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CIA HISTORICAL STAFF

The Support Services Historical Series

SECURITY PROGRAM OF THE CENTRAL INTELLIGENCE AGENCY
1941-68

VOLUME I AN OVERVIEW

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OS - 1

November 1971

Copy 2 of 3

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THE SUPPORT SERVICES HISTORICAL SERIES

OS - 1

SECURITY PROGRAM OF THE CENTRAL INTELLIGENCE AGENCY
1941-68

VOLUME I AN OVERVIEW

25X1A *by*

[Redacted]

November 1971

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[Redacted]

Howard J. Osborn
Director of Security

HISTORICAL STAFF
CENTRAL INTELLIGENCE AGENCY

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FOREWORD

This volume is the first in a series designed to present a history of the CIA security program as it evolved from 11 July 1941 through 31 December 1968. This collection of volumes was prepared by personnel of the Office of Security, under the supervision of the Director of Security, with assistance and guidance provided by the CIA Historical Staff.

The immediate volume presents an overview of the Agency's security program, concentrating on the evolution of the organization which provides security support to CIA, and includes discussion of those internal and external factors which affected its development. Succeeding volumes explore the genesis and development of a number of separate activities which comprise the overall program. These are entitled:

- II - Personnel Security
- III - Physical Security
- IV - Operational Support

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- VI - Technical Security
- VII - Overseas Security Support
- VIII - Compartmented Information Security Practices
- IX - Polygraph Program

Although all volumes are inter-related, each has been written with a view toward individual integrity, in order that diverse influences may be portrayed in context with the respective subject matters.

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SECURITY PROGRAM OF THE CENTRAL INTELLIGENCE AGENCY

1941-68

Volume I An Overview

INTRODUCTION

From World War II until 1960, there was a growing overall awareness on the part of the US Government of the threat which the efforts of foreign intelligence services posed to the national security. To continue to survive in an age where the threat of nuclear warfare was ever-present, it was obvious that the US strategic national defense position versus that of its potential enemies would be prejudiced, were the latter to be apprised of capabilities or intentions related to national defense programs. To protect sensitive information, it was necessary to identify categories of information which, in the interest of national security, would be declared secret. Dissemination of such materials was carefully controlled and limited to individuals who required access in performance of official government business. This is not to say that the nation had not previously practiced secrecy related to military matters, but the emphasis had been sporadic, usually associated with a state of war or the threat of war. Now the threat was ever-present.

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The primary preoccupation of security in government, therefore, was insuring that classified information was adequately safeguarded. In this sense security involved those safeguards necessary to preserve secrecy. As this history will demonstrate, people, places, and things also possess utility in terms of national security; and they too require protection.

The practice of security does not evolve easily under a democratic form of government. Those safeguards necessary to deny information to potential enemies will also deny the information to a nation's citizenry, and both the rules and the administrators will be viewed with distrust and suspicion.

In addition, there are many practical difficulties associated with the security protection of information. Physical security conditions which provide the greatest degree of protection will frequently detract from the overall utility of a facility. The physical condition of information may be static, but a great deal of the time it is in some process of communication: spoken, written, or transmitted over electrical communications facilities.

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No standards exist for providing a condition of absolute physical security protection to information. If such existed, they would be prohibitive from the standpoint of cost if for no other reason. In truth, there are few physical structures that cannot be penetrated in some manner, if one possesses the disposition to put forth the necessary effort to do so. Since security protection, too, must be put on a cost effective basis, some assessment of the threat is necessary to determine how much and where the major emphasis should be applied.

Much information does not lend itself to a condition of secrecy. Secrecy, by its nature, implies a condition of monopoly. Scientific discoveries, for example, even those involving gross efforts of research and development, are not good subjects for any permanent condition of secrecy because the possibility exists for their rediscovery by someone else. The best that can be hoped for, in such a situation, is that a condition of temporary secrecy will provide some strategic advantage over one's adversaries. Secrecy related to scientific discoveries may in fact be prejudicial to the overall

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society, for the hypotheses supporting sophisticated military weaponry will in most instances possess other, non-military, utility.

Freedom of the press is guaranteed by the Constitution. Information which is held by the government as secret is in most instances newsworthy. Therefore, even the press can be an adversary of security, since what is read in newspapers and periodicals by the public can also be read by representatives of foreign intelligence services. It is particularly disturbing to government officialdom to discover that a national secret has been unearthed and reported upon by some aggressive, inquiring representative of the news media. One might argue that if the level of security protection applied was not adequate to protect the information from the inquiring news reporter, then it was not adequate to protect the information from foreign intelligence services. There is of course some merit to this; however, few representatives of the foreign intelligence services are provided with the prestigious status, and the degree of mobility and access, accorded some representatives of the press.

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Then too, information is only a form of human expression given to things that can be seen or otherwise sensed. A document containing the overall blueprint of military reaction to the contingency of a Soviet nuclear attack might be given very tight security protection. But to be prepared to react in accordance with the plan, there must be a pre-positioning of personnel and materiel. Even without access to actual documents in such situations, intentions may be forecast by actions.

In truth there is little information that can be kept secret. For information to be useful, it must be disseminated to individuals who will make use of it. The greater the dissemination, the greater the possibility that it will be acquired by an individual who in some manner will break trust. Indeed, the precise formula for measuring the security reliability of the individual is perhaps one of the most frustrating aspects of security.

Throughout the period of this historical report, there was considerable codification, in the form of Executive Orders, related to the identification of information to be provided security protection and procedures and practices to be used in the protection thereof. These Executive Orders also included proce-

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dures and standards for establishing the reliability of the individual to be provided access -- recognition of the fact that the security protection of information necessitates a considerable reliance upon individuals. Inasmuch as the CIA is an agency of the Executive Branch of the government, these Executive Orders, to a considerable degree, determined the nature of security practices within the Agency. CIA unquestionably influenced the content of some of these Orders, thereby raising the level of the overall government security effort.

In many ways the CIA is similar to other Federal departments and agencies. It possesses a Headquarters Building and other buildings in the Washington area which are publicly known to be CIA facilities. These buildings contain classified information, and classified activities are conducted therein by individuals who are paid through the instrumentality of a US Treasury Department check. But that is where the similarity stops. From this center of CIA activity must flow the direction and supervision of clandestine espionage agents, saboteurs, and others, whose relationship to the CIA, and in many instances to the US Government, cannot be compromised without serious prejudice.

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Executive Orders which relate to the protection of classified information from unauthorized disclosure and to the selection criteria to be applied to those individuals authorized access are appropriate to the hub of CIA activities, and partly appropriate to many of the intervening locations -- they are entirely inappropriate to the extremities of the activity, at which are located the primary intelligence assets. One dare not hang a "Restricted Area" sign on the park bench in Budapest used as a meeting place by the intelligence case officer and the agent whose activities he supervises. Other protective measures appropriate to the individual circumstances must be devised. Nor can the CIA be as selective in choosing its agents as it is in selecting those who enjoy full employment status. To collect all the necessary intelligence, opportunities must be recognized and acted on. The security of the case officer/agent relationship is exercised through the measures used to control the agent.

There are few activities conducted within CIA which do not require the exercise of stringent security practices. The intelligence source is vital to the production of national esti-

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mates to be used in guiding the government's policymakers. Since the opposition is disposed to the severest form of internal security practice, intelligence sources are usually difficult to acquire. Nevertheless, they are extremely vulnerable. The simple act of pulling down the bedroom shade will frustrate the peeping tom; once a source has been compromised, there is little hope that it will continue to exist. The practice of security in CIA is a serious business; it is an important aspect to be considered in the planning of any mission.

Concepts of security unique to the mission of intelligence have developed within CIA. Use of the polygraph as an aid in the assessment of the individual in terms of his potential as a security risk was developed to a high degree of professionalism.

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Security compartmentation (which was predicated on the idea that many elements of a bureaucratic organization could devote their efforts to the accomplishment of a particular mission without all being apprised of the objective of their contributions) was developed to a fine art. The concept

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of sanitization was developed in recognition of the fact that intelligence needed to be disseminated to be of value but that the content of such reporting could identify and perhaps compromise the source. "Cut-outs" and cover organizations were used for a variety of purposes, including the cloaking of large-scale logistics, staffing, and financing activities related to covert action.

The Director of Security, CIA, shares with the Director of Central Intelligence (DCI) responsibilities which relate to both the internal management of this Agency and the functioning of the overall intelligence community. Within the CIA the Director of Security, operating under the Deputy Director of Support (DDS), is charged with the preparation and execution of the Agency's security program and with the performance of security inspection functions. Agency regulations prescribe that security is a command function. Nevertheless, a considerable centralization of security responsibility has evolved to the Director of Security, sometimes by edict and sometimes by circumstance. Since the practice of security within an intelligence organization involves the application of a defensive

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philosophy to an offensive mission, it is perhaps only natural that the Director of Security has emerged as the principal spokesman for his tradecraft, exercising considerable influence laterally across the several chains of command throughout the Agency. Among other things, the responsibilities of the Director of Security include the recommendation of Agency security policy and procedures, the security screening of personnel for employment or other usage, the establishment of safeguards to prevent physical penetration of Agency facilities, the inspection of facilities and the recommendation of needed improvements, the investigation of security violations and compromises, the maintenance of a program of counter-intelligence to detect evidence of penetration of Agency operations, the carrying out of certain activities with respect to the Agency's overall handling of aliens, the provision of security support and a cadre of trained security officers to assist other components of the Agency, and the institution of such technical research and liaison with other government organizations and local and federal law enforcement agencies as is necessary to effect these responsibilities.

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Section 102 (c)(3) of the National Security Act of 1947,
as amended, provides that:

the Director of Central Intelligence shall be
responsible for protecting intelligence sources
and methods from unauthorized disclosure.

The DCI supervises deliberations of the overall US intelligence
Community related to the protection of intelligence sources
and methods in his capacity as Chairman of the United States
Intelligence Board (USIB), and the Director of Security of
the Agency is the Chairman of the Security Committee of
USIB. The Secretariat of the Committee is also provided by
the Office of Security. The Director of Security, on behalf
of the DCI, extends his influence to security considerations
affecting the entire intelligence community.

CIA's Director of Security acts as the executive agent
for the intelligence community in providing training in audio-
countermeasures for personnel of USIB member departments
and agencies. Additionally, through the Special Security
Center of the Office of Security, he exercises leadership in
the promulgation of security policies affecting large intelli-
gence collection activities, wherein other departments and

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agencies share responsibilities with the CIA, in accordance with defined agreements. His influence has further extended to those foreign governments that have cooperated from time to time with the intelligence effort or shared in its benefits in varying degrees.

As shown in Figure 1,* the organization of the Office of Security in 1968 consisted of three staffs: the Administration and Training Staff, the Security Research Staff, and the Executive Staff, all responsible to a Deputy Director and the Director of Security. In addition, there are three functional Deputy Directors: the Deputy Director of Security for Personnel Security, the Deputy Director of Security for Investigations and Operational Support, and the Deputy Director of Security for Physical, Technical and Overseas Security, each heading a large organization responsible for effecting portions of the overall responsibilities of the Director of Security.

The principal objective in this volume is to trace the genesis and evolution of the organization providing security support ser-

* P. 13, below.

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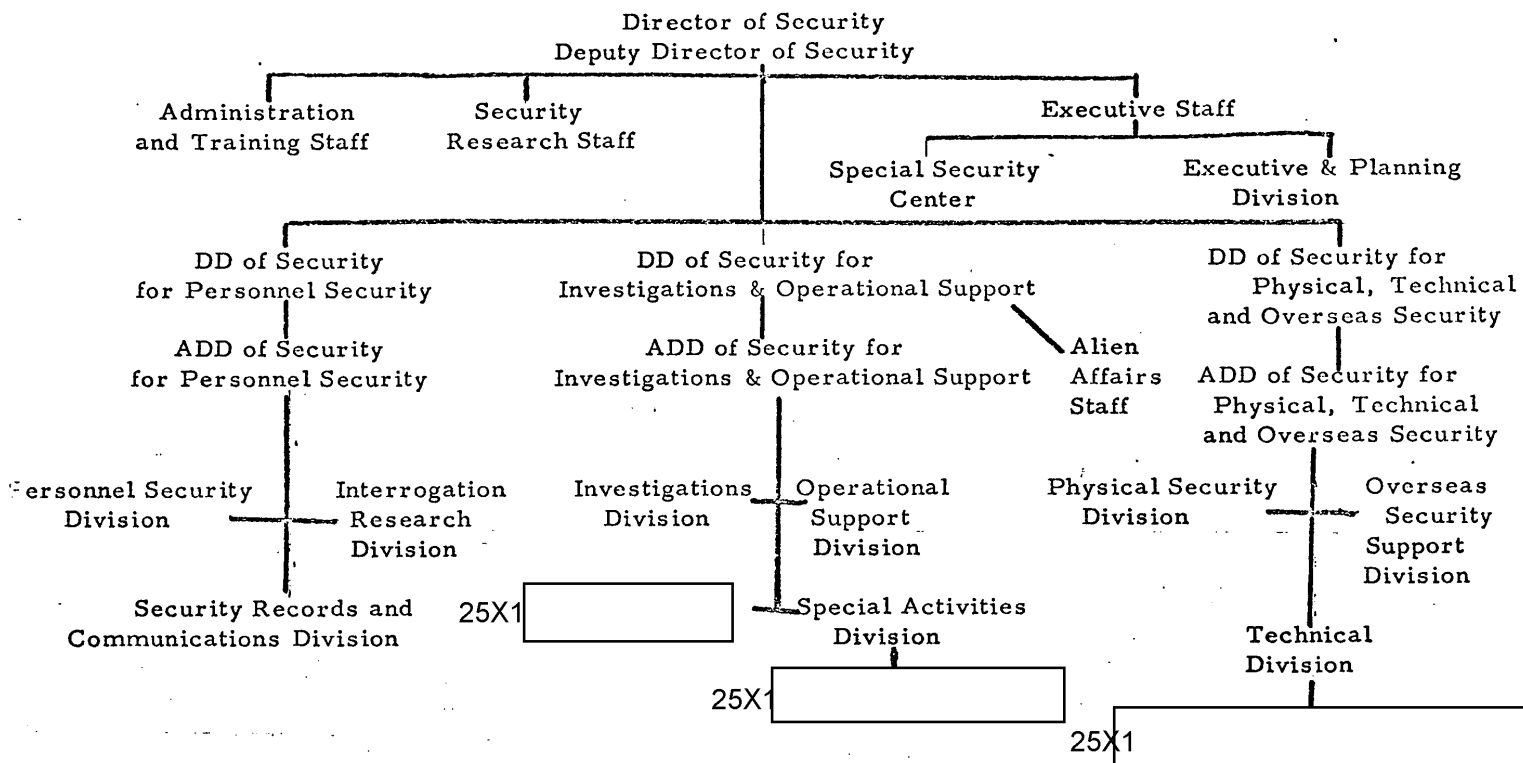
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FIGURE 1

OFFICE OF SECURITY

December 1968



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vices to the CIA, and to describe the principal influences which affected its development. Since, historically, security had been a command function, many of the early considerations were related to identifying those aspects of security which would be best performed by a centralized security authority. The early decision to include the functions of security policy and inspection probably led to the decision to initially place the centralized security authority in a staff capacity, although security subsequently developed to be one of the Agency's supporting services.

Of necessity, early considerations of the centralized security authority were primarily concerned with the security selection of personnel, and this function has remained the principal activity of the Office of Security. The extensive investigative organization required to support this function, however, provided a personnel base which could be channeled into other areas of security support, resulting in the development of a professional security corps, able to operate as an important part of the Agency's overall mission. This merger of the separate disciplines of the professional security officer

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and the intelligence operative undoubtedly contributed to a better assessment of the threat, and correspondingly, more appropriate countermeasures.

The record is clear. CIA did develop an extremely effective security program which allowed the Director of Central Intelligence to assume his full leadership responsibility within the intelligence community for the protection of intelligence sources and methods.

The first 20 years of the Agency's existence were marked by many political and social changes. These have brought about changes in the nature of the threat, thereby resulting in changes to the overall pattern of security counteraction. The CIA security program faces new and different challenges today. If the important work of the Agency is to continue, its activities must be cloaked in secrecy. This unquestionably will require the development of new techniques, new skills, new concepts of security protection.

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CHAPTER I

The Genesis of the CIA Security Program

(11 July 1941 - 26 September 1947)

A. General

The DCI's responsibility related to the protection of intelligence sources and methods, provided for in the Act which created the CIA, * is a security responsibility which appears to transcend that responsibility for the protection of all classified defense information, with which every department and agency head is charged in accordance with his defined jurisdiction. The DCI does not, however, have the power to direct the security activities of government departments and agencies as they may relate to the intelligence mission. Neither statute nor Executive Order ever provided him with

* Section 102 (d)(3) of the National Security Act of 1947. Similar language appeared in the 22 January 1946 Presidential Order, "Directive in Coordination of Foreign Intelligence Activities," which created the National Intelligence Authority, the DCI, and the Central Intelligence Group.

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such authority. As the DCI's position as titular head of US intelligence activities slowly emerged, however, he gradually assumed a role of increased prominence related to the security protection of intelligence information throughout the government. This condition did not come about quickly. Early CIA considerations related to security were, organizationally speaking, largely introspective.

It was first necessary to establish a security program within the Agency itself that was both appropriate and responsive to its mission. To accomplish this it was necessary to draw on the assets and concepts developed during World War II by the predecessor organizations, COI and OSS,* which had had a similar mission. It was necessary also to adapt and transform these wartime assets and concepts to the peacetime intelligence mission.

The history of the CIA security program, therefore, must begin with a discussion of security as practiced under COI and

* COI (Coordinator of Information) 11 July 1941 - 13 June 1942; OSS (Office of Special Services) 13 June 1942 - 1 October 1945.

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OSS, and then proceed with a description of the transformation which began under SSU (Strategic Services Unit, War Department) and the CIG (Central Intelligence Group).

B. Security Under COI and OSS*

1. Early Security Considerations

The practice of good security to protect its sensitive mission was an early consideration under COI, but an effective security program did not come about until well into 1943 under OSS. Security under COI was at first a responsibility of the individual Branch Chiefs. Providing guards to protect its buildings was the responsibility of the Public Buildings Administration (PBA); identification badges were issued by the Business Office of COI; visitor controls were not uniformly applied. The reliability of its employees was at first established by the individual being vouched for by other COI staff personnel. Since most early employees were

* Principal sources of information contained in this Section were: War Report, Office of Strategic Services 1/ and History of Security Office (OSS) 2/. (For serially numbered source references, see the Appendix).

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hired under the Civil Service System and paid from vouchered funds, they were required to be investigated and approved by the Civil Service Commission for Federal employment. Rarely, however, were the results of the Civil Service Commission investigation available before the individual entered on duty.

As the size of the organization grew, this system for establishing the individual's reliability became increasingly less effective. Furthermore, an increasing number of employees who were to be paid from unvouchered funds did not fall under the requirement for investigation by the Civil Service Commission. As a result, Branch Chiefs suddenly became aware that they were doing confidential business with many individuals of unknown character and loyalty.

Following the 7 December 1941 attack on Pearl Harbor, there was an initial flurry of concern related to security. Personnel showing up for work found that the PBA guards had been supplemented by armed military personnel; however, these disappeared almost as suddenly, their services undoubtedly more urgently required elsewhere. On 18 December 1941, Cdr. F. C. Denebrink, USN, was assigned to COI in a liaison capacity

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as a security adviser, and the first formal COI Security Regulations were published. With the outbreak of war, the establishment of the reliability of COI personnel became imperative; and, consequently, it was directed that a check of the files of the FBI be completed on all incoming employees before they entered on duty.

In March 1942, Lt. Colonel Ellery C. Huntington was appointed as Security Officer in COI. A separate Security Office was formally established in May 1942 with Huntington placed in charge. Huntington, a New York lawyer, former World War I Army officer and member of the New York National Guard, immediately set to work to develop an effective security program in COI. The badging system was improved, additional physical security measures were instituted, visitor controls were tightened, and the maintenance of classified materials upgraded. Huntington's most pressing concern, however, was the establishment of a system whereby the Agency could insure the character, integrity, and loyalty of its own personnel. This required the development of investigative assets to investigate potential employees, the establishment of liaison with other US Govern-

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ment sources of personnel security information (FBI, ONI, G-2, Civil Service Commission), and creation of a Headquarters office to assess the resulting investigative materials. Col. Huntington, during his tenure as Security Officer, made considerable progress in this direction. His efforts were carried forward under succeeding OSS Security Officers, Weston Howland (August 1942-August 1944) and Archbold Van Beuren (August 1944-September 1945). 3/

2. Organization and Scope

During the entire period of OSS, functions of security support were largely centralized in a Security Office which operated organizationally at a staff level. The Security Office was responsible for the establishment and maintenance of:

such protective measures as shall be necessary or advisable in order to safeguard and make secure the OSS, its operations, members, property and records, and the areas, offices and buildings which it occupies or uses.

Within the Security Office, the Internal Security Division was responsible for inspecting and approving OSS buildings, offices and areas, both overt and undercover,

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providing adequate physical security protective measures, providing a system of guards and badges, and the general protection of classified material. In addition, there was a Personnel Investigation Division and a Service Records Division. The former was responsible for initiating investigations of prospective employees (both civilian and military), assessing the results, and granting security approval or disapproval for OSS employment. It was also responsible for the security indoctrination of new personnel. The Service Records Division established procedures for the continued security of OSS personnel, including reinvestigations, reinductions, investigations of security violations, and pre-termination or debriefing interviews. As a result of British insistence that OSS personnel assigned to British areas be certified as to security, the Service Records Division was also made responsible for approving all OSS personnel for overseas assignment and for the security indoctrination of such personnel prior to departure.

The personnel complement of the Security Office ranged between 45 and 58 employees, both military and ci-

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vilian. The Security Officer of OSS, however, exercised technical supervision over approximately 200 individuals, including military guards for OSS training and warehouse facilities, receptionists, associate security officers assigned to work within all OSS Branches, and overseas security officers* as well as domestic field security investigators. 4 /

3. Security Liaison

The FBI, ONI, and the Army's intelligence organization maintained elaborate records generally referred to as their "subversive" files. These files, used in conjunction with those of the Civil Service Commission, the Treasury Department, the Department of State, and British Security Coordination, were an essential source of information pertinent to the security screening of OSS applicants, to insure the absence of any disqualifying information already of record. Prior to, or in conjunction with, the initiation of an investi-

* Assignment of Security Office trained security officers to overseas missions commenced in 1943 at the insistence of Col. Bross of OSS/London. Subsequently, two were assigned to the European Theater of Operations (ETO), one to Cairo, and three to Algiers.

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gation, "flimsies"* were distributed by OSS to these other organizations to obtain the benefit of any information they might possess related to the individual under investigation. This procedure, established early under COI, was the basis of the National Agency Check (NAC) program which is an integral part of all Government personnel security investigative programs today.**

As a result of careful referencing and cross-referencing of individual and organizational names, the Security Office of OSS gradually built up its own indices. This made possible the pre-analysis of individual Personal History Statements, and often provided the basis for specific investigative leads to be checked further by the field investigator assigned to the case. Through this procedure, a group of German and French "refugees" who were apparently attempting to infiltrate the OSS organization for espionage purposes was discovered. The indices disclosed a number of individuals who

* Biographical data forms related to the individual under investigation to be used as a basis for searching files.

