who handled what was known in World War II as "Magic"—the information gathered by breaking the codes of foreign nations; the defection to the Communists of Dr. Otto John, head of Western Germany's secret service; the earlier but possibly not related defections of the British diplomats, Guy F. De Monev Burgess and Donald D. MacLean; the case of British atomic physicist, Dr. Klaus Fuchs now in prison as a traitor; and the amazing network of intrigue, espionage and counter-espionage recently revealed in high places in the French Government.

Some experts believe that all these events are somehow inter-related. There have been, moreover, some sharp recent criticisms of overlapping, duplicating and uncoordinated activities of various United States sponsored intelligence agencies in Germany.

For all these reasons the two investigations now in progress are likely to be conducted with considerable care, and intelligence specialists are awaiting their results with much interest.

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## Ike Studies Doolittle Report On His Survey of CIA Abroad

BONN, Germany, Oct. 14 (AP)—President Eisenhower is reviewing secret operations of the United States Central Intelligence Agency in Europe on the basis of a confidential report from aviation hero James H. Doolittle, an authoritative source disclosed here tonight.

Doolittle made a hush-hush visit to West Germany in September, conferring with intelligence officers who direct thousands of United States paid agents in cold war activities inside the Soviet bloc.

A retired Air Force lieutenant general who served under Eisenhower in North Africa and on the Western front, Doolittle was the President's personal nominee for the CIA survey.

It is assumed here that one of the questions explored by Doolittle was whether the CIA's super-size staff abroad could be pared down without crippling its essential security functions. About 1000 Americans are employed by CIA in

Germany alone. Many Germans also are on its payroll. Another question that Doolittle may have taken up was whether undercover operations behind the Iron Curtain should be modified.

Still a third question may have been the future restrictions that will be clamped on CIA by the grant of sovereignty to West Germany.

The Bonn peace contract, signed in 1952 but scuttled in August when the French National Assembly rejected the European Defense Community (EDC) Treaty, would have allowed the Western allies to retain certain security powers after the end of the occupation.

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