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provided the identical character references in New York, who came from the same town in Vichy, France, or who had connections with a business firm of known pro-Nazi interests. 5/

4. Investigative Assets

On 1 November 1942 the first contract was signed

25X1A with [] to perform investigations of prospective OSS personnel. 6/ Adapting the investigative methods of this credit company to those required by a sensitive Government organization such as OSS necessitated a major process of indoctrination by the OSS Security Officer; however, []

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25X1A [] was effectively used throughout the entire period under OSS. Later the services of other credit organizations,

25X1A [] were also contracted for and used extensively in the investigation of OSS candidates for employment. 7/ The services of []

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25X1A [] were also used to a limited extent under OSS. Only in the case of []

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25X1A []

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25X1A [] was a major effort undertaken to indoctrinate the investigators. As a result of this, [] 25X1A provided the best quality investigations of any of the contract investigative services used by the OSS.

In March 1942 Col. Huntington, with the approval of Colonel William J. Donovan, contracted with Mr. [] 25X1A

25X1A [] to organize a group of undercover investigators to operate on behalf of the OSS. [] 25X1A was a private investigator of considerable reputation. He had

25X1A headed the []

25X1A [] and reportedly had done other confidential investigative work. * 8 /



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[redacted] gathered together a group of investigators who had had prior experience with the FBI, ONI, G-2, and private investigative and security organizations and established an office [redacted]

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[redacted] Following establishment of this investigations unit, [redacted] served primarily as consultant and overseer, with actual management of the office conducted by [redacted]

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[redacted]

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The [redacted] for the most part conducted the security investigation of foreign-born personnel who were to be used by the OSS in sensitive operations. A number of investigators possessed extensive contacts among foreign nationality groups in New York City, who were extremely valuable sources of information. [redacted] personnel also investigated complaints which were received from the FBI, ONI, G-2, CSC, or other confidential sources regarding the loyalty

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* [redacted]

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of specific OSS employees.



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The was used through the entire period under OSS and SSU, and as this report will demonstrate, formed the original basis for the present-day Office of Security investigative field organization. By 1943,

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panded the geographic coverage of his investigative unit to include a number of part-time investigators (compensated on a set hourly rate, plus expenses) who were dispersed throughout



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The choice as to which investigative asset to use in individual cases was a judgment exercised by the Security Office of OSS. The [redacted] was by far the most responsive for investigations of special importance, but it was a limited asset that had to be used sparingly. The quality of

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the [redacted] investigative reports ranked second to [redacted] called for payment on

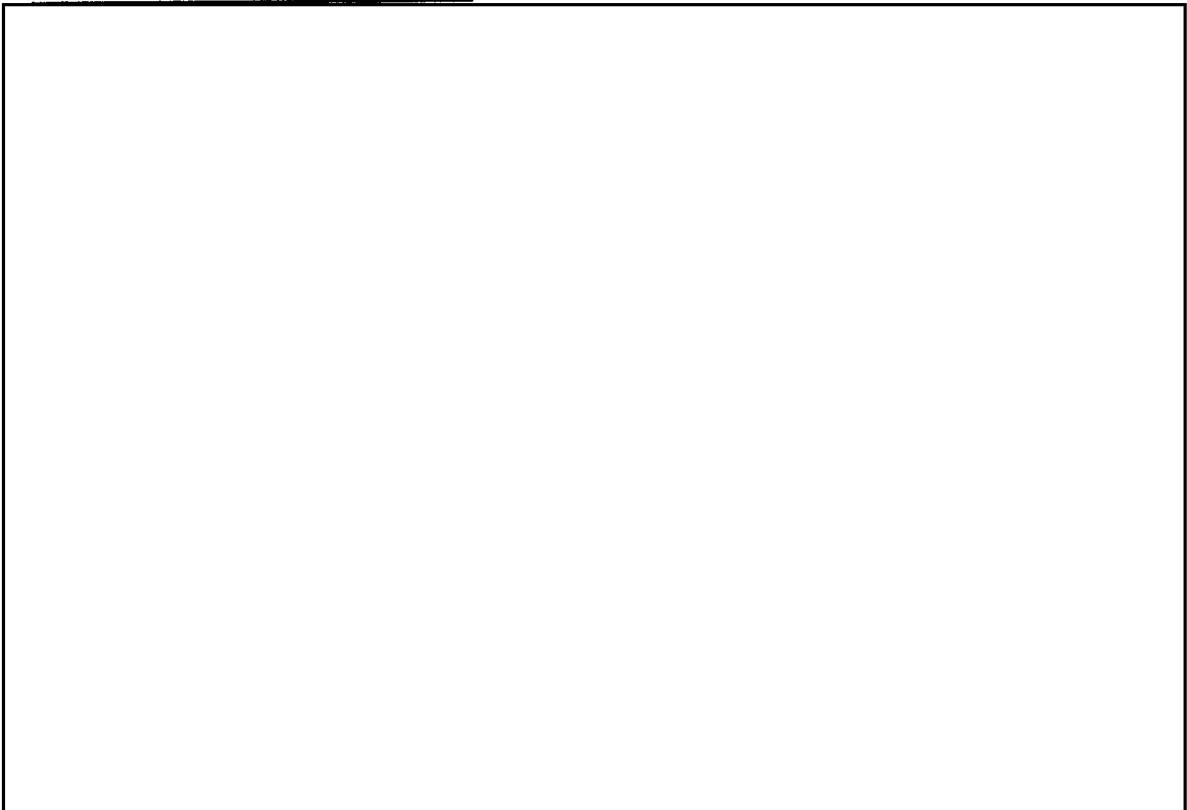
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an investigator-hourly basis, whereas contracts with the other investigative services called for payment on a case basis, which was the more economical arrangement. The decision as to which service to use was, therefore, made on the basis of economics, the extent to which the individual being investigated would be provided access to sensitive OSS information, and a preliminary review as to whether the individual case might require special investigative talents.* 11/

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5. Counter-Espionage Branch (X-2) 13/

The function of counter-intelligence assists in the security protection of an intelligence organization by identifying those elements of foreign intelligence organizations which could be inimical to its own interest. Counter-intelligence carried one step further, counter-espionage, involves the manipulation of foreign intelligence organization assets. The key to the development of a counter-intelligence or counter-espionage organization is the accumulation of a vast body of records related to the identities of known or suspect foreign intelligence operatives and organizations in addition to a detailed study of their methods of operation. It is a process which builds upon itself, looking hopefully to the time when the entire blueprint comprising the secret threat will be brought

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into focus. Once the threat has been identified, it can be rendered ineffective, and thus a condition of security is created. Counter-intelligence, therefore, is a positive form of security protection.

It may be said that the United States, prior to World War II, possessed a good domestic, counter-intelligence capability within the FBI. During World War II, the FBI expanded its capabilities throughout the Western Hemisphere through the assignment of its agents as legal attaches to the US Embassies. In other areas of the world, however, the United States had virtually no security protection. Essentially, there was no counter-intelligence service for working in enemy territory at the outbreak of World War II.

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[redacted] it was decided that centralization within the OSS of the national counter-intelligence and counter-espionage functions (excluding the Western Hemisphere) was the only logical solution.

A Counter-Intelligence Division was established within the SI Branch of OSS by General Order No. 13, 1 March 1943, and arrangements were made to detail personnel [redacted]

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No. 13 was revised on 15 June 1943, and a Counter-Espionage Branch (X-2) of the Intelligence Service of OSS was established to develop possibilities of counter-espionage both in the protection of American intelligence activities abroad and in the protection of over-all national interests in foreign areas.

The rapid growth of its files made X-2 increasingly useful in the assessment of the reliability of both agents and

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OSS personnel. In Washington, there was close collaboration between the Security Office and X-2 Branch, and most names investigated by the Security Office were submitted to X-2 for further check. Correspondingly, X-2 frequently called upon the Security Office for confirmation or supplementary investigation of names or cases of possible counter-espionage interest. Overseas, using the OSS [redacted] as an example, the names of all agents used in the European Theatre were checked by X-2 against [redacted]. As the war progressed, X-2's own indices were added to from a great variety of Allied sources.

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But X-2's involvement in the matter of security of overseas activities was even broader than the identification of suspect persons and organizations. For example, in November 1942, X-2 arranged for the transfer to OSS of an Army officer, who prior to the war had worked with the FBI, where he had had extensive training in the detection of wire-tapping and clandestine listening devices. This officer was assigned to the X-2 [redacted] to inspect all European legations and embassies for evidences of such devices.

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Conflict as to the relative responsibilities of the Security Office and X-2 led to a clarification in May 1944. 14/
Under this clarification, the Security Office's responsibility for security of "all OSS personnel" was defined as:

- (1) All Army, Navy, Marine Corps or civilian personnel regularly employed by or attached to the OSS, whether in the US or in the field, and
- (2) Persons who are employed by such regular OSS personnel in any capacity which permits them to have knowledge of OSS operations or intelligence plans as of personnel engaged or being trained to engage therein.

X-2 was made responsible for the investigation and approval of all individuals engaged in any OSS operations overseas, including agent, operative, and sub-agent personnel. Requests for X-2 clearance were required to set forth all details of the intended use of the individual.

Additional clarification was provided related to the function of counter-intelligence. Although the X-2 Branch was primarily concerned with the existence, identity, and methods of enemy espionage, counter-espionage, and saboteur agents and protection against them, it was required to inform the Security Office of any evidence of enemy affiliation or association of OSS personnel. Correspondingly, the

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Security Office was under obligation to consult with X-2 and keep it fully informed regarding OSS personnel suspected of enemy affiliation.

6. Conclusion

The basic security concepts employed under OSS were those of the military departments. The practice of official secrecy in the United States Government had historically been restricted to information of a military significance. The OSS Security Office was required to operate under the security policies of Joint Security Control of the Joint Chiefs of Staff, and OSS was periodically inspected by the JSC for compliance. Communications security and cryptographic expertise were provided by personnel assigned from the War Department, Signal Corps, and US Coast Guard. It can be presumed, that whatever expertise the War Department had developed related to security was imparted to OSS, to be passed on in turn to successor organizations.

Sophistication may have been added by virtue of OSS's close working relationships

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War Report, Office of Strategic Services (OSS) 15/ describes

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It is difficult in retrospect to assess the effectiveness of the security program of OSS, but perhaps the 20 May 1946 words of the Adjutant, Strategic Service Unit, War Department (Col. Knox P. Pruden) will serve to place this matter in proper perspective:

During the war, events proceeded at a rapid pace and the missions assigned to the OSS were of such an urgent nature that in many instances the basic requirements of good security had to be sacrificed for what was felt to be the more important consideration of producing results. Due to the confusion that accompanies all wars and to the fact that we were largely insulated from the main forces of enemy intelligence, loose security proved to be less costly than it might have. The OSS was not the only Allied agency which considered itself lax in its security, but this in itself is no excuse for laxness in our present and future operations. 16/

Col. Pruden's statement appears contradictory, however, particularly if one subscribes to the theory that the level of security protection should be determined by an analysis of the degree and nature of the threat.

Undoubtedly, early predisposition to employ personnel without adequate security check resulted in a number of individuals of questionable political ideology being used by OSS.

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The case of Carl Marzani, who held a position of significant responsibility in OSS and who subsequently as a State Department employee was convicted of perjury for failing to acknowledge past Communist Party affiliation, is one instance supporting this conclusion; and it can be cited without breaching security ethics. In all probability, the use of less qualified contract investigative services contributed to other such cases. The OSS Security Office by 1944 was averaging two re-investigative cases a month, based upon information furnished from outside sources related to OSS employees. Expediency, however, required the use of these investigative assets.* Furthermore, the Soviets were our allies during World War II, and although the record indicates that by 1943 the Security Branch was disqualifying applicants for questionable leftist political philosophies, such individuals were not considered as dangerous as those with Axis affiliations.

The Chief Security Officers under OSS had had no prior

* The average monthly investigative caseload under OSS exceeded 1,000 cases.

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security or investigative experience. Mr. Howland had previously held a number of important corporate executive positions with manufacturing firms in Massachusetts. 17/ Mr. Van Beuren had worked for a New York investment firm and had been Treasurer of Cue magazine prior to coming to OSS. 18/

It might be argued that a better security program might have resulted had the nation seen fit to employ the services of someone with prior investigative and/or security experience to hold this position, rather than individuals whose backgrounds were rooted in Wall Street financial activities. This would be shortsighted, however, for there is little evidence to substantiate the conclusion that these men did not in fact provide a security program in OSS that was well founded upon an analysis of the degree and nature of the threat existing at that time. Their overall managerial competence had been demonstrated before coming to OSS. The war resulted in many citizens assuming "for the duration" responsibilities completely foreign to their prior experience and training. There is substantial evidence supporting the conclusion that Howland and Van Beuren utilized the services of many individuals who did possess significant prior investigative and security experience. There can be no

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question but that the degree and nature of the threat was changed considerably following the conclusion of World War II. Many of the security assets and concepts developed under OSS remained, however, and were utilized where appropriate to the conduct of the nation's peacetime intelligence activities.

C. Strategic Services Unit (SSU) War Department

The OSS was terminated by Executive Order on 1 October 1945. The Strategic Services Unit (SSU) of the War Department undertook the reorientation of the nation's clandestine espionage and counter-espionage activities to a peacetime status following its creation by War Department Order. Following the President's Order of 22 January 1946,* SSU activities became essentially those of a holding operation to permit the orderly transfer of its functions to the CIG. The SSU ceased operations, effective 19 October 1946, although the last of its personnel were not terminated until the spring of 1947. 19/

No civilian personnel were transferred from SSU to CIG.

* "Directive on Coordination of Foreign Intelligence Activities," which created the National Intelligence Authority, the DCI, and the Central Intelligence Group.

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All were formally terminated from SSU, and then rehired by CIG if it was deemed that they possessed utility to the new organization. 20/ This permitted opportunity to conduct a reassessment of SSU personnel against CIG personnel security criteria. This procedure was an important element of security control in light of an absence of summary dismissal authority existing in the DCI at this time. *

Throughout the major portion of SSU's existence, personnel and physical security support were provided by a Security Division under the Personnel Branch, responsible to the Executive Officer. Mr. [] was named the first Chief, Security Division. [] was succeeded by Mr. Peer de Silva on 17 June 1946, at which time the Security Division was placed directly under the Executive Officer for Administration, no longer responding through the Personnel Branch. 21/

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* This absence of the authority of the DCI to summarily dismiss employees for any reason in the interest of national security was subsequently rectified by Section 102(c) of the National Security Act of 1947. This matter is discussed in further detail in D. 2. , below.

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By the time of its dissolution in October 1946, the SSU Security Branch consisted of approximately 17 employees.

It controlled security investigative assets in [redacted]

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[redacted] Upon dissolution of the SSU, all functions of Security Division were transferred to the Executive for Personnel and Administration, CIG. 22/

War Department SSU General Order No. 12 and supplementary Staff Memorandum No. 5, dated 20 May 1946, related to the subject of "Policy Concerning Nationality and Security of Personnel." These documents defined the terms, Staff Personnel, Housekeeping Personnel, Operational Personnel, and Consultants, and they prescribed personnel security standards to be applied to each group. Recognizing that the activities of SSU were to a large degree dependent upon the services of foreign nationals for the acquisition of intelligence and general housekeeping tasks overseas, these documents directed that the handling of these personnel be conducted in

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such a manner as to restrict their access and knowledge of SSU activities as essential to their assigned tasks. 23/ This basic philosophy relating to the security handling of agents and housekeeping personnel who were foreign nationals was carried forward under CIG and CIA.

D. Security Under the Central Intelligence Group (CIG)

1. The DCI and the NIA

The attention of the National Intelligence Authority was quickly focused on the matter of security. To insure the reliability of CIG personnel, CIG Directive No. 8, which was issued on 9 May 1946, was entitled "Policy for Clearance of Personnel for Duties with the Central Intelligence Group." Since at that time the CIG consisted entirely of personnel detailed from other departments, the directive charged each department detailing personnel to CIG with responsibility for investigating and assessing personnel so detailed against the personnel security standards defined in the directive. 24/ Because investigation of their own personnel assigned to the CIG in accordance with strict standards prescribed by this

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directive became a burden to the individual departments, 25/ Directive No. 8 was rescinded on 4 October 1946, and the Intelligence Advisory Board concurred with a proposal by the DCI that the CIG undertake the investigation and clearance of its own personnel, subject to previously established standards, with exceptions authorized by the DCI. 26/

2. Origin of Government Personnel Security Practices 27/

Inquiry into the background of individuals proposed for employment has long been a practice in the Federal government. Prior to 1939, however, the authority of the government to inquire into the individual's loyalty was not clearly established by statute. Such inquiry appeared, in fact, to be in violation of Civil Service Rule No. 1, dating to 1884, which stated:

No question in any form or application in any examination shall be so framed as to elicit information concerning the political or religious opinions or affiliations of any applicant, nor shall any inquiry be made concerning such opinions, or affiliations, and all disclosures thereof shall be discountenanced.

The original Hatch Act (2 August 1939) was designed to prevent any person employed in the Federal government

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from holding membership in any political party or organization advocating the overthrow of the constitutional form of government. On 1 July 1941, Congress added to all appropriation acts a mandate providing that no part of the appropriation could be used to pay the salary or wages of any person who advocated, or was a member of an organization that advocated, overthrow of the Government by violence or force.

Public Law 671, 76th Congress, 3rd Session, approved 25 June 1940, granted specific powers to the War and Navy Departments to summarily remove any employee in the interest of national security, without regard to any provisions of laws, rules, or regulations governing the removal of employees. This provided a much broader legal basis to these departments for the termination of employees whose continued employment constituted a security risk.

The situation at the close of World War II, therefore, was that the heads of the War and Navy Departments possessed legislative authority to summarily dismiss employees for any interest of the national security, whereas the balance of the Federal government was authorized to take such action only

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in cases where the individual personally advocated, or was a member of an organization which advocated, overthrow of the constitutional form of government by force. By early summer of 1946 the Secretary of State was also given authority to summarily dismiss employees for security reasons,* and a year later the DCI was given similar authority in the Act establishing the CIA.**

Prompted by a 20 July 1946 report of the Subcommittee of the Civil Service Committee of the House of Representatives, President Truman established (25 November 1946) a Temporary Commission on Employee Loyalty to inquire into policies and practices in the Federal government related to employee loyalty. In its conclusions the commission gave credence to the threat to the national security inherent in Communist and Communist front organization activities; and it stated that there was a demonstrated inadequacy in existing loyalty procedures and a lack of uniform procedural means

* The so-called McCarran Rider, PL 495 (79th Congress), 5 July 1946.

** National Security Act, 1 July 1947.

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and methods either to bar or banish the subversive or disloyal person from the Federal payroll.

As a result of the Commission's recommendations, President Truman issued Executive Order 9835, on 22 March 1947, prescribing procedures for the administration of an Employees Loyalty Program in the Executive Branch of the Government, and charging the head of each department and agency with responsibility for instituting an effective program to insure that disloyal employees were not retained. One or more Loyalty Boards were to be created in each department or agency, and the determinations of these departmental boards were subject to review by a Loyalty Review Board of the Civil Service Commission. Minimum investigative and loyalty standards were also prescribed. The minimum investigative standards prescribed under CIG Directive No. 8, on May 1946, were broader and more specific than those provided under Executive Order 9835. The first Personnel Loyalty Board of CIG was established on 16 April 1947, and Col. Sheffield Edwards was designated as Chairman of this Board. 28/

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3. Investigative Assets

Following the NIA's decision of 4 October 1946 to permit the CIG to undertake all future security investigations required to clear its own personnel, an overture was made to the FBI to service CIG's needs in this regard. The FBI agreed to provide this service, but stipulated that they would perform only standard, loyalty-type investigations. 29/ There remained, therefore, a need to develop a covert asset that could investigate employees to be used undercover without compromising their proposed use in the intelligence mission and that could perform domestically other inquiries of a covert nature in support of clandestine activities, principally on behalf of the OSO. The available choices were (1) to retain the investigative services of the [redacted]

25X1A [redacted] which had continued in existence from early 1942 providing investigative services to both the OSS and the SSU, or (2) to establish a new investigative unit within CIG. 30/

In November 1946 an Investigations Unit was established under the Executive for Personnel and Administration, CIG, to fill this need. [redacted] as head of the

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4. Other CIG Security Considerations

A great variety of matters related to security were considered or attended to during the period of transition under CIG. To insure that employees understood their security responsibilities, a Secrecy Agreement, in use by June 1946, was devised. The agreement was to be administered to all CIG employees in conjunction with a reading of Federal statutes related to espionage and the unauthorized disclosure of classified information, in addition to a pamphlet entitled, "Special Instructions for Security of Central Intelligence." 36/

In the meantime, work proceeded apace toward the preparation of the first published CIG Security Regulations, 37/ which were finally approved on 5 August 1947. Thereafter, this publication was used in conjunction with the security indoctrination of personnel in addition to providing the guide for day-to-day security activities.

The security role of the CIG with respect to the public was also considered. A memorandum to all CIG personnel, dated 21 November 1946, directed that the following response be given to inquiries concerning the nature of the CIG

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organization:

The Central Intelligence Group is a recently created inter-departmental organization, in which the State, War, Navy, and sometimes other departments participate. It coordinates activities of the government involved in obtaining and analyzing information about foreign countries which this country needs for its national security. It also furnishes inter-departmental analyses of this type of security for use by Government officials. 38/

Unlike the British, the US intelligence organization was not to be a completely clandestine service. It became a publicly identified agency, with its mission publicly stated in terse, general terms, but with the great bulk of its activities conducted under conditions of secrecy.

Not only were limitations placed upon what CIG could say publicly about its mission and activities, but it was further necessary to control those public utterances of its personnel which would be misinterpreted as representing official doctrine or policy. By April 1947, CIG was engaged in devising policies related to its personnel who were writing for publication or making public appearances. 39/

Other restrictions were placed on the private, outside activities of CIG personnel. CIG Memorandum No. 60,

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of 2 September 1947, concerned "Security Requirements for CIG Personnel Engaged in Private Foreign Travel" and required prior security clearance and briefing before undertaking such travel. 40/

CIG Operations Memorandum No. 11, 14 July 1947, established "CIG Contract Security Policies for Non-IAB Agencies" and charged the Executive for Inspection and Security with making surveys of each non-IAB agency nominated for CIG contact or dissemination to insure the adequacy of security procedures within those agencies for the safeguarding of classified information. 41/

A variety of other security matters were under study, although not finalized under CIG. These included preparation of a CIG disaster plan (the first consideration given to emergency contingency planning) and development of a policy to govern relationships between CIG collection and dissemination activities and foreign agencies. 42/

Although National Security Council Intelligence Directive (NSCID) No. 6, of 12 December 1947, made the CIG responsible for foreign wireless and radio monitoring, the

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Foreign Broadcast Information Service, which contained the remnants of the nation's wartime organization used for this purpose, had already been consolidated under the CIG by an NIA Directive of 29 June 1946. This activity was to a great extent dependent upon the services of foreign nationals for its language capabilities. On the other hand, its mission was not as sensitive as that of the clandestine service and its product could be disseminated under low levels of security classification. An appropriate accommodation to the strict personnel security standards applicable to the balance of CIG employees was under consideration during this period. 43/

The exploitation of domestic sources to obtain foreign intelligence, begun by OSO under CIG, and later taken over by the Contacts Division of the Office of Operations, was assigned exclusively to the CIA by NSCID No. 7, 12 December 1947. Under CIG a beginning was made toward developing appropriate security standards to be applied to US industrialists, scientists, educators, and others who might be consulted for intelligence purposes.

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5. Security Organization Under CIG

Early deliberations in CIG related to security were centered in the Central Planning Staff (CPS) and quite logically they related to security policy considerations. Colonel 25X1A [] headed the Security Branch of CPS and was the principal early advocate of a strong centralized security authority within CIG. 44/ On 20 July 1946, CPS was redesignated as the Inter-departmental Coordination and Planning Staff (ICAPS), and the Security Branch of CPS was dissolved. Col. Sheffield Edwards, later to become the first Director of Security, CIA, was originally assigned to work with ICAPS. 45/ This staff, which reported directly to the DCI, had as one of its responsibilities to insure that the security facilities of departments comprising the National Intelligence Authority were adequate.

25X1A [] Following dissolution of the Security Branch of CPS, [] became part of the Office of Collection (later the Office of Collection and Dissemination--OCD) where, in addition to other duties, he functioned as Acting Chief of its Security Branch. This Branch was responsible for the formula-

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tion of security policy for the CIG, although this was to be only an interim arrangement pending the establishment of an Office of Security, CIG, 46/ the concept of which will be discussed fully later in this history.

Considerations related to the physical safeguarding of CIG facilities and the reliability of its personnel, were responsibilities of the Administrative Office, later the Executive for Personnel and Administration of CIG, subject to the overall policy guidance provided by the OCD, Security Branch. 47/ The first Security Officer of CIG, so designated, was Lt. Col. Claude D. Barton (May 1946 - July 1947). 48/ From 6 September 1946 to 1 July 1947, Barton also functioned as Chief of the Security Division under the Executive for Personnel and Administration (P&A). 49/ Initially, his principal duties consisted of providing physical security guidance related to the CIG offices, located in the then New War Department Building, fingerprinting employees, and issuing identification badges. Until the rescission of CIG Directive No. 8 on 4 October 1946, Col. Barton's responsibilities for personnel security were limited, inasmuch as

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this directive charged each department detailing personnel to CIG with investigating and assessing personnel so detailed, in accordance with the prescribed personnel security criteria. Since the final decision as to acceptability was vested in the DCI, however, Col. Barton's duties also included review of the security investigative reports submitted by the departments, and recommending to the DCI acceptance or non-acceptance. By September 1946 the CIG had obtained limited authority to hire its own personnel. The CIG Security Division, under



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the FBI in October 1946. The CIG Security Division also conducted the security assessment of those SSU personnel who were selected for hire by CIG. Its personnel complement rose from three to ten employees during 1946. 50/

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In December 1946 a Special Security Section was made a part of the Projects Support Division under P&A. This Division also included a Secret Section, Personnel Procurement Section, Communications Section, Special Funds Section, and Transportation and Supply Section. 51/ The purpose of this

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Division was to provide an almost complete range of support services to the OSO on a compartmented basis.*

6. OSO Autonomy

The early security concept of the Office of Special Operations, CIG (which was assuming functions previously exercised under SSU) envisioned an almost complete compartmentation of OSO from the balance of CIG activities in order to limit knowledge of its sensitive operations. CIG Administrative Order No. 9, 5 August 1946, directed that contacts between personnel of OSO and other offices of CIG be limited to those essential to the transaction of necessary official business, and that contacts by OSO personnel with other departments of the government be carefully controlled by the Director of Special Operations. 52 / By November 1946 a three-pass identification system for access to CIG buildings was adopted, providing one type of pass for access to OSO

* See Figure 2, on p. 59, a December 1946 OSO Organization Chart. The relationship between the Special Projects Branch of P&A and OSO is shown as a dotted line arrangement, indicating that the Branch was not a part of the formal organizational structure of OSO at that time.

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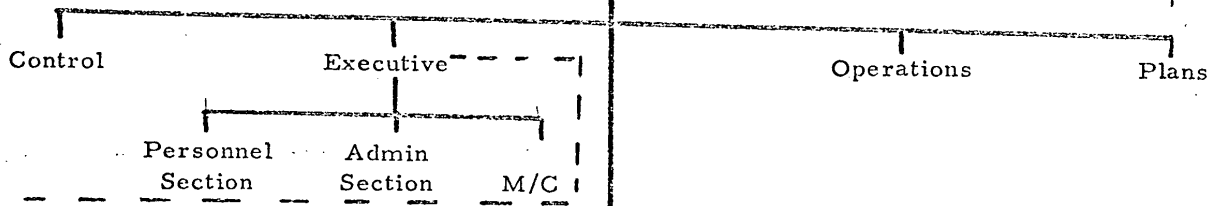
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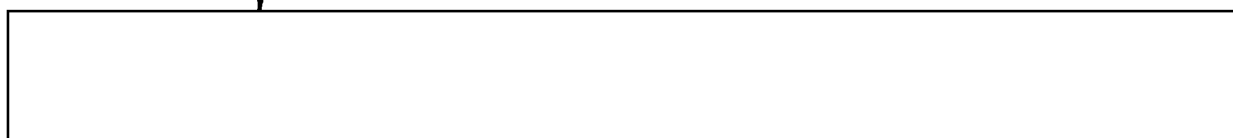
FIGURE 2

December 1946

OFFICE OF
SPECIAL OPERATIONS



Projects Support Division
P&A, CIG



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offices, another for access to the balance of CIG, and a third, to be limited in number, for access across-the-board. 53/

With the requirement to consolidate the Security Office of SSU under CIG, it was first proposed to combine it with the Security Division of P&A. 54/ The Division was to include



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security support to the OSO. Its activities would be strictly compartmented from other activities of the Division, which provided security support services (both personnel and physical) for the remainder of CIG.

The Assistant Director for Special Operations rejected this plan in favor of making security support to OSO a part of the activities of the Projects Support Division, which would then consist of all of the elements of support services to be provided on behalf of OSO, including Special Security Section under  Although the functions of overt and covert security support to CIG were both under the Executive for Personnel and Administration during this period, they were reporting through separate chains of command. 55/ By January

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1947, ^{25X1A} [redacted] and his Special Security Section were physically located with OSO.

The concept of an autonomous Office of Special Operations is traceable in part to its origin under the SSU. With the dissolution of the OSS in September 1945, the SSU undertook the preliminary work for converting OSS's wartime assets into the organization necessary to conduct the clandestine espionage activities of the nation in peacetime. Most early OSO personnel came from SSU, where they had formed the habit of autonomous operation. It is understandable that they would not be easily dissuaded. There were obvious disadvantages from the standpoint of security to the complete integration of the nation's clandestine espionage service with the organization also responsible for the production and dissemination of national intelligence. In all probability, they were strongly supported by ^{25X1A} [redacted] the CIG Executive for Personnel and Administration who had been Chief of Services under SSU. In April 1947, Col. Donald H. Galloway, the Assistant Director of Special Operations (ADSO), addressed the DCI expressing dissatisfaction with the existing support services arrangement

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for OSO (as provided by the Special Projects Branch of P&A) and suggested that, in the interests of better security, these activities should be transferred under his immediate jurisdiction. 56/

7. Office of Security, CIG - the Concept

The Security Advisory Board (SAB) of the State, War, Navy Coordinating Committee (SWNCC) was created by the latter's membership on 5 April 1946 to assume residual functions of the Security Advisory Board of the Office of War Information (OWI), which had been abolished by Executive Order 9608 of 31 August 1945. Its deliberations related principally to policy concerning the safeguarding of the classified defense information in the possession of Federal government departments and agencies, with intent to put this matter on a peacetime, rather than a wartime, basis. Mr. Paul H. Appelby, Assistant Director of the Budget, in a letter dated 29 April 1946 advised the Acting Chairman, SAB, that, whereas he agreed that "there are still some security matters affecting the several agencies of the government which require attention," he questioned whether the SWNCC was duly constituted to undertake this re-

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sponsibility on behalf of the overall Federal government, and suggested that the National Intelligence Authority, created by directive of the President, possessed adequate authority for this security activity. 57/

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was designated the DCI's liaison officer to the SAB, and he concurred with the prevalent view that the SAB's functions should eventually be placed under the NIA and that its functions could best be performed within the framework of the CIG organization. 58/ This, of course, would have given CIG national, internal security responsibilities, which might have been in conflict with the President's admonition of 22 January 1946 that "no police, law enforcement or internal security functions shall be exercised under this directive." Additionally, the matter of policy related to the protection of all classified defense information was much broader than the responsibility vested by the President in the NIA and the DCI related to the protection of intelligence sources and methods.

On 24 August 1945, Byron Price, former Director of the Office of Censorship during World War II, submitted a

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Confidential Memorandum to the President, entitled "A Basis for Censorship Planning," which related to the matter of preparing coordinated Federal censorship policies and procedures for implementation in the event of future emergency or state of war. This memorandum was subsequently referred to the Director of the Budget for study and appropriate action. The Director of the Budget held the matter in abeyance in belief that the matter should eventually be acted upon by the NIA. Following informal consultation with the Chief of the Central Planning Staff of CIG in May 1946, the latter recommended that the matter be undertaken by the CIG. 59/ Although this recommendation was not acted upon, the matter of censorship planning continued to attract the attention of planners throughout almost the full era under CIG.

25X1A These external considerations, in addition to internal security considerations affecting the activities of the CIG, led to recommend the creation of an Office of Security in the CIG in August 1946. 60/ This Office would be responsible for the formulation and dissemination of coordinated Federal security policies pertaining to the safeguarding of informa-

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tion, personnel, and equipment and installations of the departments and agencies of the United States Government in the interest of national security, and, additionally, would formulate coordinated Federal censorship policies. Internally, this Office would supervise the implementation of overall security policies for the CIG and function as the sole agency for the DCI for the coordination of matters related to CIG public relations. Additionally, upon request by appropriate Offices of the CIG, it would conduct investigations of specific sources of information to determine the general validity, credibility, and reliability of information furnished the CIG and it would be responsible for coordinating technical security activities of Federal Government departments and agencies in the field of secret communication, radio direction-finding equipment and techniques, and sabotage.

Tentative provision for a CIG Office of Security, to consist of a Policy Branch, Censorship Planning Branch, Security Branch, and a Technical Branch, appeared on an Organizational Chart dated 22 November 1946. 61/ The Office of Security was to report directly to the DCI, possessing status

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equal to the Office of Collection and Dissemination, the Office of Reports and Estimates, the Office of Operations, and the Office of Special Operations. It would be headed by an Assistant Director for Security. The DCI deferred creation of this Office, however, preferring to await legal, legislative clarification of the functions of his new organization.

Prompted by a variety of considerations, including the taking over by CIG of the FBIS and the [redacted]

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STATSPEC [redacted] as well as renewed interest in the matter of national censorship planning and the CIG's relationship to the SAB,

25X1A [redacted] again recommended early activation of the Office of Security in January 1947. 62/ His recommendation, however, was not acted upon.

On 10 June 1947, ^{25Y1A} [redacted] the Chief of the OCD Security Branch submitted to the Adviser for Organizational Management, ICAPS, two alternate plans for consolidating CIG security policy and support as a staff element of the DCI, using personnel of the OCD Security Branch as the nucleus of the office's management. 63/ Both plans included the broad national policy responsibilities contained in [redacted] earlier

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proposal. One plan proposed establishment of a Security Policy and Planning Staff consisting of a small staff of selected personnel to be directly concerned only with security policy matters. The other plan proposed establishment of a Security Staff responsible for all of the policy and planning functions of the first plan, but also included the exercise of direct control and supervision of the CIG operational security functions then performed by the Security Division of P&A (physical security of domestic CIG facilities and the investigation and security clearance of personnel).

8. CIG General Order No. 3

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Advisor for Organizational Management, ICAPS, was directed by the DCI on 6 May 1947 to prepare a CIG organizational plan to include provision for a group at the Executive level to provide overall inspection, audit, and security service to CIG. 64/ Consequently, CIG General Order No. 3 was issued on 18 June 1947. 65/ This Order abolished the position of the Executive for Personnel and Administration and split the position of Assistant Executive Director of the CIG (held prior to this time by Colonel

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Sheffield Edwards*) into an Executive for Administration and Management (A&M) and an Executive for Inspection and Security (I&S). [] was appointed to the former position; Col. Edwards, to the latter. The mission prescribed for the Executive for I&S was to provide overall inspection, audit, and security (including security policy) service for CIG. Functions previously exercised by the Executive for P&A were divided, with the principal activities of the Projects Support Division (including the Special Security Section) going to OSO 66/, the Security Division going to the Executive for I&S, and the residual functions to the Executive for A&M. The Security Branch of OCD was also abolished, with its functions transferred to the Executive for I&S.

CIG General Order No. 3, however, effected only a partial consolidation of CIG security support services. Although the overall security policy function was combined with forces providing physical and personnel security support to the overt

* Col. Edwards had been relieved from duty with ICAPS on 3 March 1947 and assigned to the Executive Staff as Assistant Executive Director.

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activities of CIG, OSO had acquired an even greater degree of autonomy with the direct supervision of its own support services, including security.

The order also stated that the establishment of the CIG Office of Security was postponed indefinitely. Actually, the Office of Security, as envisioned under CIG, never did come into existence. The matter of Federal government policy considerations related to the overall protection of classified defense information was subsequently made the province of the Inter-departmental Committee on Internal Security (ICIS) under the National Security Council. As will be described in the history, the responsibilities of the DCI related to the protection of intelligence sources and methods were eventually effected through other means. On 9 September 1947 the DCI decided to defer aggressive consideration of censorship planning due to the existing status of personnel and organization and the danger of becoming involved in non-pressing activities.

67/ This matter received no further consideration under either CIG or CIA, and the verification of the general validity, credibility, and reliability of information furnished

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by outside sources to CIG was never thereafter considered
as an appropriate function for the centralized security authority.

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CHAPTER II

Centralization of CIA Security Support
(26 September 1947* - 6 December 1954)

A. Evolution of the Security Office

The Office of the Executive for Inspection and Security (I&SO) at first consisted of an Inspection and Audit Branch, a Security Branch, a Security Control Staff, and an Administrative Staff. 68/ The Audit Division of the Inspection and Audit Branch conducted audits of the manner in which special funds were used and accounted for and made reports of financial transactions involving special funds. and regular funds. The audit function was removed from the Executive for I&S in April 1951, and a separate Audit Branch created under the Deputy Director for Administration (DDA). 69/

The original concept of the role of the Executive for I&S

* Effective date of the establishment of CIA.

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related to the inspection function was that of an "inspector general" to perform inspections as directed by the DCI and to make continuous inspections of CIA property, equipment, supplies, and the procurement program. 70/ Prior to the establishment of a CIA Inspector General in 1953, however, functions of the Inspection Division (earlier the Inspection and Audit Branch) had already evolved to that of an inspection staff to perform special inspections or investigations of matters where special security problems existed, to support operations with security guidance as required, to perform continuing security inspections of selected activities and perform other services as directed, and to serve as the "inspector general" within I&SO. 71/ A transition occurred during the 1947-55 period, therefore, whereby the Inspection and Security Office, with its audit and overall inspection functions removed, became the Security Office of CIA. In addition, the Security Office was removed from the DCI's Executive Staff, and placed first under the DDA* and later

* 1 December 1950.

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under the Deputy Director for Support (DDS). *

As of 1952, the Inspection Division had performed [] major inspections [] as well as numerous regular and special inspections and services in the United States. It participated in planning and conducting a program

[]
[] during the period from July 1950 to December 1951. It planned and supervised a course of indoctrination and training for investigator and security officer recruits in 1951, during which time six three-week courses were conducted. It maintained continuing supervision of security aspects of classified contract procurement, including inspecting contractor facilities and monitoring the security clearance of personnel. It engaged in overseeing the training and supplying of security officers who were requested by other components of the Agency to perform duties of a security nature in domestic and overseas missions or programs. It performed security surveys of specific strategic industries in

* 16 February 1955. 72/

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National Security Council Directive No. 29. Following July 1950, the Agency's responsibilities under NSC Directive No.

X1 [REDACTED] were transferred from I&SO to another organizational element of the CIA. 73/ In July 1954, the Inspection Division was redesignated as the Inspection Staff. 74/ Its personnel complement, at one time consisting of [REDACTED] was eventually reduced to [REDACTED]

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B. Security Policy

The Security Control Staff (SCS) provided overall Agency security policy and guidance on behalf of the Executive for I&S. By 1954, the SCS consisted of [REDACTED] a number of whom had previously worked in OCD. 75/

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In addition to the promulgation of Agency security policies related to the collection and dissemination of CIA's classified information, SCS provided CIA representation to the State-Defense Military Information Control Committee,* and at inter-

* See III, J2, below.

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national meetings convened intermittently to consider varied security matters. From 1950 to 1952, a second CIA representative to the US Communications Intelligence Board Security Committee was provided from SCS.* This staff also provided security guidance to Agency components, including that related to public affairs, and to Agency employees, including control, where appropriate, of outside activities, such as public speaking, writing for publication, and private foreign travel. 76/

C. Security Division (Branch)**

The Security Division of I&SO, which had its origin in the Security Division of P&A, was the unit responsible for providing personnel security support to the overt activities

* See III, J1, below.

** Until 1949, principal organizational components were called "Branches" and sub-components called "Divisions." This was reversed in line with general overall government practice, and principal components were thereafter called "Divisions" and sub-components were called "Branches." Since a number of the Branches discussed herein subsequently were raised to Division status, this report hereafter refers to all components only in the latter terms of organizational reference, in order not to unduly confuse the reader.

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of the Agency and with protecting its overt properties. Initially, it consisted of two sub-components, the Investigations Branch (later renamed the Personnel Security Branch) and the Physical Security Branch. On 29 October 1950 a third sub-component, the Interrogations Research Branch,* was added to conduct the Agency's polygraph program. 77/ By 1954 the Security Division had a total personnel complement of

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The Personnel Security Branch was responsible for the initiation of investigations (either through the FBI, or later through the I&SO's own investigative organization) of all Agency applicants, including those who were to be used under cover of as well as those whose employment with the Agency would be acknowledged (overt employees). The Personnel Security Branch also approved security clearances for Agency overt consultants, contacts,

* First called Unit P, later renamed IRB.

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and contractors as well as for guards and charforce personnel. For a short time during 1948, it also made personnel security determinations related to

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[redacted] The Branch consisted of the Records Section (responsible for maintenance of individual security dossiers and indices), the Research Section (which did the initial analysis of the results of internal indices searches conducted prior to all investigations), the Requirements Section (which prescribed the scope of investigative coverage), and the Appraisal Section. The Appraisal Section analyzed the investigative results and recommended either security approval or disapproval of the candidate. 79/

Activities of the Physical Security Branch and the Interrogation Research Branch are discussed later in this chapter.

D. Employee Investigations Branch

On 30 September 1947, Mr. J. Edgar Hoover, Director, FBI, advised the DCI that, in view of Executive Directives and actions of Congress, additional responsibilities had been placed upon the FBI which made it impossible to continue to conduct applicant investigations for the CIA. 80/ In all proba-

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bility, Mr. Hoover's reference to Executive Directives and actions of Congress related to the Executive Order 9835 loyalty directive and the Atomic Energy Act, both of which had placed added burdens upon the investigative services of the FBI. That the number of cases submitted by CIA to the FBI had exceeded considerably the 100 cases per month originally agreed to, undoubtedly contributed to his decision to discontinue this support to the Agency. 81/

In response to the FBI's announcement, the DCI requested the National Security Council to authorize the CIA to establish an internal investigative unit to provide it with essential facilities and authority to meet the standards of investigation expected of and established by the FBI. He additionally requested that the President instruct the FBI to continue investigative support to the CIA for an additional six months to permit the Agency adequate time to develop its own organization. 82/ Through subsequent negotiation, which involved at least one personal meeting between the DCI and Mr. Hoover, the date of discontinuance was extended to 1 January 1948, 83/ and the NSC authorized the CIA to

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establish its own investigative unit.

The Executive for I&S requested the DCI to permit him interim use of [redacted]

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[redacted] to handle the backlog of applicant investigations that had accumulated as a result of the FBI discontinuance. He also requested approval of a Table of Organization (T/O) con-

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[redacted] operate under his supervision as an investigative unit. At the same time, he requested clarification from the DCI regarding the responsibilities of the unit for investigations of OSO's covert personnel, which up until this time had been the responsibility of the OSO, [redacted]

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[redacted] 84/

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The DCI directed a consolidation of the [redacted]

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[redacted] of OSO under the Executive for I&S to be effective 9 August 1948. 85/ Revised functional statements were to be prepared, making the Executive of I&S responsible for all domestic security functions (less communications security) and including all overt and covert investigations of personnel

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for the CIA. An expanded overall T/O [] was approved for I&SO. 86/ The basic personnel assets for the new investigations unit were drawn from [] [] OSO, but considerable recruiting of new investigators was also undertaken.

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The investigative unit organized within I&SO was called the Employee Investigations Branch (EIB), and the Investigations Division of the Security Branch was renamed the Personnel Security Division to prevent confusion as to its functions. 87/ []

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[] was transferred to I&SO as a Special Assistant. 90/ In this capacity he headed the Research Unit, []

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[Redacted]

[Redacted]

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Scarcely had EIB begun efficient operations, when in December 1948 the FBI again agreed to provide security investigative support to the CIA. 93/ Mr. Hoover's reasons for re-summing this support to the Agency are not clear, but it is known that the DCI, Admiral Hillenkoetter, preferred that the FBI conduct investigations of CIA applicants and had so expressed himself in official correspondence with Mr. Hoover. 94/ The EIB was disbanded, and its personnel were assimilated into

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other parts of the rapidly expanding Agency.

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E. [redacted]

Although the investigative organization under the Employee Investigations Branch was dissolved by April 1949, 95/ the consolidation of the [redacted] with I&SO directed by the DCI in August 1948 remained. The two offices under the Research Unit (later called the Research Division) were expanded [redacted] to continue investigations of OSO's covert personnel. 96/

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The FBI continued to perform security investigations of CIA applicants throughout 1949 and 1950. The number of cases submitted for investigation rose from 100 to 200 a month, and during April 1950, [redacted] were submitted to the FBI.

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97/ On 21 November 1950, General Walter B. Smith, who had been sworn in as DCI on 7 October, requested Mr. Hoover to accept [redacted] cases per month for the four months following, in deference to CIA's rapidly expanding organization. 98/ Evidently, CIA's requirements were beyond the capabilities of the already overburdened facilities of the FBI, and in De-

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cember 1950 it was mutually agreed that the FBI would again discontinue investigations of CIA applicants and that the CIA would reestablish its own investigative program. 99/

Rather than reactivate the EIB, Colonel Edwards chose



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security support and to conduct internal Agency inquiries. 102/



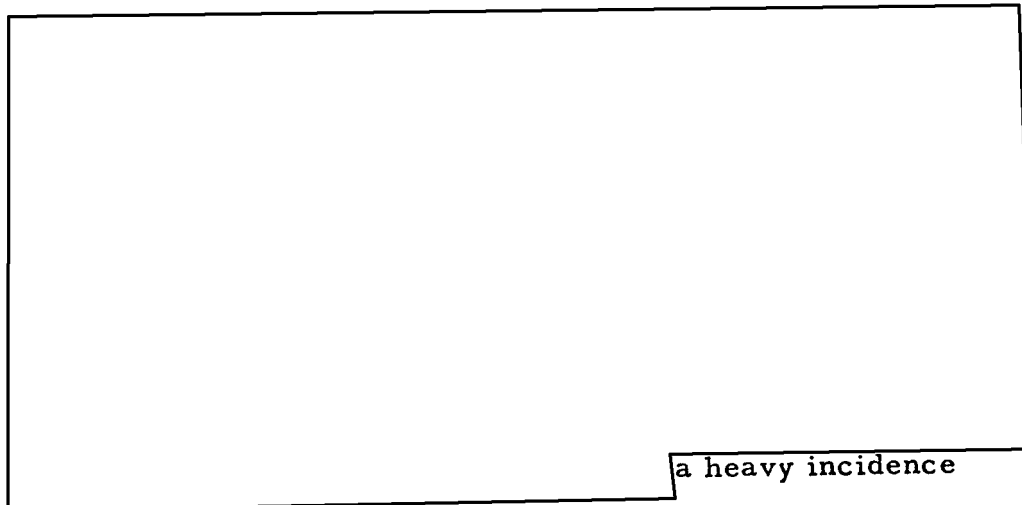
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a heavy incidence

of investigative caseload was experienced during peak work periods. 103/

The rapid expansion of personnel which was occurring throughout the Agency during these early years, coupled with a desire of Colonel Edwards to not over-recruit with respect to his own organization, necessitated the interim reuse of the

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A program known as the Confidential Correspondents Program was also initiated providing for use, on a contract set, per diem plus expenses rate, of retired investigators, attorneys, and others, strategically placed throughout the country to provide for a greater degree of flexibility in assignment of personnel investigations. 106 / Following a recommendation of Mr. J. Patrick Coyne of the National Security Council, contained in a July 1952 report of inspection of I&SO, the services

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were gradually phased

out. 107 The Confidential Correspondents Program, however, continued as an important part of the Office of Security's overall investigative facilities. The number of such

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individuals under contract rose between 1950

and 1952, and has since stabilized at approximately

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. . . considering the withdrawal of these FBI services, and taking into account the substantial personnel increase of the Agency during the past year and a half, the investigative proficiency achieved by SSD is particularly noteworthy. 109/

Investigators were recruited from a great variety of backgrounds; most possessed college degrees; and many either were attorneys or had had some prior federal, police, or commercial investigative experience. I&SO conducted an extensive training program to prepare them for the unique requirements of CIA-related work.

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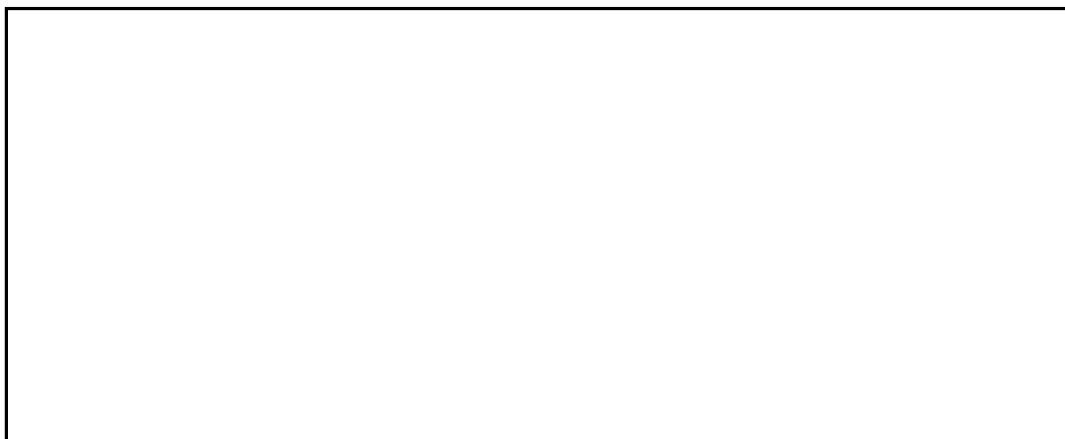
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agencies to obtain investigative information already of record
was usually conducted by [redacted]
credentials, although cut-outs were used to protect the fact

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The Headquarters complement of SSD in 1954 numbered

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[redacted] It administered all work conducted by

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[redacted] The Chief, SSD was aided

by a Deputy, two assistants, and a Counter-Intelligence Desk.

The Division originally had three subcomponents: (1) the
Operations Branch, (2) the Special Referral Branch, and (3)
the Cover Branch. The Special Referral Branch was converted

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[redacted] A Di-

rective of 15 June 1954 shifted to DD/P the function of ac-
quiring official cover for the Agency.

The Operations Branch of SSD consisted of the Covert

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[REDACTED]

for a variety of security services and special investigations, not related to security clearance processing, performed in support of operating components of the Agency.

These included the establishment and servicing of

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[REDACTED]

for various pur-

poses. Special inquiries were conducted for a variety of purposes: for example, to ascertain the identity of the originator of an anonymous telephone call; the identity of the owner of a particular vehicle; or a complete rundown on an individual, company, or organization of operational interest

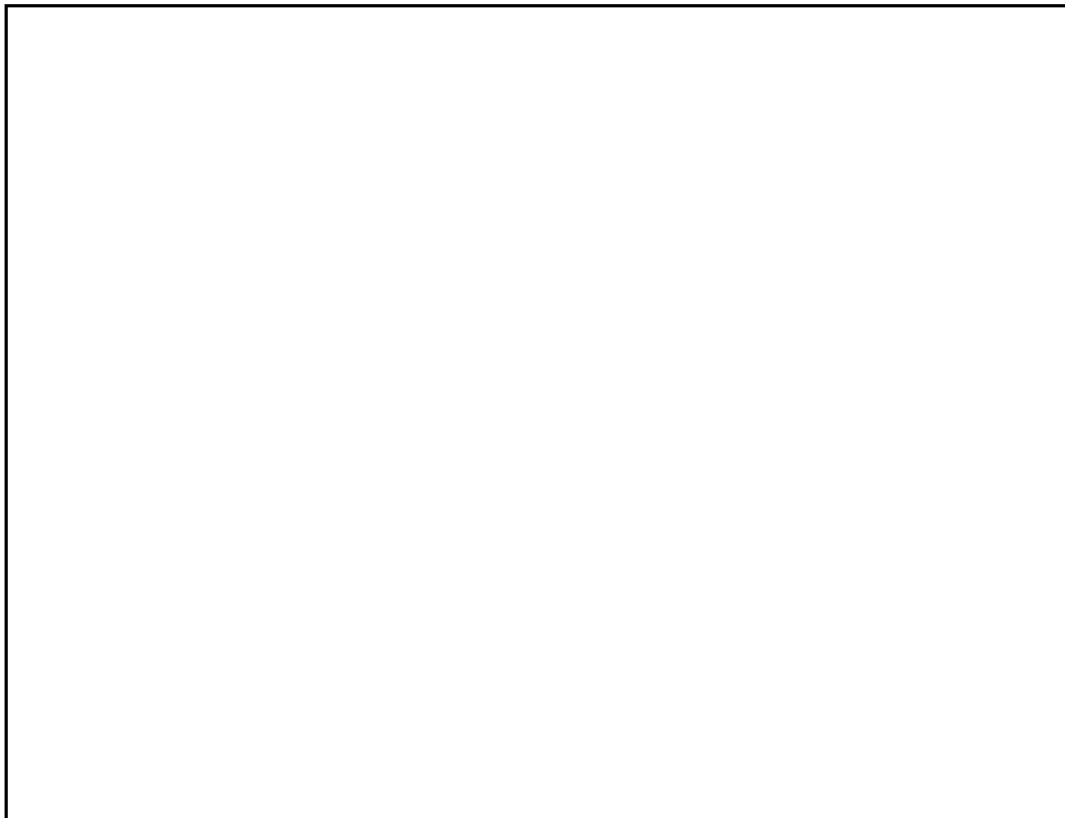
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F. Personnel Security*

1. Personnel Selection

The security screening of personnel for employment or other use was a major preoccupation of I&SO from 1947 to 1954. The Agency was rapidly expanding its personnel and activities both domestically and abroad. The Office of Policy

* A complete history of personnel security practices in CIA is provided in Volume II of this series.

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Coordination (OPC) was established 27 August 1948, and OPC and OSO operated independently as the Clandestine Services of the CIA until 4 January 1951 when both offices were combined under a Deputy Director for Plans (DDP). CIA's overt collection, analysis, and dissemination functions under the Deputy Director for Intelligence (DDI) also expanded. The invasion of South Korea in June 1950 stirred much new activity in the Agency. Applicant cases processed by I&SO rose from

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Within I&SO the exercise of the security screening function was divided between the Security Division and the Special Security Division. The Security Division performed I&SO security clearance responsibility for all overt and semi-

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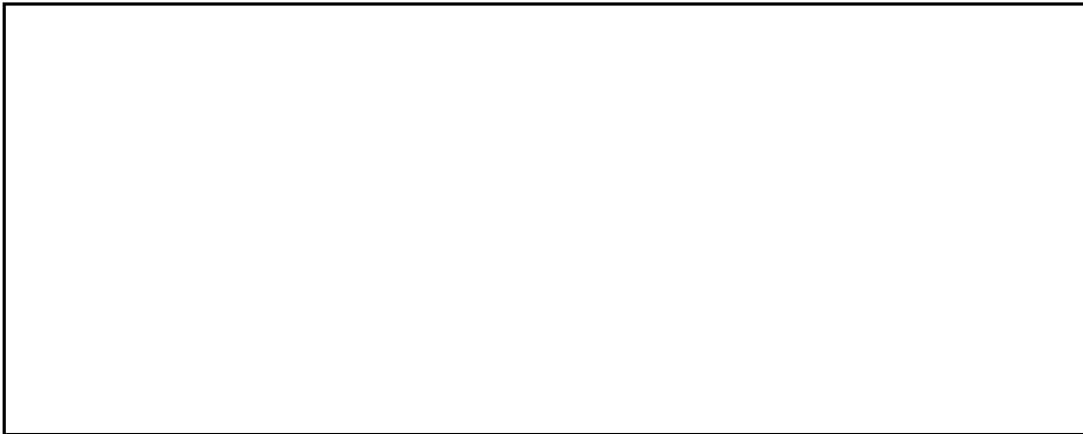
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covert applicants, and, in addition, for those individuals used under overt contracts, overt intelligence sources, [redacted]

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25X1 [redacted] Additionally, they performed separate assessments related to the individual being provided access to Special Intelligence information, and provided security indoctrinations to personnel prior to overseas assignment. The Special Security Division shared with the Clandestine Services responsibility related to the clearance or approval of individuals to be employed or used by the Agency under covert

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* The division of responsibility and the influence and considerations leading up to the issuance of [redacted] (last Revised 17 July 1958) are fully detailed in Volume II of this series.

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The decision of the Executive for I&S related to the security disapproval of an individual for employment could be reversed only by the DCI. Annual security disapproval rates ranged from 5.4 to 8.9 percent during the 1947-54 period. 117/

In July 1953 the MPS (Medical, Personnel, and Security) Panel was created to assist in the selection of candidates for Agency employment. This panel, which consisted of representatives from the Medical Office, Personnel Office, and Security Office, provided an opportunity to assess the propriety of employing any individual in cases where questionable information existed but where such information was not of such nature as to warrant denial of security clearance by I&SO. Individual cases were referred to the panel for their consideration at the discretion of any one of the three participating offices. This panel made possible the discreet exchange of views and information obtained from security and medical sources, resulting in a better overall assessment of the individual in terms of his suitability for engaging in the sensitive activities of the

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Agency.* 118/

2. Loyalty Orders

The CIG Personnel Loyalty Board, established 16 April 1947 pursuant to the provisions of EO 9835, was automatically abolished upon creation of the CIA. Only one case was referred to this board and the case was rejected due to insufficient evidence of disloyalty, without notification to the employee. 119/

Because CIA possessed a more expedient, legal basis for dismissal of employees whose continued employment constituted a security risk,** a CIA loyalty board was not established until 23 August 1948, and then only after considerable prompting by the Civil Service Commission. 120/
A total of 62 cases were heard by Agency boards under EO 9835,

* The distinction was that I&SO could reject applicants solely on the grounds of security, whereas the MPS Panel could recommend rejection on other grounds related to overall suitability.

** Section 102(c) of the National Security Act of 1947 (see F3, below).

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and all of the employees involved were retained. By way of explanation, EO 9835 required that, in all cases where information of possible questionable loyalty was developed (for example, a case involving membership in an organization cited by the Attorney General as being subversive), a full investigation would be conducted by the FBI. Consequently, a large number of cases were processed under EO 9835 due to technical considerations. 121/

EO 10241 of 28 April 1951 amended EO 9835 and clarified the standard for refusal or denial of federal employment related to loyalty -- that there needed to be only a "reasonable doubt" as to the individual's loyalty. The subsequent issuance of EO 10450* further strengthened the standard by insisting that the employment of the individual must be "clearly consistent with the interests of the national security." Each change necessitated a review of the files of cases previously processed against the new standard.

* 27 April 1953.

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Although standards for acceptance for Federal employment became more stringent with each succeeding order, so too did procedures providing for adequate, legal due process to protect the rights of the individual. Provisions of EO 10450 prescribing right of counsel, cross examination of witnesses, right to receive a copy of the transcript, and calling for security hearing boards consisting of impartial individuals (non-Agency) selected in each instance from a roster maintained by the Civil Service Commission, threatened the security of sensitive Agency activities, and militated against extensive use by the CIA of this loyalty order to purge itself of possible security risks, particularly since a more satisfactory legal alternative existed. In one instance, however, involving an employee concerning whom the Agency was completely satisfied as to loyalty, but who nevertheless had been the subject of some public controversy, the DCI chose to apply EO 10450 procedures in order that the case might receive a fully impartial review. 122/

Provisions in both EO 9835 and 10450 required that each Federal department and agency contribute information

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to a Civil Service Commission master index of the names of all individuals investigated for Federal employment. The Agency's compliance with these provisions would have provided the Civil Service Commission with a complete list of all CIA employees, notwithstanding individual cover status. Despite insistence on the part of Civil Service Commission, the Agency successfully resisted contributing names to this index until finally Section 7* of the Central Intelligence Act of 1949 exempted the Agency from requirements existing under any law to publish or disclose the organization, functions, names, official titles, salaries, or numbers of its employees. The Agency thereafter interpreted this Section as exempting it from any requirement to contribute to the master index, and the Civil Service Commission eventually acquiesced. 123/

3. Summary Dismissal Authority of the DCI

Effective with the establishment of CIA, the DCI was

* Later Section 6, as amended.

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provided with the following authority:

Notwithstanding the provisions of Section 6 of the Act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Director of Central Intelligence may, in his discretion, terminate the employment of any officer or employee of the Agency whenever he shall deem such termination necessary or advisable in the interest of the United States, but such termination shall not affect the right of such officer or employee to seek or accept employment in any other department or agency of the Government if declared eligible for such employment by the United States Civil Service Commission.*

Consequently, the DCI was no longer limited to the rather narrow guidelines provided in the Government's loyalty program, to remove personnel whose continued employment might be inimical to the sensitive operations of the Agency.

On 31 July 1947 an order was issued, effective with the establishment of CIA, designating an Employee Review Board, to be chaired by the Executive Director, to advise the DCI on a just and equitable exercise of this authority in individual cases brought to its attention. 124 /

* Subparagraph (c) of Section 102, National Security Act of 1947 (Public Law 253 - 8th Congress).

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From 1947 through 1954, 26 cases were heard by the Employment Review Board resulting in the separation of 15 employees. Eight cases previously approved under EO 9835 boards were rejected by the Employee Review Board as security risks. Although a number of the cases resulting in separation involved security action related to loyalty questions, none of these cases involved any individual who was engaged in espionage, maintained active membership in the Communist Party, or disclosed classified information to unauthorized persons. In each case, information was developed of such nature that the continued employment of the individual represented a greater security risk than the Agency should assume on a continuing basis. In many more cases, however, employees (including military assignees) left the Agency of their own volition prior to any Board action, based upon security information related to a wide variety of indiscretions, including sexual perversion, drug addition, psychotic behavior, arrest or criminal record, excessive drinking, and security violations. 125/

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G. Interrogation Research Branch (Polygraph)*

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In 1945, [] carried out experimentation in Rhode Island related to the practicality of a polygraph (lie detector) program for government agencies. He used several hundred prisoners of war as subjects in his experiments. 126/ On 4 June 1948, Rear Admiral R. H. Hillenkoetter, DCI, wrote

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[] and requested that he speak with []

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[] whom the DCI had authorized to discuss the poly-

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graph with [] 127/ The polygraph was one of a number of "Special Technique Applications (STA) of Subconscious Isolation" then under consideration for security use, to facilitate the personnel security screening processes in times of national emergency. 128/

On 23 August 1948, Admiral Hillenkoetter advised all Assistant Directors that he had directed the Executive for I&S to conduct research into the use of technical devices to aid the personnel screening processes and accordingly had authorized

* A complete history of the CIA polygraph program is provided in Volume IX of this series.

** Security Control Staff, I&SO.

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I&SO to test the polygraph on any employees of CIA or applicants who might volunteer to take the test. 129/ []

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25X1A [] was used as a consultant for these tests.

On 18 March 1949, Chief, I&S advised the DCI that the Atomic Energy Commission had made it obligatory for all personnel having access to certain sensitive areas in their plants to submit to polygraph examination. He further advised that results of his own tests showed definitely that the polygraph could be of inestimable aid to security. 130/

The DCI, however, rejected a 21 December 1949 proposal of the Assistant Director of Special Operations that compulsory polygraph examination be instituted as an integral of the Agency's overall personnel security program. 131/ He did, however, authorize the Chief, I&S, to proceed with such a program on a voluntary basis.* 132/ On 21 May 1953, Allen W. Dulles, as DCI, reaffirmed the authority of the Chief, I&S to continue the use of the polygraph as an aid to the personnel screening process on a voluntary basis. 133/

* AEC also subsequently put its polygraph program on a voluntary basis.

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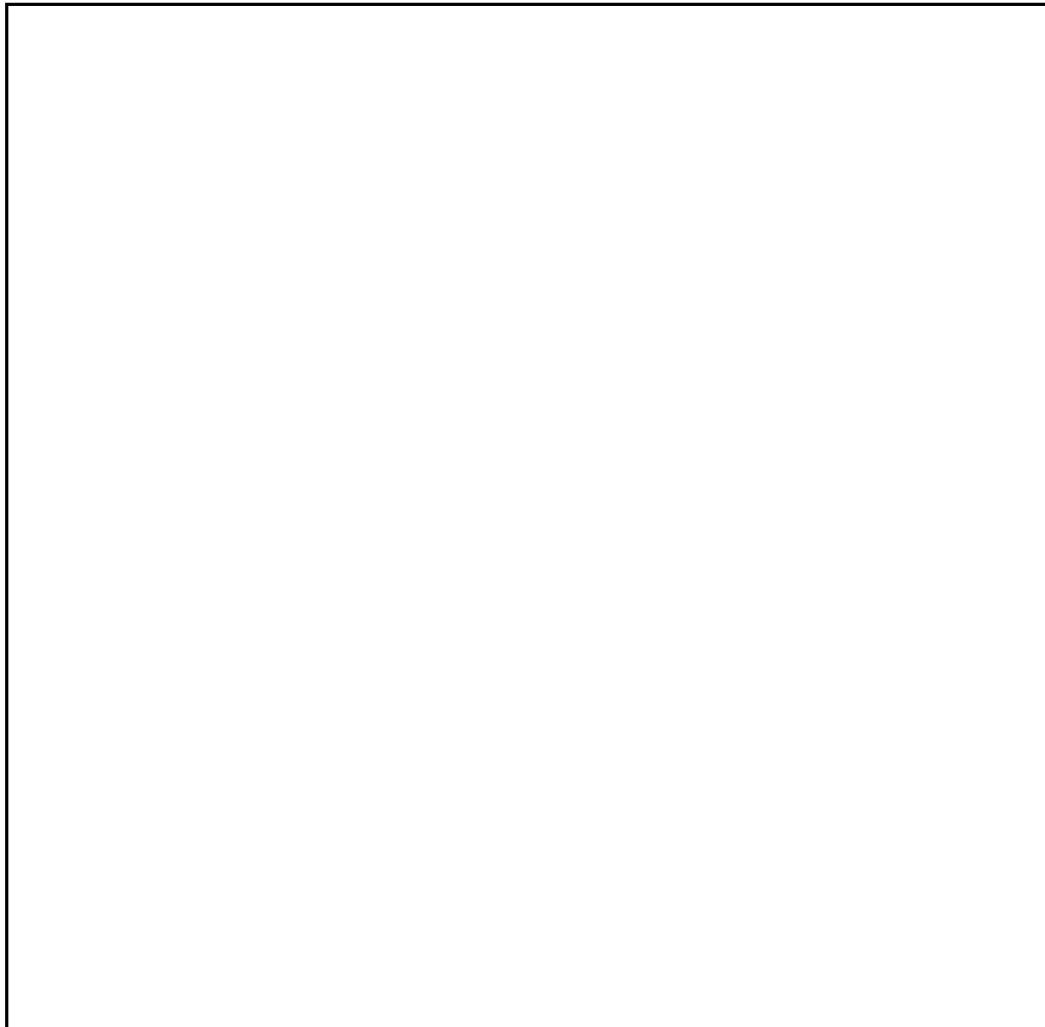
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In October 1950 the Interrogations Research Branch (IRB) of the Security Division of I&SO was organized to conduct the CIA polygraph program, and IRB continued to increase its operations and enlarge its staff to meet the demands of the Agency.

Although the first use of the polygraph within CIA was related to the security screening processes, its value to CIA

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examination. These individuals were still employed with the Agency. Early examinations had been given to persons proposed for clearance for Special Intelligence, to employees of I&SO, and high-ranking officials of the Agency. In the spring of 1951

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[redacted]
[redacted] In the fall of 1951, procedures were initiated whereby all applicants were given polygraph examinations as part of their entrance-on-duty processing. 135/

H. Physical Security* 136/

The Physical Security Branch of the Security Division of I&SO was responsible for the development and maintenance of security protective measures

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[redacted]
[redacted]
[redacted] The Branch had no responsi-

* A complete history of CIA physical security practices is provided in Volume III of this series.

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bility for physical security of overseas installations and performed services abroad only upon specific request.

The Physical Security Branch was divided into four sections -- Investigations, Technical, Building Security, and Safety. By 1954, it had an authorized T/O of

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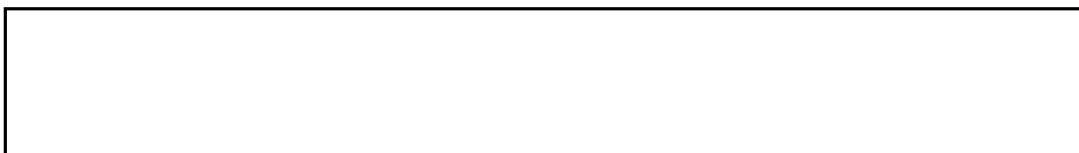
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The Branch's functions included: processing of all visitors fingerprinting, photographing, and badging all employees, supervising the reading of security regulations and signing of secrecy oaths and providing of security indoctrination to new employees, supervising the Agency's safety and overt firearms program, con-

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investigating security violations, collecting and destroying of classified trash, and maintaining the "Security Regulations Manual" on a current basis. In addition, the Branch provided the services of two night security officers, who served

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for all intents and purposes as the only non-duty hour point of contact within the Agency for persons outside.

The primary physical weakness of the Agency's security program resulted from a condition that could only be remedied by Congress. Within the metropolitan area of Washington alone, the Agency occupied separate structures. The movement of persons, documents, equipment, and classified waste from building to building exposed the Agency to the daily danger of deliberate penetration. In 1950 the CIA requested the Bureau of the Budget to find it secure quarters under a single roof. The Bureau of the Budget reported that no satisfactory structure could be found, and thereafter it supported the Agency in a request for new construction. A new, single building, however, was not to be provided quickly. 137/

The principal outside influence on physical security practices within CIA during this period occurred in 1951 with the issuance of Executive Order 10501, "Safeguarding Official Information in the Interests of Defense of the United States." This Executive Order codified in great detail federal govern-

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ment procedures related to the classification of defense information, according to various levels of sensitivity (for example, Confidential, Secret, Top Secret); to the identification of such information in accordance with prescribed markings; and to appropriate standards for its storage and transmission to insure against unauthorized disclosure.

Another aspect of physical security involved protection of the DCI. In November 1953 the National Security Council issued a Top Secret directive authorizing the CIA Director of Security to establish and maintain adequate security measures to insure the personal safety of the DCI and the D/DCI as well as classified material in their custody. Prior to this, the Director of Security had been authorized to provide such protection under CIA Regulation only in emergencies. As a result of the NSC directive, coupled with an incident of 1 March 1954 which resulted in the wounding of several congressmen on the floor of the House of Representatives by a Puerto Rican, the Director of Security in April 1954 established a small staff of agents to provide protection to the DCI and D/DCI. This staff provided 24-hour coverage seven days

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a week to the DCI, whether at home, in the office, or in travel status. 138/

I. Counterintelligence

In June 1946, [] had recommended that the Security Branch of the Central Planning Staff, CIG, be redesignated the "Counterintelligence Branch." 139/ []

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[] believed that the word "counterintelligence" pertained to all security measures, both active and passive, designed to insure safeguarding of information, personnel, materiel, and installations against espionage, sabotage, or other subversive activities. [] recommendation at that time

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was only a manifestation of the philosophy that an effective security program must include some analysis of the extent and nature of the threat. He carried the philosophy further in his concept of the CIG Office of Security,* wherein he recommended that the organization (CIG) having responsibility for coordination of overall, national counterintelligence/counterespionage acti-

* See D7, above.

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vities (which includes an analysis of the threat to security) should also be responsible for the overall coordination of the Federal government's security countermeasures program. He overlooked only that the new organization's charter limited it to activities outside the United States, and that it was expressly forbidden from engaging in matters related to internal security affairs.

The Security Office, however, exercised functions of an internal security nature in the protection of Agency classified information, personnel, materiel, and installations located within the confines of the United States. This incursion was allowed under the several Executive Orders which made the security of internal operations the responsibility of the head of each department and agency of the Executive Branch of the Government.

The Office of Special Operations of CIG was established on 11 July 1946 to conduct all organized Federal espionage and counter-espionage operations outside the United States, pursuant to CIG's charter as defined by NIA Directive No. 5

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of 8 July 1946. Originally Staff D supervised all counter-espionage/counterintelligence activities of CIG and CIA.* With the establishment of OPC in 1948, this function remained the exclusive province of OSO until the consolidation of the clandestine services under the Deputy Director for Plans on 4 January 1951, at which time a CI Staff was organized in the DDP. The DDP continued to add to the Agency's data bank related to known or suspected subversive persons and organizations which had been commenced under OSS.

In setting forth OSO's overall responsibility for counter-espionage protection and support, the DCI specifically provided that his instruction was in no way to abrogate the security responsibility of the Chief, Inspection and Security.

140/ The Chief, I&S, was specifically charged with preventing penetration of Agency activities.** Late in 1949 a small CI

* Later redesignated Staff C to alleviate the problem of omission of the prior Staff C's activities (related to Special intelligence) during briefings of Congressional committees. The special intelligence function was redesignated as Staff D.

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Staff was established in I&SO to maintain continuing vigilance against possible penetration of CIA by agents inimical to the interests of the United States. On 12 August 1952, the CI Staff was redesignated the Security Research Staff (SRS), at

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The CI Staff of I&SO and SRS, which consisted of no more than 15 employees during the 1949-54 period, conducted a program of continuing research to identify possible patterns of penetration of CIA through its personnel and also maintained vigilance related to potential or actual personnel security risks within the Agency. To this end, fruitful liaison was maintained with other intelligence and security segments of the Federal government (including the FBI) and with the Metropolitan Police Department in Washington. 142/ In November

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1952, the Chief, I&S, directed that one representative each be designated within the Security Division and the Special Security Division to review current personnel security investigative cases from the standpoint of possible penetration efforts and to coordinate where appropriate with SRS. 143 / I&SO continued to compile its own indices related to suspect persons and organizations and thereby added to the Agency's overall counterintelligence knowledge. I&SO made searches of DDP/RI indices in all cases where pertinent to the subjects of its investigations.

In his July 1952 report of inspection of I&SO, Mr. J. Patrick Coyne of the National Security Council reported that the CI Staff of I&SO was not achieving complete implementation of its counterintelligence responsibilities of the Chief, I&S, because it was not fully informed by the Clandestine Services concerning the nature and extent of the latter's efforts to prevent, or to detect and counter, possible attempts at either penetration of the Agency or compromise of the personnel employed or used by the Agency overseas. With the passage of time, however, SRS was to engage in a program

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of more fruitful dialogue and coordination with the DDP related to counterintelligence and its operations assisted in negating the threat of possible penetration of the Agency by foreign intelligence operatives.

J. Alien Affairs

The CIA early became involved in arranging entry into the United States of aliens for reasons related to the intelligence mission. Legislation* was enacted in 1949, authorizing the entry into the United States for permanent residence of aliens (not to exceed 100 in any one fiscal year) without regard to their inadmissibility under the immigration or any other laws and regulations whenever the DCI, Attorney General, and Commissioner of Immigration determined that the entry was in the interest of national security and essential to the intelligence mission.

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The sheer complexity of the Nation's laws and regulations

* Section 8 (later Section 7 in the amended version) of the Central Intelligence Act of 1949.

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related to aliens and immigration caused the overall intra-Agency administration and coordination of such matters to be initially handled by CIA's General Counsel. The Executive for I&S was also involved because of FBI and Immigration and Naturalization Service insistence upon assurances from the DCI that aliens admitted under the Agency's sponsorship would not become a threat to the national security. The Assistant Director for Policy Coordination objected to the General Counsel's role as overall administrator and coordinator on the grounds that it was an inappropriate involvement of the Agency's legal staff in operational matters. 144/ It was at first proposed that the matter be handled by committee;* however in April 1950 because of I&SO's status as part of the DCI's Executive Staff and because it was already intimately concerned with the alien affairs program of the Agency, this responsibility was given to the Executive for I&S. 146/ Evidently, action through committee did not present an attractive alternative, and by this time all parties

* A proposed "Operations Unit" under the Coordination, Operations and Policy Staff (COAPS) of CIA. 145/

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were convinced that the overall responsibility should not continue with the General Counsel. The Security Office's authority related to alien affairs was more clearly fixed with the issuance of of 26 January 1954, which stated that:

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An Alien Affairs Staff was established in I&SO in May 1950 to assist the Executive for I&S with his responsibilities related to the matter of aliens of interests to CIA. This Staff reviewed, prior to implementation, from the standpoint of Agency commitments, operational planning in any of the several operational segments of the Agency regarding use of aliens for intelligence purposes. It conferred with operations offices concerning security aspects of operational plans for the use of aliens, and considered proposals of the operations offices of the Agency for the entry of aliens under the new CIA legislation

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K. Career and Area Security Officers

With the centralization of security support and security policy within the CIA, the implementation of security nevertheless remained a command function exercised through the heads of the various Agency components. Some mechanism was necessary to insure uniformity in the interpretation and application of the Agency's security policies. In this regard the function of security inspection played an important role; however, this is discussed at length in other sections of this history. Additionally, I&SO's responsibilities related to security clearance or approval of personnel employed or used by the Agency also represented an important element of the checks and balances necessary to effect a uniformly sound security program.

On 20 July 1949 each Agency Assistant Director and Staff Head was directed to appoint a security officer responsible to him for insuring compliance with CIA security regulations and policies. 148/ The duties of these security officers included coordination and liaison with the Chief, Inspection and Security. The Chief, Inspection and Security, held

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regular meetings with these security officers to discuss matters related to the security of Agency operations. On 24 October 1952 the DDP directed that the chief of each staff (FI, PP, PM, TSS, Admin.) and area division designate a security officer for Headquarters activities of their organizational components to be responsible to the chiefs for security of operations within their jurisdiction. 149/ These security officers were to be briefed by the CIA Security Officer on the organizational structure of the Security Office and were to establish and maintain direct working relationships with appropriate Security Office representatives.

With the passage of time, however, it became apparent that the assignment of career security officers would produce more desirable results, particularly in those areas where the incidence of security problems was the greatest.* By 1954,

* Agency regulations distinguish between "Career Security Officers" and "Area Security Officers"; the former are Agency personnel whose Career Service is Security, who are fully trained and experienced in security techniques, and who are assigned by the Director of Security from the Security Office to other elements of the Agency for full-time security
(Footnote continued on P. 117)

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X there were career security officers assigned to work under the supervision of the heads of the operating components. 150/



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* (Continued from P. 116) duty; the latter are Agency personnel whose Career Service is other than Security, who are designated by the official concerned with the concurrence of the Director of Security, for security duties in addition to regular duties.

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L. Later Organization

By December 1954, I&SO had become the CIA Security Office, responsible to the DCI through the DDA (later to be redesignated the Deputy Director for Support). The Office had an approved overall personnel strength of [] Supporting the Director of the Security Office were an Executive Officer* and five staffs: Administration and Training, Alien Affairs, Security Control, Security Research, and Inspections (formerly the Inspections Division).

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The Administration and Training Staff, consisting of [] employees, provided overall administration, personnel, and training support to the Security Office; including the preparation of studies and budget estimates in addition to the maintenance of property accountability. Activities of the Security Control Staff, Alien Affairs Staff, Security Research Staff, and Inspections Staff have been previously described in this Volume. The balance of the organization was divided into two divisions:

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* The position for a single Executive Officer was established in January 1952.

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the Security Division and the Special Security Division, whose functions were also earlier described.*

* For an organizational chart of the Security Office just prior to December 1954, see Figure 3.

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FIGURE 3

SECURITY OFFICE

1 December 1954

Director of Security
Deputy Director of Security
Executive Officer

Admin. & Training Staff Alien Affairs Staff Security Control Staff Security Research Staff

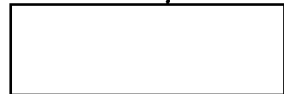
Security Division

Inspection Staff

Special Security Division

Physical Security Branch Personnel Security Branch Interrogation Research Branch

Special Referral Branch Operations Branch Cover Branch



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Requirements Section Appraisal Section Records Section Research Section

Covert Records Section Cores. Section Projects Section Covert Security Section

Operational Clearance Section Open Section Operational Support/ SI Section

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CHAPTER III

Expansion of Security Support and

Growth of the Executive Function

(December 1954-June 1963*)

A. Reorganization of 4 December 1954

Following a survey conducted by the Agency's Management Staff, 157 / the Security Office was reorganized in December 1954.** The survey recommended a reorganization of the Office to provide for two functional deputy directors in addition to the existing Director and Deputy Director. Each of the new deputy directors would exercise specific jurisdiction over a principal operating component of the Office -- namely, personnel and physical security support on the one hand, and in-

* Effective date of retirement of Sheffield Edwards as Director of Security/CIA.

** The Security Office was formally redesignated the Office of Security on 16 February 1955 as an aftermath of this reorganization; henceforth the latter title will be used.

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vestigations and operational security support on the other.*
In addition, a T/O was recommended and approved raising the
office's personnel ceiling from

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The principal effect of this reorganization, however, was
to raise the former Chiefs of the Security and Special Security
Divisions to a level where they could more appropriately exer-
cise responsibilities on behalf of the greatly overburdened Di-
rector of Security. Functional responsibilities of these two
major segments of the Security Office remained in general as
they had evolved prior to the reorganization.

The Deputy Director for Personnel and Physical Support
(DD/PPS) supervised the activities of the Personnel Security
Division and the Physical Security Division. The raising of
the Physical Security Branch to Division level resulted from
recommendations of both the management survey, and a 1954
inspection of the Security Office by the Inspector General. 158/
The Personnel Security Division consisted of the Clearance

* For an organization chart of the Security Office as of
5 December 1954 see Figure 4.

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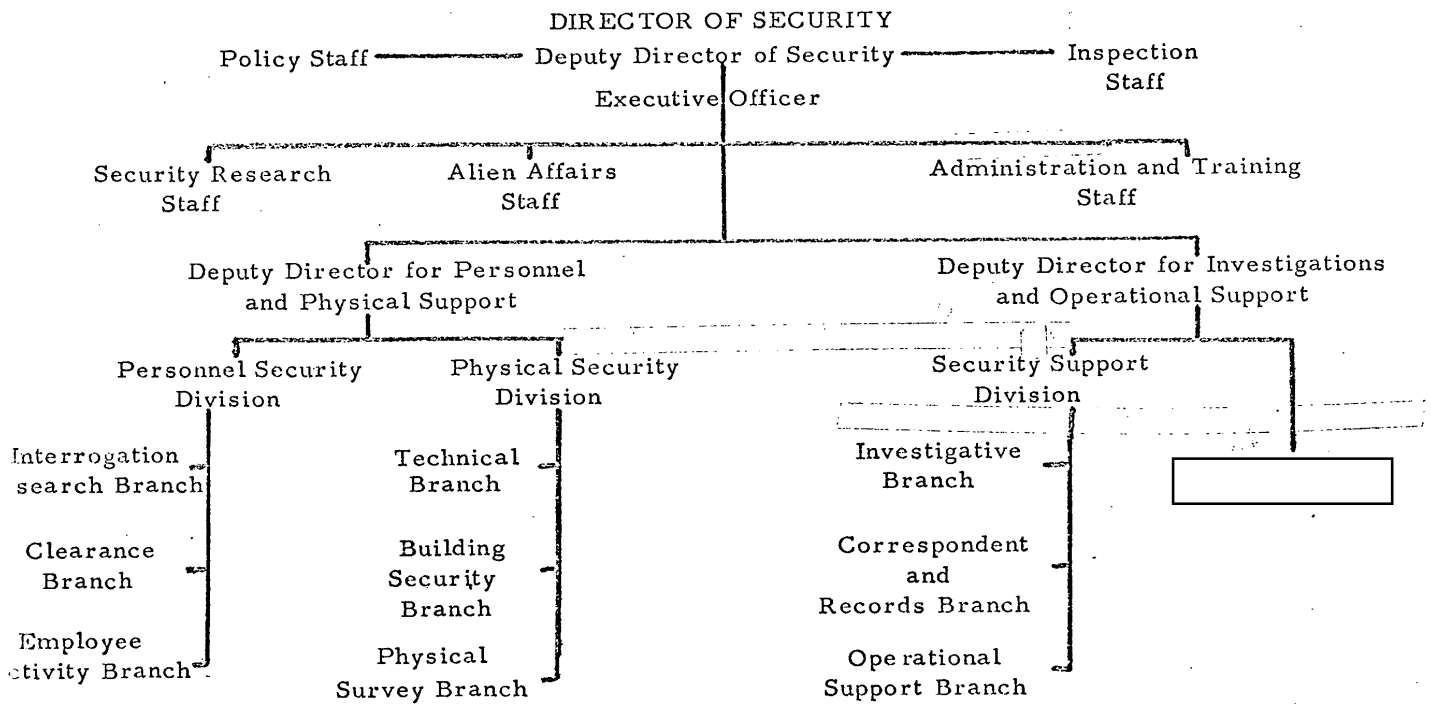
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FIGURE 4

SECURITY OFFICE ORGANIZATION CHART

5 December 1954



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Branch, Interrogation Research Branch (responsible for the Agency's polygraph program), and the Employee Activities Branch (EAB). The EAB was newly created to provide, among other functions, personnel security advice and guidance to Agency employees and components, thereby assuming tasks previously assigned to the Security Control Staff. The Physical Security Division consisted of the Building Security Branch, Security Survey Branch, and Technical Branch.

The Deputy Director for Investigations and Operational Support (DD/IOS) supervised the activities of the Security Support Division The Security Support Division was divided into the Investigations Branch and Operational Support Branch, with the former's activities related to the security screening of personnel proposed for covert use, and the latter involved in all other matters of support to covert activities of the Agency.* In addition, the Alien Affairs, Inspection, Security Research, and Administration

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* Raising the OS/SI (Operation Support-Special Inquiry) Desk to a branch level was also recommended in the 1954 Inspector General survey of the Security Office.

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and Training Staffs remained as previously constituted. The Policy Staff replaced the Security Control Staff. Stripped of its earlier functions related to providing personnel security guidance to Agency employees and components (reassigned to Employees Activity Branch of the Personnel Security Division), this Staff now concentrated its efforts upon the recommendation of security policy as well as other areas of major security concern throughout the Agency.

B. Subsequent Organizational Readjustments

The 4 December 1954 reorganization of the Office of Security (OS) achieved a notable degree of overall organizational stability which prevailed for ten years, although there were a number of minor changes designed to accommodate Agency readjustments.

1. Within DD/IOS

In October 1956, there was a reorganization of the Investigations Branch of the Security Support Division along general geographical rather than functional lines. 159/ The resulting "desk" breakdown within the Branch

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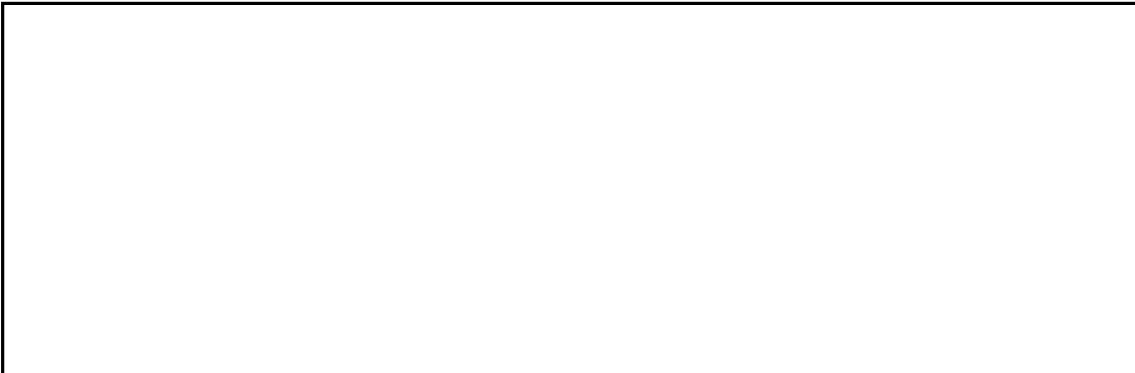


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to accommodate its organization to that of the operating components of the Agency. This resulted in more fruitful dialogue between the operating components and the Security Office relating to covert security clearance matters. IB-5 (the "open" desk) had no security clearance responsibilities, but instead serviced the investigative requirements of the Personnel Security Division, transmitting them  for action.

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In September 1962, the organizational composition of the Investigations Division* of DD/IOS was again altered, primarily to accommodate the increase of Agency activities re-



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* Raised to division status in 1961 (see B6., below).

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2. Polygraph

On 16 July 1955 the DCI made the Office of Security solely responsible for the selection, training, and technical supervision of all employees using the polygraph for the CIA,

25X1A  161/ On 8 August 1957 a re-statement of this charter specifically charged the Office of Security with responsibility for "conduct for the polygraph program of the CIA." 162/ The Interrogations Research Branch was raised to Division status under the Deputy Director for PPS, effective 1 May 1957, 163/ and the Division continued to expand its activities to meet the increasing needs of the Agency.*

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* A complete history of the Agency's polygraph program is set forth in Volume IX of this series.

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4. Records

Following the consolidation of the

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Division of the OSO under the Executive for Inspection and



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Security in 1947, covert personnel security records had been segregated from overt records. The maintenance of overt personnel security records was the responsibility of the Records Section of the Personnel Security Division under the DD/PPS. The covert personnel security files were maintained by the Covert Records Section of the Special Security Division under the DD/IOS.

Although Col. Edwards was very early concerned with this obvious duplication of effort and the possibility of serious error, he was forced to operate for a number of years under a strict injunction from the Clandestine Services. Finally, early in 1958, the Director of Security directed the Chief of his Inspection Staff to conduct a comprehensive survey of OS records operations. The resultant report, submitted 19 February 1958, recommended consolidation of the two records sections under one Division. 167/ Consequently, on 13 October 1958, the Director of Security created the Security Records Division (SRD) of the Office of Security (later known as the Security Records and Communications Division - SR&CD) to assume records functions of the two former OS records offices.

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On 11 December 1958, the Director of Security delegated management responsibility for the SRD to the Deputy Director for IOS. * 169/ SRD was divided into three Branches: the Operations Branch, consisting of a Processing Section, an Indices Section, and a Communications Section; a Records Branch, consisting of the Case Files Section and the Topical Files Section; and the Research and Analyses Branch.

5. Staff Additions

A side effect of the consolidation of the OS records function was the creation of the Coordination and Review Staff under the Deputy Director for IOS. 170/ This Staff took over functions of the SSD Covert Records Section not related to the records function, such as the administration of the Confidential Correspondents Program, the Confidential Informants Program, periodic review of the office's Resident Agent status, and various statistical and administrative reportings related

In June 1961, the C&R Staff was abolished,

* A complete history of the Office of Security Records program is contained in Volume II of this series.

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its functions taken over by special assistants to the DD/IOS. 171/ In June 1957, a small Foreign Support Staff was created under the DD/PPS, responsible for providing overall technical support and direction to CIA overseas installations, and assisting the Director of Security in his exercise of technical supervision of overseas security personnel and activities. 172/

The Special Security Center (SSC) of the Office of Security was established in August 1962 to provide "security policy guidance" and other security services of common concern on behalf of the DCI to a large-scale, joint CIA/DOD intelligence activity, established pursuant to agreement concluded between the DCI and the Deputy Secretary of Defense, dated 25 April 1962. 173/ Until 1 September 1965 the SSC also included a Special Clearance Center (SCC) charged with the up-to-date maintenance of the names of all individuals (a national responsibility) approved for access to information related to the various compartmented intelligence programs of the US Government.*

* For further details of the activities of the Special Security Center, see Volume VIII of this series Compartmented Information Security Practices (Top Secret - Codeword controlled).

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6. 1960 IG Survey

A great influence on Office of Security organizational adjustments during this period were suggestions and recommendations contained in the report of the Inspector General's Survey of the Office of Security of December 1960, although the full extent of the suggestions were not adopted. 174/ The Inspector General described the two-deputy organizational structure of the Office of Security as "semi-functional" in that the basic allocation of duties was on a functional basis, but that modification and exceptions existed attributable to the historic isolation of covert activities. Within the IOS Directorate, a continuity of effort could be traced back through the Special Security Division to SSU at the end of World War II. The IG report also noted that in 1947 the SSD was brought theoretically into a unified Agency security component; but actually the unification effort did not result in merger, but rather in two separate systems under a unified command. Internal procedures which developed over the years gave effect to, and solidified, this separation of interests.

The IG's report stated that experience had shown that

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it was not necessary to have a complete separation of covert and overt support functions. He went on to cite the polygraph unit (IRD) and the recently accomplished consolidation of security records under the SRD as evidences of this. The IG suggested a reorganization of the Office of Security along strictly functional lines without regard for separation of covert and overt support: for example, a Personnel Security Division, an Investigations Division, a Technical Division (to include both the polygraph and the technical countermeasures functions), and a Security Operations Division. At the staff level, he would combine the records function and the administrative functions under the Executive Officer. In conclusion, the IG recommended that the DDS assign a qualified representative to the Office of Security to conduct a comprehensive and substantive survey and submit specific reorganization proposals to the Director of Security.

Accordingly, the Executive Assistant to the DDS conducted a survey of the Office of Security, submitting his report in April 1961. Contrary to the suggestion of the IG, this survey upheld the validity of the office's two-directorate organizational structure, but submitted eight suggestions related to consolida-

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tion of a number of "Secretariat" and administrative functions. Included among the suggestions were: staff status to Interrogation Research Division, raising the Technical Branch to Division status, and splitting the Security Support Division into two divisions, responding organizationally to the Director of Security. 175/ Not all of these suggestions were adopted, but the following adjustments were made to the Office of Security organizational structure 176/:

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(a) The Inspection and Policy Staffs were abolished; and in place of a single, Executive Officer, an Executive and Policy Staff was designated to assume their functions.

(b) All purely administration functions such as those being performed by the Coordination and Review Staff of DD/IOS were given to A&TS. The Coordination and Review Staff of DD/IOS was abolished.

(c) The Technical Branch was given full Division status under the DD/PPS.

(d) The Security Support Division was abolished, and two new Divisions -- Investigations and Operations Support -- established in its place. What had previously been "desks"

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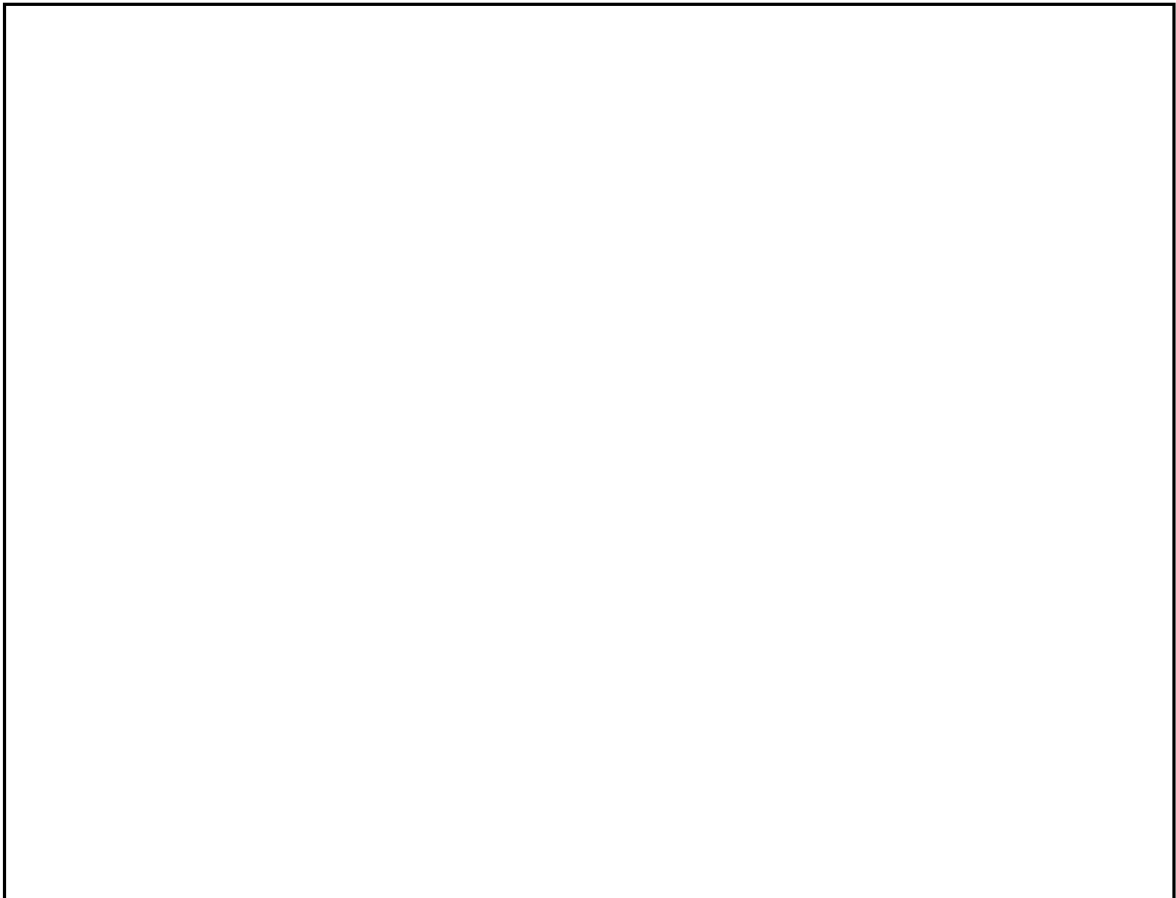
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under the Investigations Branch and the Operations Support Branch were themselves raised to branch status.*

C. Industrial Security.**

The CIA, as an Agency of the Federal government, may, and does procure equipment and materials through the purchasing services of the General Services Administration. In



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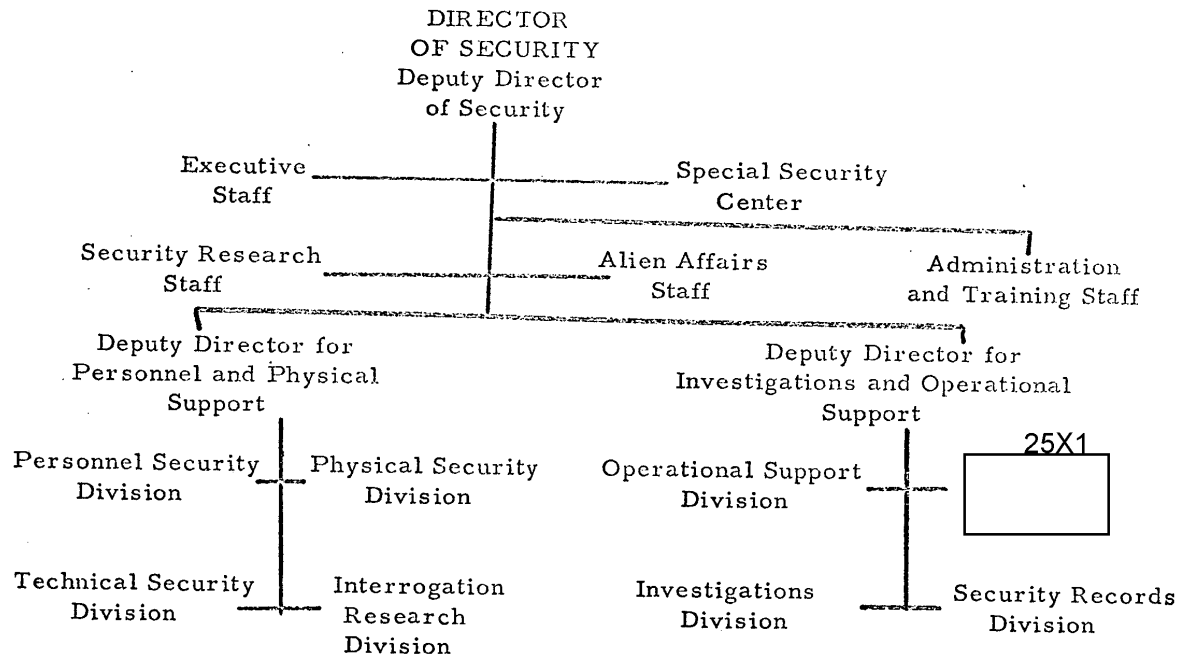
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FIGURE 5

OFFICE OF SECURITY

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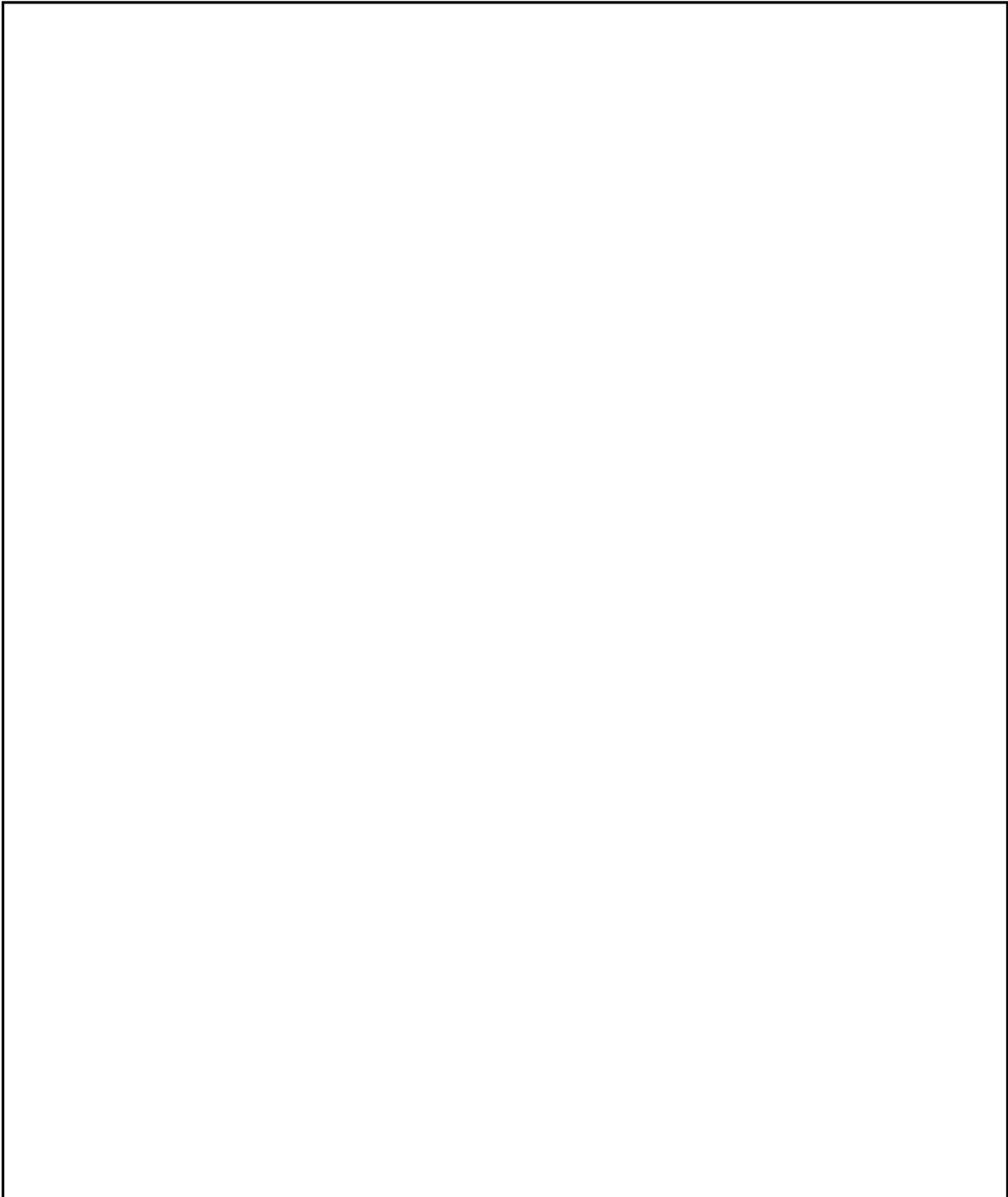


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As stated in the previous chapter, during the early years

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of CIA, the Inspection Division of I&SO had been responsible for continuing supervision of security aspects of classified contract procurement, including the inspection of contractor facilities and monitoring the security clearance of their personnel. Contractor's personnel used under Agency classified contracts were investigated by I&SO, with the personnel security assessment of such individuals being the responsibility of the Security Division of I&SO. A considerable expansion of CIA classified contract procurement occurred during the 1954-63 period, and following the establishment of the Office of Logistics (originally called the Logistics Office) in the fall of 1953, and the initiation of large-scale R&D programs such as the U-2 Project in 1955, there was a delegation of responsibility for a large part of the Agency's industrial security program to the several contracting authorities.

On 7 May 1954, [redacted] was rescinded by [redacted]

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[redacted] which de-emphasized the primary role of the Office of Security with respect to the implementation of the Agency's industrial security program. Under the latter terms of reference, the CIA industrial security program

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was predicated upon the concept that the contracting authority possessed command security responsibility, although the security clearance of contractors' personnel remained the sole jurisdictional responsibility of the Director of Security. The Director of Security was also charged with the preparation of physical and personnel policies and with providing guidance. Implementation of the Agency's industrial security program, including inspections of contractors' facilities and the continued monitoring of all phases of security related to their activities was effected by security staffs of the several contracting offices -- the staffs consisting of career security officers, detailed by the Director of Security.

At the height of the Agency's industrial security activities during the 1954-63 period, there were [] career security officers assigned to the Office of Logistics and another assigned to the []

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In addition, the services of [] career security officers assigned to Technical Services Staff/DDP were related to a considerable extent to the Agency's classified procurement program. Of [] career security officers assigned to the Headquarters staff of the Development Projects Division, the principal efforts of []

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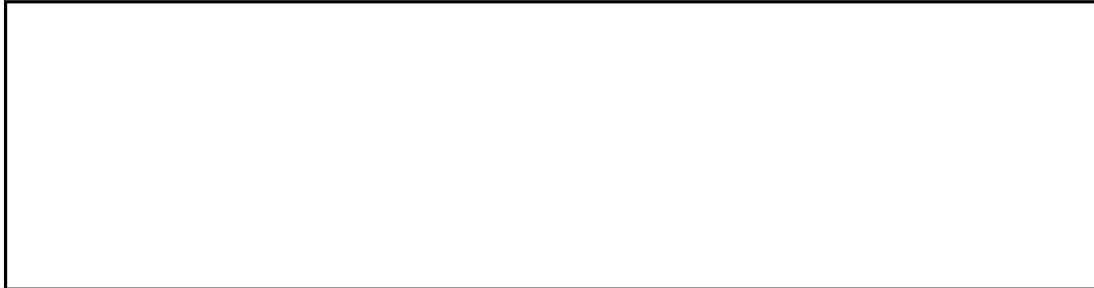
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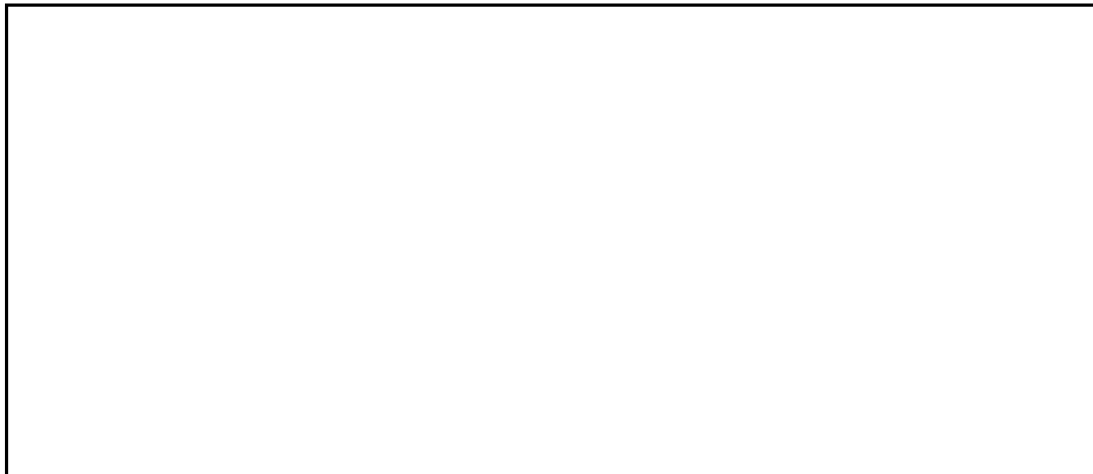
were devoted to the security of industrial activities. In addi-

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Personnel security clearances for contractors' personnel for DPD programs were provided by the DD/IOS. Personnel security clearances for contractors' personnel involved in the balance of the Agency's activities were provided through the Personnel Security Division under the DD/PPS. The investigative assets of the DD/IOS were used to support all industrial

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* The industrial security program related to activities of the DPD will be discussed in further detail in Volumes IV and VI in this series.

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work, however, to assist with the growing backlog of re-inspections; but this program did not achieve a notable degree of success and was discontinued after a short period of time.

The first overall Federal government Executive Order related to "Safeguarding Classified Information Within Industry" was issued in 1960. This order resulted from efforts of the Department of Justice and the Department of Defense to satisfy requirements stated by the Supreme Court in Green vs. US, 32 L. Ed. 2d 340, 79 S.Ct., handed down 30 June 1959. The holding in that case was that the Navy Industrial and Security Program was illegal, because it was not based upon an Executive Order or statute. Following this decision, the Defense Department's industrial security program was largely at a standstill. The necessity for breaking this logjam and the desire to head off legislative action prompted the Justice and Defense Departments and the Bureau of the Budget to move rapidly to conclude their study of a draft Executive Order. 185/

The resulting EO-10865 prescribed detailed procedures for insuring the right of due process for the individual, with respect to both the security review and subsequent appeal

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processes. Provisions of this Executive Order could not be complied with by the Agency, inasmuch as the very fact of the CIA as the contracting agency was itself the subject of security classification. Informal consultation with the Department of Justice, later made a matter of record with the Bureau of the Budget, resulted in agreement that the provisions of EO-10865 did not apply to the CIA. 186 / The situation continued

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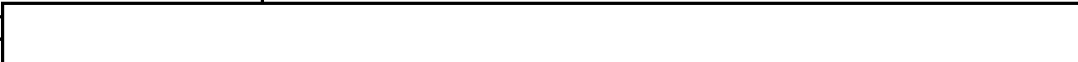
E. Special Security Support Activities

During the 1954-63 period there was considerable expansion of security activities rendered in direct support to operating components of the Agency. Some of these, such as the Guatemalan Revolution, the U-2 Project, the Bay of Pigs Operation, and the defector program, involved extensive use of Security Office manpower, in some instances through assignment of career security officers to the operating components and in some instances through the temporary detail of security personnel to accomplish specific missions. In most instances this sort of activity was directed or guided through the DD/IOS.



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G. CIA Security Education and Counseling of Employees*

The following quotations, the former attributed to Col. Sheffield Edwards in November 1953 and the latter taken from a November 1963 IG report related to "Personnel Security in the Central Intelligence Agency," perhaps best illustrate the objective and degree of accomplishment during this period in the development of a sense of "security awareness" in all employees of the Agency:

Each employee of the Agency must consider himself at all times a "security officer" of the organization, and as such must adopt an ever present and realistic security attitude toward every task and every responsibility. The strength of all we do in every compound of intelligence is only as strong as our weakest security link. 206/

From his very first contact with the recruiter and continuing throughout his entire Agency career, the employee is never allowed to forget his responsibility for maintaining intact the security of his organization. CIA makes it clear to the employee that security is of paramount importance and thus done in a fashion such that the employee can have no doubts as to the Agency's seriousness. 207/

* A principal source for this section, "Summary of A&TS, Training Branch," 22 October 1965. 205/

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Many aspects of the Agency environment contribute to the "security awareness" of its employees -- thoroughness of the manner in which he is investigated, his encounter with the polygraph, the rigid compartmentation of activities, the system of badges and guards, and the punitive measures applicable to security offenders. This section deals with two other aspects: the Office of Security's participation in the overall Agency training program, and the Office of Security's program for counseling of employees. These activities were largely centered in the Training Branch of the Administration and Training Staff and Employee Activities Branch of the Personnel Security Division; however, component security officers (both domestic and overseas) also played an important role.

Early efforts related to the security indoctrination of new employees were conducted by the Physical Security Branch of the Security Division, and consisted principally of the supervised reading of Agency Security Regulations at the time new employees were requested to effect a signed Secrecy Oath. The T/O of the Physical Security Branch in 1950 included an Indoctrination, Training, and Special Investigations Officer.

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In December 1951 a progress report prepared by the Assistant Deputy for I&S, giving the eight major functions of I&SO, listed "Indoctrination of Personnel" as the second major function of the office, preceded only by the screening and investigating of personnel. As early as December 1948, I&SO was giving indoctrination courses for CIA employees, and by 1951 security talks were scheduled as part of CIA orientation programs.

As a result of a classification survey, the Security Office training function was established as a branch within A&T Staff in 1953. In March 1955 this branch assumed responsibility for the overall Agency security indoctrination program previously administered by the Physical Security Division. By September 1956 the presentation of a three-hour security indoctrination was instituted as a regular part of the EOD processing of all new employees.

Work began on a Security Indoctrination film, to be entitled, "Personal Security," in 1957. In September 1961 this film, a four-part, two-hour presentation especially tailored to the requirements of CIA, was introduced as an integral part of the security indoctrination of new employees.

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Security Reindoctrination Program No. 1 was commenced in January 1958. Over the next 20 months, [] Agency employees attended this briefing, designed to reacquaint all employees of CIA with the importance of good security to the Agency's mission. In June 1963 the CIA Executive Director approved Security Reindoctrination Program No. 2 which was scheduled to begin in October of that year, thereby laying the foundation for a subsequent, regular, four-year reindoctrination program.

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In 1961 the Office of Security began a program involving the one-hour security indoctrination of dependents of Agency employees being assigned abroad, and a program of one-hour indoctrination specifically tailored to the needs of summer employees. In addition, the Office of Security participated in the Agency's Intelligence Orientation Course administered by OTR and a JOT (Junior Officer Trainees) dependents briefing program. In 1957, the Office of Security commenced a program involving the training of Office of Communications personnel in order to augment the Agency's overall technical countermeasures program.

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It was early recognized that in order to insure that the security of CIA activities was adequately protected, certain limitations on the personal outside activities of its employees was necessary. Matters such as writing for publication or making public speeches, engaging in private foreign travel, taking outside courses of instruction, and having contact with foreign nationals were the subject of CIA special Administrative Instructions and Notices from 1947 to May 1955. The first composite Agency Regulation [redacted]

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[redacted] was published 3 May 1955. This regulation was revised on December 1956, and again in 1960. On 1 April 1961, [redacted]

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was approved for inclusion in the Headquarters Regulation series. The cumulative effect of these instructions was to require employees to advise, and in some instances, seek the approval of, the Office of Security in matters related to: writing for publication, public speaking, contacts with foreign nationals, private foreign travel, participation in loyalty and security board hearing outside the Agency, court proceedings, affidavits, appearing as witnesses, arrests, participation in

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outside courses of instruction, and joining clubs and organizations.

The Employee Activities Branch (EAB) of the Personnel Security Division, created as part of the reorganization of 4 December 1954, served as the office of action within the Security Office for all such matters. Since many of the restrictions called for counseling of the employee by the Office of Security, EAB evolved during this period as the point of contact within the Office for employees seeking security consultation related to private outside activities. Actions processed by EAB related to outside activities of Agency person-

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The EAB also performed another function related to the Agency's overall security indoctrination program, involving the security briefing and debriefings of all employees going abroad or returning from overseas assignments, as well as those separating from employment with the Agency. The yearly number of such briefings and debriefing ranged between

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[redacted] during the 1954-63 period. 209/ Security Officers assigned to other Agency components provided indoctrinations related to special operating security requirements,



H. Contingency Planning

The preparation of a "CIG Disaster Plan" was one of nine outstanding security studies turned over to the Executive for I&S following establishment of this position in July 1947. In February 1948, the DCI approved a "CIG Disaster Plan (Local Emergency)" prepared by the Executive for I&S which provided for eventualities of fire or other local emergencies. 210/ In June 1948, the Executive for I&S recommended that a study of the requirements for duplication and storage (outside the Washington area) of vital documents -- those necessary to continue Agency operations during times of national emergency -- be undertaken. 211/ From 1948 to 1952 Agency "Standing" and "Planning" committees considered the ways and means of im-

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plementing such a program. Initial consideration was given to
locating the vital documents storage site in

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During the 1954-63 period, Agency contingency planning took into consideration matters essential to the mobilization of Agency assets under conditions of total warfare, as well as the myriad of scenarios, such as fire, flood, civil disturbance, insurrection, and enemy attack, which might bring about conditions representing a threat to the continuation of Agency operations. This planning involved overseas as well as domestic personnel and facilities. Security, as an integral part of the Agency's overall operation, naturally had to plan for the eventuality of total war, to insure that such an eventuality would not render the Security Office incapable of providing effective support to the organization. Security played an additional important role in all contingency planning, however, since each contingency involved either an actual or potential threat to the personnel, facilities, and operations which the Director of Secu-

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rity was charged to protect.

On 20 August 1953, responsibility for security under emergency conditions was placed by regulation in the Security Office. 212/ In May 1955, the overall emergency planning function was transferred from the Office of Security to the DDS. 213/ As a result of subsequent deliberations, the following fundamental responsibilities in contingency situations were vested in the Director of Security: (1) overall protection of classified materials, installations, properties, and personnel in the event of a national emergency; (2) security support for the relocation, evacuation, or other transitory action occasioned by emergency conditions; (3) maintenance of appropriate organizational facilities and records capable of providing continuing, security support to the Agency following its transition to an emergency mode of operation; and (4) guidance to other Agency components in the preparation of emergency plans. 214/

The CIA Emergency Security Patrol, which had been established earlier by the Executive for I&S, was formalized by regulations on 26 May 1954, 215/ to protect classified material, installations, property, and personnel of the Agency in areas of

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the United States in the event of emergency including fire, natural disaster, enemy attack, or other circumstances. This regulation also appointed the Director of Security as the Commanding Officer of the CIA Emergency Security Patrol, and authorized him to use employees of the Security Office for this purpose, to be augmented at his own discretion with other Agency employees on a temporary, interim basis, and on a continuing basis with the concurrence of the Operating Officials having administrative responsibility for these respective employees. An Emergency Security Patrol Manual which outlined the organization and duties of the Emergency Security Patrol; and procedures to be followed in the event of emergency, was published in November 1957, 216/ and revised manual was published on 1 March 1962. 217/

The Office of Security's mission and related policy applicable in the event of war was set forth in Appendix 5, Security Annex E, of The CIA Global War Plan, approved by the DCI on 10 December 1957. On 1 April 1959, Office of Security War and Contingency Plan was published, which was designed to fully implement and proceduralize its responsibilities and

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functions stemming from Appendix 5. 218/ Among other things, this plan provided for the maintenance of a team of [] professional security officers who were fully documented and prepared to augment the security capability of any station or area as required, security assistance to be rendered to the evacuation and/or relocation of Headquarters or other Agency domestic or foreign installations, delegations of security authority as appropriate to the particular circumstances, and security organization, including personnel augmentation and training required to meet war contingency situations. This plan was revised and updated in August 1962 by the Office of Security War and Contingency Support Plan and Guide, published 1 August 1962.* 219/

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Security plans were developed for Agency wartime relocation sites []

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[] The Office of Security participated in the Support Directorate's annual "Operation(s) Alert" designed to test the Agency's overall war plan. 220/

Basic guidance on physical protection of CIA personnel, documents, and physical installations in the field was prepared.

* This guide was subsequently updated again in 1965, and also in 1969.

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I. Career Management and Training

25X1A It will be recalled that the original personnel strength of I&SO was [] By December 1956 the number of Security Office employees had risen to [] 223/ From that point on, authorized personnel expansions were minimal. As of February 1959, the overall T/O for the Office of Security 25X9 stood at [] Additional expansion occurred between June 1962 and August 1962, when the overall personnel strength rose [] 25X9 This increase was the result of new responsibilities, including the manning of a Special Security Center to provide certain services to the USIB Community. 224/

During the 1947-54 period, the emphasis had been on procuring investigative personnel and training them as rapidly as possible to perform investigative services for the CIA. Some effort was also devoted to training personnel as component security officers, to operate both domestically and abroad. Although some individuals were engaged who possessed prior government security officer experience, the principal reservoir of Security Office personnel continued to be its investigative force.

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One disadvantage of drawing OS personnel leadership almost exclusively from its investigative apparatus was that

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tinual process of revitalization in terms of the overall mission of CIA was necessary if the function of security support was to remain in proper context with the balance of the Agency's business, and if personnel were to be interchangeable and capable of progression. Nevertheless, involvement in the investigative process, which essentially relates to the acquisition of facts appropriate to the reaching of conclusions, proved to be excellent training for assuming government managerial responsibilities.

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Early consideration of the Agency's overall career management program began in 1952, but it was not until the issuance of dated 25 June 1954, that full-scale implementation was underway. The first I&SO Career Service Board was established 13 August 1952. 225/ The major emphasis, however, began on 10 December 1956 with the appointment of

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a Career Management Officer (CMO) and the initiation of a projected, five-year individual career planning program, with consideration to be first given to those at the GS-12 grade level. 226/ Improvements with respect to the preparation of individual fitness reports, effected 25 March 1957 and 4 November 1958, undoubtedly also aided the program to a considerable extent. 227/

The Training Branch of the Administration and Training Staff was not established until March 1954, although the position of Security Office training officer had existed as early as 1951. The new branch assumed a number of functions previously housed in the Inspection Division related to training special agent investigators and preparing career security officers for assignment in the field with other Agency components. The Training Branch also possessed other responsibilities related to the Agency's overall training program, which are discussed in Section G of this Chapter. On 20 September 1957, the Office of Security first established formal, minimal training requirements for the various security specialties and positions related to security work. 228/ There-

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after, a serious program related to training was undertaken, using facilities of the Security Office as well as those provided through the Agency's Office of Training. The program was designed to increase the proficiency of OS employees in the several security specialties, to better acquaint them with overall Agency organization and activities in order to support CIA requirements, and to prepare them for increased managerial responsibilities. Undoubtedly, no small factor in the OS training program was the frequent rotation of those of its personnel showing particular promise, thereby providing a measure of on-the-job training. This procedure provided the Office of Security with a large number of qualified security and managerial generalists.

Following are examples of in-house training courses which were conducted by the Office of Security throughout the 1954-63 period to better prepare personnel for specific security assignments: 229/

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In addition, security careerists participated in more than thirty different courses given by the Office of Training. By 1957, the Office of Security had achieved the Agency-wide goal of allocating 5 percent of available man-hours to training. 230/

A 1962 report showed that most Security Office professional personnel were in the GS-12/13 grade level. A survey covering the 1959-60 period, related to GS-12 level employees in the DDS showed that the average age for OS was 28.3 years (the Directorate's lowest) and the percentage of individuals possessing at least a BA degree, 84 percent (by far the Directorate's

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highest). On the other hand, the annual attrition rate for the Office of Security at this grade level, 1.8 percent, was the Directorate's lowest -- the Directorate's highest annual attrition rate was 42.9 percent in the Office of Logistics.

Other statistics (in addition to the attrition factor previously mentioned) which reflect the overall degree of success of the program, show that during 1959-60, the OS promotion rate at the GS-12 level was 7.4 percent (again the Directorate's highest); those in grade two years or less, 25.3 percent (the highest); those in grade four years or more, 37.6 percent (by far the lowest, compared with Office of Personnel, 70 percent), and median time in-grade, three years, five months (again the lowest for the Directorate). The promotion rate, 7.4 percent, was the highest in the Directorate. Compared with the Clandestine Service, OS employees at the GS-12 rated as follows:

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	<u>Office of Security</u>	<u>Clandestine Services</u>
Average Age (years)	28.3	37.3
In-grade 2 years or less (percent)	25.3	23.6
In-grade 4 years or more (percent)	37.6	26.8
1959-60 promotion rate (percent)	7.4	10.1
1959-60 attrition rate (percent)	1.8	3.3

These statistics seem to demonstrate that the Office of Security achieved a notable degree of success during this period in holding together a large organization of comparatively young, well-educated professional employees, while at the same time providing a generous degree of opportunity for personal advancement. Although admittedly faced with a less serious problem than either the Office of Communications or the Clandestine Services (the Office of Security had far fewer people overseas) the rotation of career security officers into other Agency components, both domestic and overseas, was effected with little prejudice to the individual and no loss of jobs. In 1960 the Inspector General described the OS career management program as one of the best in the Agency.

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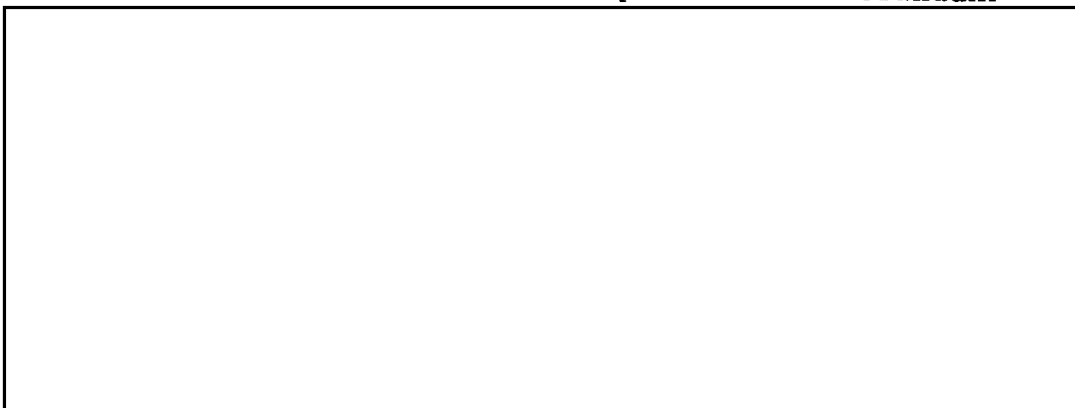
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J. Participation in Interdepartmental Security Activities

1. Early Involvement

Participation of the Office of Security in interdepartmental security activities was limited during the earlier years of CIA. The Security Control Staff exercised responsibilities related to the safeguarding of CIA classified information maintained by non-IAC departments and agencies charged to the Executive for I&S pursuant to CIG Operations Memorandum



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* 14 July 1947 (see I. D4, above).

** NSCID No. 9, dated 1 July 1948, established USCIB as an interdepartmental board to effect the authoritative coordination of the communications intelligence activities of the government, and to include the responsibility for the protection of all communications intelligence sources. USCIB, in its Directive No. 1, set forth its organization which included a Security Committee (SECCOM). 233/

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representation was provided from I&SO or the Office of Security.

The Office of Security also worked closely with the Bureau of Standards in developing security equipment, and it had dealings with the General Service Administration regarding the guard force for the many CIA buildings. In connection with



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Dating back to 1950, the Interdepartmental Committee on Internal Security (ICIS) and the Interdepartmental Intelligence Conference (IIC) were the two principal federal executive committees concerned with internal security and Federal policy and the procedures related thereto. Both functioned under the National Security Council until President John F. Kennedy delegated this responsibility to the Attorney General in 1962.* The

* National Security Action Memorandum 161, 9 June 1962.

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provisions of the National Security Act of 1947 were interpreted as preventing the CIA from taking any active formal role in the activities of these two Committees.* 234/ This occasioned some prejudice to CIA security in that the Agency possessed no formal voice in the drafting of executive orders related to the protection of classified defense information, by which it was nevertheless forced to abide. In September 1961, it was necessary for the DCI to recommend that the President amend EO-10501, "Safeguarding of Official Information in the Interests of the Defense of the United States," in order to exempt intelligence information from its requirements related to automatic downgrading and declassification.

2. State-Defense Military Information Control Committee**

On 27 February 1945, President Truman approved a statement by Secretary of State Byrnes on the "Basic Policy Governing the Disclosure of Classified Military Information

* Section 102(d)(3) provided that the Agency shall have no police, subpoena, law-enforcement powers, or internal security functions.

** For general sources of information contained in this Section, See Source References 235/, 236/, and 237/.

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to Foreign Government," and directed the Secretaries of State, War, and Navy to implement this policy. This was the origin of what was called the MIC (Military Information Control) policy. The statement of policy approved by the President specifically included military intelligence as a category of military information, which was to some degree in conflict with the DCI's authority for the protection of intelligence sources and methods.

For approximately ten years, until 19 September 1959, the CIA provided observer representation to the State, Army, Navy, Air Force Coordinating Subcommittee for Military Information Control, later identified as State-Defense Military Information Control Committee (SDMICC), which was the body responsible for policy related to the disclosure of classified military information to foreign governments. This observer representation was provided from the Security Control Staff of I&SO. The CIA representative served as a focal point for the Committee in its relationship with the Agency and serviced its requirements, particularly those concerning the internal security systems of foreign governments. The Executive of I&S also furnished a member for the SDMICC survey teams

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Effective 11 June 1958, the Secretaries of State and Defense, prompted in large measure by the CIA, agreed not to exercise control of the release of classified military information under the basic MIC Policy as applied to national intelligence and interdepartmental intelligence produced within the IAC.* The Agency's concern, of course, was that release of such information might reveal military intelligence. Thereafter, the authority for the release to foreign governments of that national and interdepartmental intelligence produced within the

* Intelligence Advisory Committee, the predecessor to USIB.

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IAC structure which contained military intelligence rested with the DCI, acting with the concurrence of the IAC. Such releases were contingent upon the application of criteria and conditions established by the committee and set forth in IAC-D-115/1 of 8 April 1958.

In a Survey of SDMICC prepared in 1959 for the National Security Council, Mr. J. Patrick Coyne, the NSC Representative on Internal Security, recommended that the regular membership of SDMICC be limited to State, Defense, Army, Navy, Air Force, and the AEC, and that participation of other agencies (e. g. , JCS, CIA) at the committee meetings be limited to the relatively few instances when matters involving their interest were considered by the committee. In reviewing this recommendation for the NSC, the NSC Planning Board commented that the AEC, CIA, and JCS should be represented by observers who could attend meetings at their discretion, participating in and voting upon items of direct concern

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to them.*

Despite the recommendation of the NSC Representative on Internal Security, the National Security Council, in its Action No. 2125, provided for

voting representation by the Atomic Energy Commission and Central Intelligence Agency on items of direct concern to them under consideration by State-Defense Military Information Control Committee or on unresolved issues of direct concern to them referred by the SDMICC to higher authority.

Following a survey of the Office of Security, the Inspector General in December 1960 held that the extent of participation of the Office of Security in SDMICC appeared to be excessive to its value related to the protection of intelligence and recommended that

The Director of Security, (1) determine the extent to which the NSC contemplated that the Agency should be involved in the SDMICC program, and (2) establish frames of reference for Agency participation.

* The members of the Defense and JCS Planning Boards, however, recommended to the NSC that the CIA participation in SDMICC be limited to the "discussion" of items of concern rather than the authority to vote upon them.

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This recommended review was conducted and concluded that the CIA Representative or Alternate on the State-Defense Military Information Control Committee should continue to attend the SDMICC meetings and actively participate in items of Agency concern. In addition, CIA should continue to furnish representatives to the SDMICC security survey teams when requested by the Chairman of SDMICC.

Whether in the role of observer or voting member, the CIA representative actively participated by regular attendance at the weekly SDMICC meetings. The Office of Security

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Later CIA representations to SDMICC

were provided from the Executive Staff of the Office of Security.*

3. Intelligence Board Security Committee**

On 26 September 1958, Mr. Gordon Gray, the Special Assistant to the President, addressed a memorandum to the DCI regarding procedures to be followed in reporting unauthorized intelligence disclosures. Noting the President's concern regarding the disclosure of intelligence, Mr. Gray's memorandum drew the Director's attention to that part of NSCID No. 1*** which stated that:

The Director of Central Intelligence shall call upon the departments and agencies, as appropriate, to investigate within their department or agency any unauthorized disclosure of intelligence

* SDMICC was renamed the US Military Information Control Committee in 1964, and the National Military Information Disclosure Policy Committee in 1966.

** Principal sources of information in this Section were IBSEC First through Fourth Annual Reports and sources referenced under 238/.

*** NSCID No. 1, Para. 5, 1f, 15 September 1958.

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sources or methods. A report of these investigations, including corrective measures taken or recommended within the departments and agencies involved, shall be transmitted to the Director of Central Intelligence for review and such further action as may be appropriate, including reports to the National Security Council or the President.

As a result of Mr. Gray's Memorandum, Mr. Allen Dulles expressed to the US Intelligence Board (USIB) his belief that a committee should be established that would be specifically charged with the overall consideration of matters dealing with security protection. 239/ This committee was to be known as the Intelligence Board Security Committee (IBSEC). At the direction of USIB, the Agency's Deputy Director of Security convened an ad-hoc working group of security specialists from USIB member departments and agencies to draft a proposed Director of Central Intelligence Directive (DCID).

On 24 March 1959 the USIB approved DCID No. 11, establishing a Security Committee. The mission of the Committee as stated in this directive was

to promote means by which the intelligence community may prevent the unauthorized dis-

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closure of intelligence, intelligence information, and intelligence sources and methods.

The IBSEC was composed of security representatives from the departments and agencies represented on the USIB, with the chairman to be designated by the DCI in consultation with and with the concurrence of the USIB. [REDACTED] 25X1A [REDACTED] then Deputy Director of the Office of Security, was appointed the first Chairman of IBSEC. The services of the IBSEC Secretariat were also provided by the Office of Security. The functions of IBSEC were to (1) include the recommendation of standards, practices, and procedures related to the security protection of intelligence, and intelligence sources, and methods; (2) the recommendation of policy, such policy to be in consonance with the responsibility of each department and agency to establish its own internal procedures for the protection of intelligence, intelligence sources, and methods; (3) the consideration of problems, including the degree of harm to national security, occasioned by unauthorized disclosures of intelligence information; (4) rendering assistance to the DCI in his responsibilities arising out of Paragraph 5, NSCID No. 5;

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and (5) the making of such other reports and recommendations as required by the USIB. Succeeding IBSEC chairmen have all been appointed from CIA's Office of Security; consequently, the burden of providing leadership and staff work for the committee has fallen most heavily upon this office.

IBSEC also conducted inquiries into the possibility of the unauthorized disclosure of intelligence information associated with published news articles. Identified below are six news articles considered by IBSEC:*

"Why U. S. Planes Patrol Red Frontiers," U.S. News and World Report, 20 February 1959

"Soviet Military Gains," Hanson Baldwin, New York Times, 23 June 1959

"Russian A-Subs Estimated at 12," Norfolk Virginian Pilot, 28 June 1959

"Missile with Wings is Tested by Russia," Richard Fryklund, Washington Sunday Star, 14 February 1960

"Two Soviet Rockets Failed, U.S. Says," John W. Finney, New York Times, 11 February 1960

* The listing includes all news articles investigated through IBSEC through 1963.

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"Facts About the Missile Balance," Joseph Alsop, Washington Post, 25 September 1961

IBSEC also considered a rather broad range of policy matters resulting in the promulgation of

DCI 1/7, "Controls for Dissemination and Use of Intelligence and Intelligence Information," which established standards and uniform practices and procedures for the use of intelligence and intelligence information.

"Procedures for Foreign Travel of Personnel Possessing Special Security Clearances," USIB-9, 6/6, 1 April 1963.

"Policy Statement Concerning Counter-Intelligence and Security Responsibilities," with attached "USIB Guide, Practices and Procedures for Counter-Intelligence and Security of Overseas Personnel and Installations," USIB-D-1, 5/24, approved 18 July 1962.

Prompted by the defection of two NSA employees,* IBSEC surveyed personnel security policies, practices, and procedures within the US Intelligence Community. The committee instigated the establishment of an ad-hoc committee to promote legislation establishing federal injunctive powers to prevent actions of unauthorized disclosure of intelligence

* Vernon F. Mitchell and William F. Martin defected to the USSR in August 1960.

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information, an Official Secrets Act, and vesting other departments and agencies with the DCI's discretionary authority to dismiss employees. These considerations have not to this date* resulted in legislation.

Executive Order 10501, "Safeguarding of Official Information in the Interests of the Defense of the United States," was considered by IBSEC, prompting an amendment (EO-10964) approved by the President, 20 September 1961, exempting intelligence information from requirements related to automatic downgrading declassification. A directive related to, "Disclosures of Classified Intelligence," was proposed and was approved by the President.

IBSEC was also given the task of considering a number of recommendations of the Joint Study Group Report,**, "Foreign Intelligence Activities of the United States Government," dated 15 December 1960. Specific recommendations considered by the Committee were

* October 1971.

** A study group constituted by the President.

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No. 14 - The USIB should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities.

No. 18 - The Director of Central Intelligence should focus community attention on the important area of counter-intelligence and security of overseas personnel and installations, and the agencies of concern should make periodic reports to their agency heads.

No. 42 - The USIB should strongly support the efforts initiated in the counter-audio surveillance field by the NSC Special Committee on Technical Surveillance Countermeasures.

No. 10 - The USIB reappraise the security standards for foreign-born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices. (Coordination responsibility only - primary action responsibility assigned to COMINT Committee)

The attention of the President had been sharply focused upon the matter of the protection of intelligence information and he insisted that the DCI assume his rightful leadership in the US Intelligence Community with respect to this subject.

4. Other Interdepartmental Committee Involvement

Participation in the work of interdepartmental com-

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mittees by the Office of Security expanded considerably during the 1954-63 period and included, among other activities, work with the following 240:

Advisory Board - Federal Safety Council

National Safety Council

Federal Fire Council

GSA Inter-Agency Advisory Committee on
Security Equipment

Interdepartmental Committee on Physical
Security Equipment

Federal Committee on Physical Security
Equipment

Interdepartmental Committee on Security
Education

Federal Law Enforcement Agencies Association

US Communications Security Board, Subcom-
mittee on Compromising Emanations

NSC Special Committee on Technical Sur-
veillance Countermeasures

CODIB - Task Team V, Biographics

USIB/Committee on Overhead Reconnaissance
(COMOR) (Security Consultant status)

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5. Interdepartmental Agreements

In addition to its responsibilities related to foregoing committees, the Office of Security also became involved in interdepartmental security matters through agreements made by the CIA with other departments of the Government involving joint operation of specific programs.

One of these related to the U-2 Project, which was conceived as a joint CIA/USAF operation. An agreement concluded on 3 August 1955 defined the CIA security function as:

To maintain security control over all aspects of the project, including the investigation of all knowledgeable individuals, arranging for, or monitoring, security arrangements at supplier's plants, at a test base to be established and at overseas bases. 241/*

Another activity which demanded a heavy investment of effort by the Office of Security related to an agreement of 25 April 1962 between the DCI and the Deputy Secretary of Defense. This agreement concerned a large-scale, joint CIA/DOD

* See Volume IV, Operational Support, and Volume VIII, Compartmented Information Security Practices, for detailed information related to the security of the U-2 Project.

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intelligence operation, and charged the DCI with providing overall "security policy guidance." *

* See Volume VIII, Compartmented Information Security Practices (subject to special security controls) for details related to this program.

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CHAPTER IV

Changing Patterns of Security Support

and

Protection of Intelligence

as a

Community Concern

(1 July 1963 - 31 December 1968)

A. Management Personnel Changes

Sheffield Edwards, who had headed the Agency's security support organization since the inception of CIA, retired from Federal government service on 9 July 1963. Robert L. Bannerman, the Deputy Director of Security under Edwards, suc-

ceeded him; and

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[redacted] was appointed to the Deputy Director position. Mr. Bannerman served until 1 July 1964, at which time he was named Assistant Deputy Director (Support) of CIA.* Effective that

* On 5 July 1965, Mr. Bannerman succeeded Lawrence K. White as the Deputy Director (Support).

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same date (1 July 1964), Mr. Osborn succeeded Mr. Banner-
man as Director of Security; [redacted] who had
previously held a series of executive positions in the Office of
Security, became the Deputy Director. [redacted] who
had also been with the Agency's security organization since its
inception, replaced [redacted] on 5 August 1968.* 242 /

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Changes in personnel serving as functional Deputy Directors

of Security were first influenced by the demise of [redacted]

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[redacted] DD/IOS, on 11 September 1959. [redacted]

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who was named to Mr. [redacted] vacated post, 243/ served
as DD/IOS until 4 April 1960, at which time he was succeeded by

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[redacted] the Deputy Di-
rector for Physical and Personnel Security Support, continued
to occupy this position until 21 August 1965, when he was ap-
pointed to the newly created position of Deputy Director for
Physical, Technical, and Overseas Security (DD/PTOS), and

* As this report was being written (October 1971), Messrs.
Osborn and [redacted] were still in their respective positions as
Director and Deputy Director for Security. [redacted] accepted

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** Mr. [redacted] retired in December 1970.

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B. The Three-Directorate Organization

Following the retirement of Sheffield Edwards, there were no adjustments of the Office of Security organizational structure until August 1965. On 2 July 1965, Howard J. Osborn, Director of Security, advised the Executive Director-Comptroller that a thorough analysis and review of the organizational structure, mission, and functions of the Office of Security prompted him to recommend a reorganization in order to place increased emphasis on the fields of personnel, industrial, and technical security and counterintelligence. 246/ Mr. Osborn's concern related to these stated fields of security effort was a reaction to the government's increasing reliance upon technical intelligence acquisition programs necessitating large-scale industrial

* For information related to the Office of Security reorganization of 12 August 1965, see B, below.

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and research and development efforts, to damage to the overall US intelligence mission resulting from defections of US employees, and to the discovery of technical surveillance operations by foreign intelligence services against US installations abroad.*

The Director of Security's proposed reorganization was approved, and the functions of the Office of Security were redivided among three Directorates, an Executive Staff, a Security Research Staff, and an Administration and Training Staff.** 247/ The Deputy Director, IOS continued supervision
25X of the Investigations Division, and of the Operational Support Division; and he also acquired responsibility for the activities of the Alien Affairs Staff. The position of Deputy Director for Personnel Security (DD/PS) was created to provide for the supervision of the activities of the Personnel Security Division, Interrogations Research Division, and the Security

* For further details, see D, below.

** See Figure 6, Page 195, showing the Office of Security structure resulting from the reorganization of 12 August 1965.

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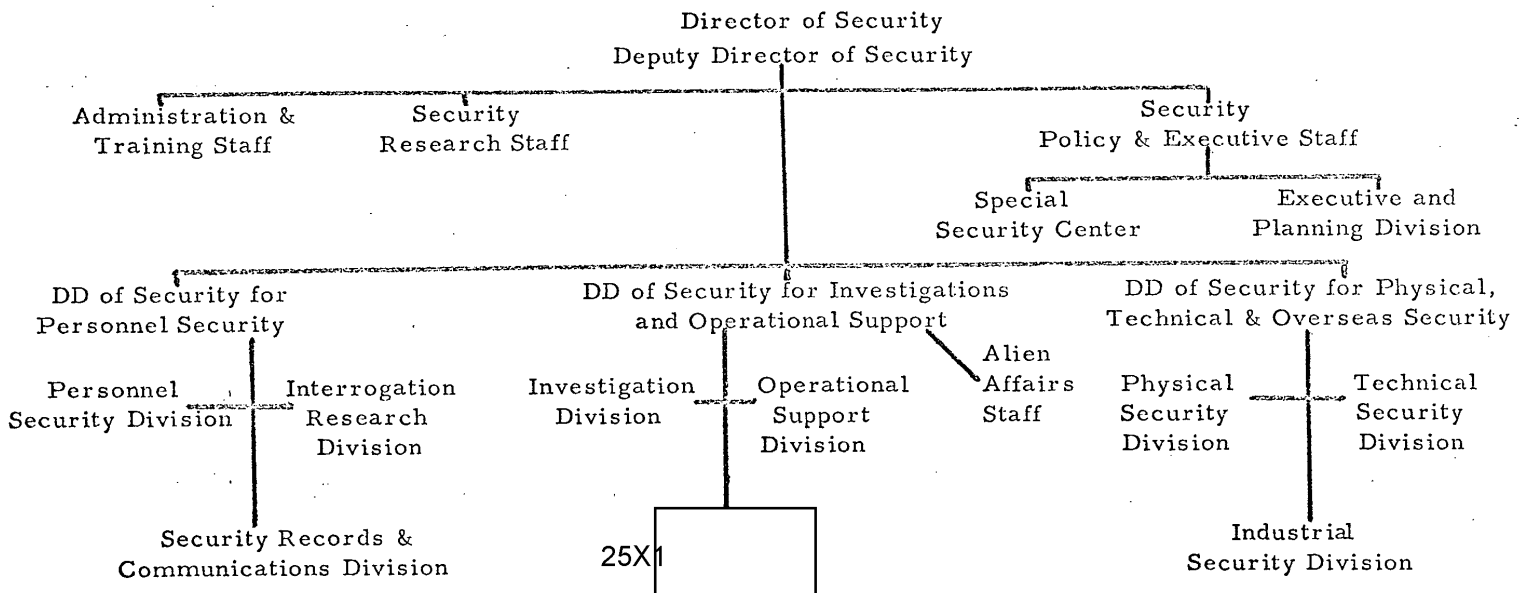
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FIGURE 6

ORGANIZATIONAL STRUCTURE
OFFICE OF SECURITY

12 August 1965



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Records and Communications Division. The position of Deputy Director for Physical Technical and Overseas Security (DD/PTOS) was established to supervise the activities of Physical Security Division, Technical Division, and the Industrial Security Division (still in the planning stages). DD/PTOS's responsibilities also included responsibility for supervision of a Foreign Support Staff.

By the same action, the Security Policy and Executive Staff assumed supervisory responsibility for the activities of the Special Security Center, in addition to the newly created Executive and Planning Division. The latter was responsible for staff work related to all executive officer and policy matters which were not subject to special systems of security control. The Special Clearance Center (previously a part of the SSC) was redesignated the Compartmented Information Branch of SR&CD, and it continued to administer the Agency's service of common concern to the US intelligence community for maintenance of overall compartmental clearance listings and to conduct internal CIA security briefings related to the various subjects prescribed for compartmented security controls.

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C. Action Through the Intelligence Community*

Security has traditionally been a departmental matter, administered by each agency head in accordance with his defined jurisdiction. The statutory responsibility of the DCI to protect intelligence sources and methods, as set forth in the National Security Act of 1947, is not accompanied by an implementing authority. Allen Dulles in The Craft of Intelligence expressed the opinion that the legislative history showed an intent to limit this responsibility to CIA intelligence assets.

The CIA is a producer of national intelligence, but the information does not remain in CIA. The CIA is not the only producer of intelligence, and the production of national intelligence involves the collation of information from many sources. The intelligence collection activities of the CIA are, to a considerable extent, logistically dependent upon the resources of other departments and agencies. The protection of intelligence sources and

* Principal overall sources of information used in this sec-



sources are either referred to in the text or by note, or referenced in the Appendix.

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methods, therefore, cannot be undertaken by the CIA alone; it can only be accomplished through coordinated community action. As the intelligence effort became continually more interwoven, it was recognized that the level of security was that created by the lowest standards maintained anywhere in the intelligence flow.

During the early years of the USIB Security Committee (IBSEC) its members remained jealous for the prerogatives of their own agencies. Following three years of negotiation, DCID 1/7, establishing uniform security control markings and procedures for the dissemination and use of intelligence, was finally approved on 21 February 1962. The mutuality of all agencies' interests gradually became more fully recognized, and uninhibited interagency discussion and exchange of security information resulted. Limitations on concerted Committee action were reduced to matters which were beyond the authority of the intelligence agencies. Since the chairmanship of IBSEC continued to be vested in the CIA's Director of Security, the Office of Security became increasingly more involved as a leader in inter-departmental security matters related to the pro-

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tection of intelligence sources and methods.

Evidence mounted that US personnel entrusted with access to sensitive information were subject to recruitment by foreign intelligence services. Joseph Sidney Petersen, Jr., an NSA employee with cryptographic experience dating back to 1941, was apprehended in September 1954, and admitted supplying US cryptographic information to the Dutch. In August 1960, Vernon F. Mitchell and William F. Martin, employees of NSA, defected to the Soviet Union, where they renounced their US citizenship. SFC Jack E. Dunlop, following security rejection for assignment to NSA, committed suicide, and subsequent findings established his involvement in espionage activities on behalf of the Soviets. Lt. Col. William Whalen, who served in the US military service from 1940 until his medical retirement in February 1961, including service with ACSI/US Army and J-2 of JCS, in September 1964 admitted selling classified information to the USSR between 1959 and the time of his retirement. Sgt. Robert L. Johnson and James Allen Mintkenbaugh were indicted and convicted as Soviet agents in July 1965. Evidence showed that their recruitment by the Soviets had taken place in Berlin in

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1953, when both were assigned to G-2 in that city. The damage caused by Johnson's activities was inestimable, as he had from 1961 to 1963, while assigned to the Armed Forces Courier Service (ARFOS) station at Orly Field, France, assisted the Soviets in reproducing countless US documents of the highest order of security classification and control.

IBSEC not only concerned itself with estimating the extent of the damage to national security brought about by the actions of these individuals but also examined the causes and attempted to bring about corrective countermeasures. IBSEC's studies showed that the causes ranged from misguided political ideology to pecuniary benefit; perverted sexual activities, alcoholism, disgruntlement, and serious psychopathic illness were also present in some cases. 248/ In 1962, at the recommendation of NSC, the Committee undertook a continuing study of personnel security policies and procedures in the Intelligence Community. A Policy Statement Concerning Counter-intelligence and Security Responsibilities was approved 18 July 1962.* A

* USIB-D-1.5/24.

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Study of Provocations and Harassments Against US Citizens in Soviet/Satellite Countries was published in July 1967* to alert the community to the techniques used by unfriendly foreign intelligence services to recruit Americans abroad or otherwise prejudice the interests of the US. A Review of Courier and Pouching Procedures for Sensitive Intelligence Information, prompted by the Johnson case, was published 17 October 1967.** A Directive related to Uniform Personnel Security Standards and Practices Governing Access to Sensitive Compartmented Information*** was issued 23 June 1967 and revised 1 July 1968. The preparation of an Inter-Agency personnel security film was undertaken to be used in the security indoctrination of personnel. 249/

Following the 1963 defection of another former NSA employee, Victor Norris Hamilton, to the USSR, the Deputy Assistant Secretary of Defense (Security Policy) requested IBSEC to consider the need for policy to control the abrupt dismissal of

* IBSEC-PR/12.
** IBSEC-PR/16.
*** DCID 1/14.

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unbalanced employees who had been provided access to extremely sensitive and highly critical information without benefit of adequate "defector deterrent" procedures. The facts surrounding Hamilton's defection pointed unequivocally to the existence of a psychopathic personality. 250/ Although no USIB policy resulted from the Committee's consideration of this matter, the incident did help to focus the attention of Federal government security services on this potential hazard, with the result that such dismissals were brought to the direct attention of department heads for their consideration. The CIA's Office of Security had historically considered the possibility of serious security compromise resulting from the acts of disgruntled employees.

Evidence that foreign intelligence organizations possessed sophisticated capability to conduct technical surveillance of US installations abroad also continued to mount.*

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* Principal sources of information contained in this section related to technical surveillance threat were the 1st, 2nd, and 3rd Annual Report of the Technical Surveillance Counter-measures Committee, TSCC AR-1 through 3.

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X1 Also in 1967, a Community Research and Development Center was established. This Center was funded for the year of 1967 by ARPA; the CIA provided funds for 1968. **

As the effectiveness of the US intelligence program increased and as its results became more interwoven into the national decision-making processes, the problem of serious compromises of intelligence information and intelligence sources and methods through the US news media grew in direct proportion. Intelligence was the "news behind the news," as so often it provided the factor of causation. The US intelligence community was finding that it was extremely difficult to maintain secrecy. A great deal of time and effort was expended in the investigation of "leaks" through public information media without appreciable effect. The problem impinged directly upon the freedom of the press, one of the most jealously guarded of

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the constitutional guarantees. The criminal element inherent in espionage, necessary to bring about prosecution, was missing in these cases. Extensive efforts by IBSEC to promote more effective legislation were unsuccessful; and, moreover, the prevailing legal consensus was that if the US had legislation similar to the British Official Secrets Acts, such legislation would be unconstitutional.* The effort, therefore, had to be directed at the sources of the newsmens' information.

IBSEC did initiate a Presidential Directive of 23 May 1960 forbidding unauthorized disclosures of intelligence information, and on 29 June 1960 published implementing instructions and guidance.** In May 1963, following an unauthorized disclosure of COMINT information in Aviation Week, IBSEC, in conjunction with other USIB committees, undertook a study of procedures and standards within the intelligence community for control of sanitization and downgrading of sensitive intelligence. The result of this study was the issuance of a revised community

* This continues to be the prevailing opinion in October 1971.

** USIB-C-13.5/49.

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policy.* The problem of compromising sensitive intelligence information through the press, however, continued to frustrate the concerted efforts of the US intelligence community.



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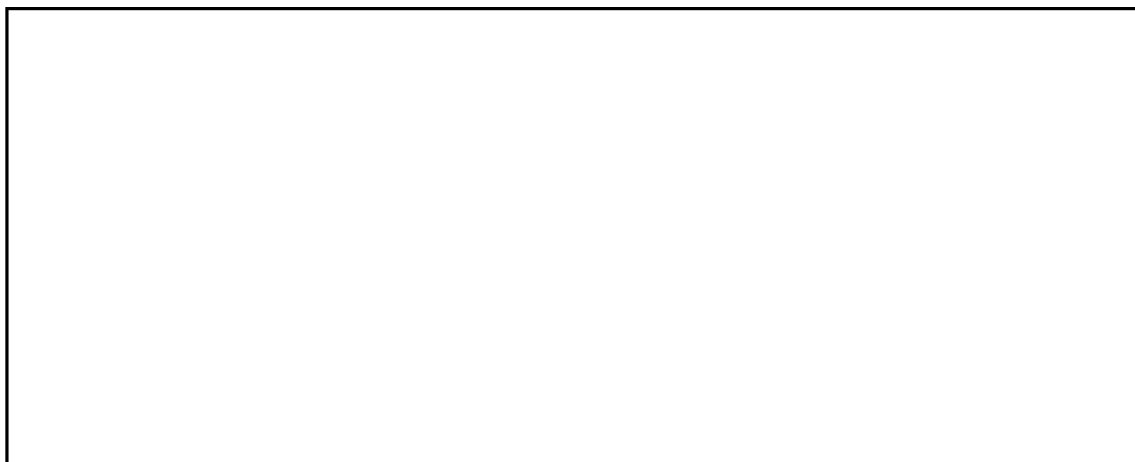
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The frequency of incidents involving civil unrest overseas caused the Office of Security to review and analyze the capability of each of the Agency's overseas facilities both to protect its classified material in case of forced entry by mob action and, also, to destroy its classified materials under emergency conditions. 262/ Guidance and equipment was provided as appropriate to the circumstances. An Office of Security Task Force, composed of professional Security Officers of various specialties, was readied and documented to travel abroad to assist in emergencies affecting any of the Agency's overseas installations. 263/*

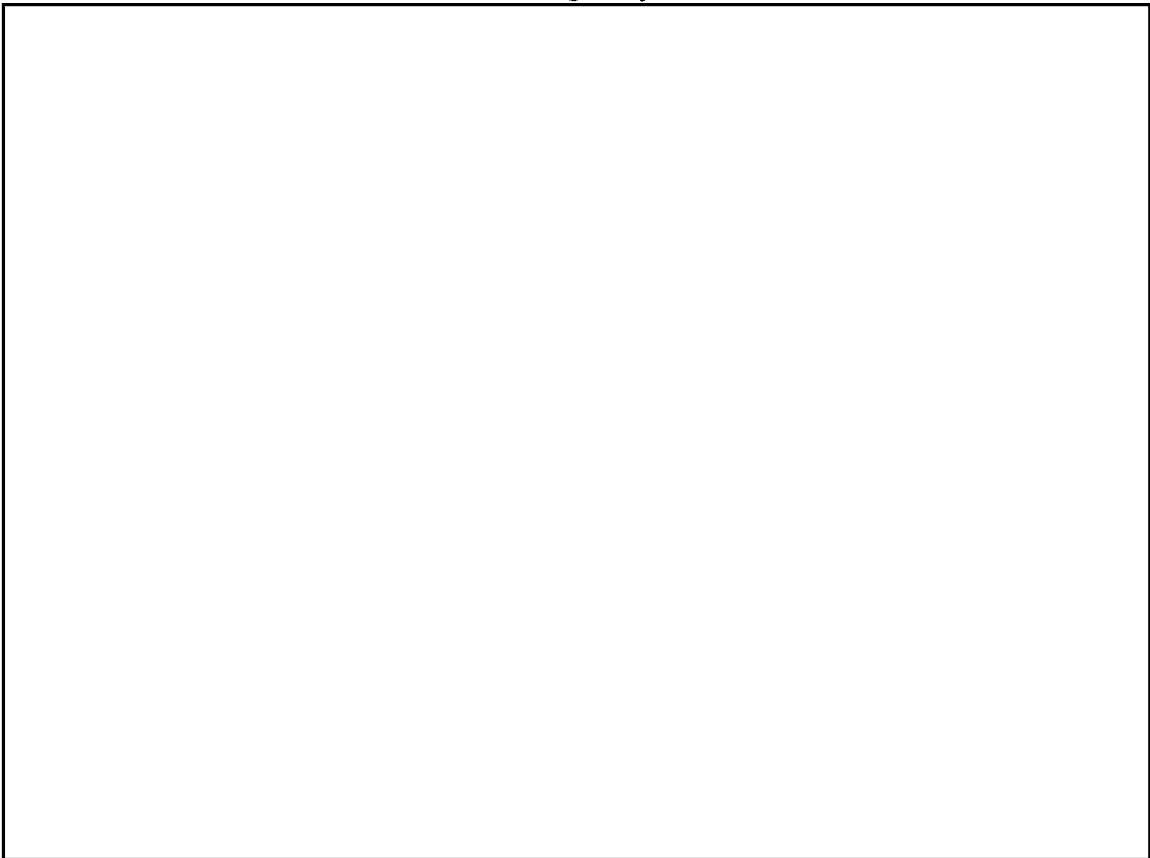
* See Volume III, Physical Security, for further details related to this program, including instances of task force usage.

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The critical shortage of approved overseas career Security Officer positions led to the creation of a Headquarters-based Overseas Security Support Division (OSSD) in the PTOS Directorate in October 1968, 264/ to insure the continuance of high-quality security support to the Agency's activities abroad. This



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E. The Domestic Threat

The advent of the "new generation" during the 1960's also had its effect on the Agency's security program. Elements of the

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"new generation" were at war with almost every facet of "the establishment" -- its moral and ethical code; its evidence of authority and allegiance; its manner of conducting the nation's business. Domestically, CIA could not avoid identification with "the establishment" -- indeed, of becoming one of the principal hate targets. Agency facilities, personnel, and activities were repeatedly threatened.

Increasing incidents involving domestic civil disorder necessitated the Office of Security to devise procedures to protect Agency personnel and facilities within the United States. Harassment of Agency personnel recruiters on campuses by various demonstrating groups led to the rendering of direct support to the recruiters by Office of Security Through

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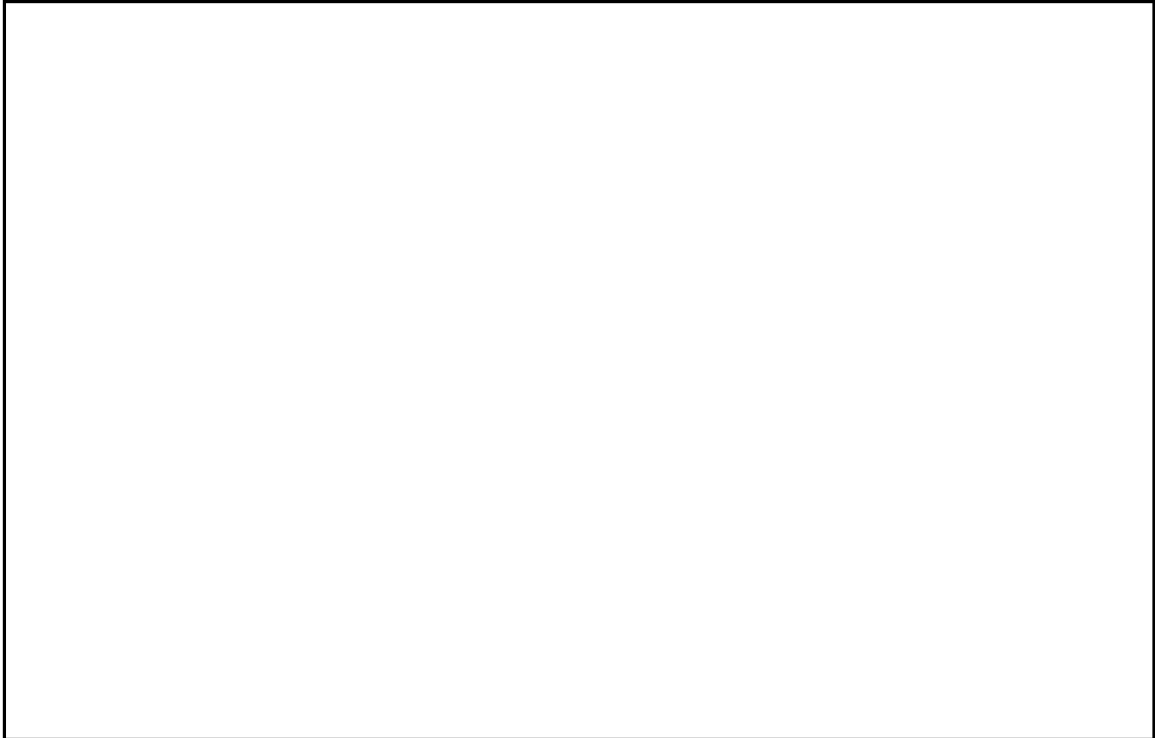
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interviewees were checked in advance through Office of Secu-



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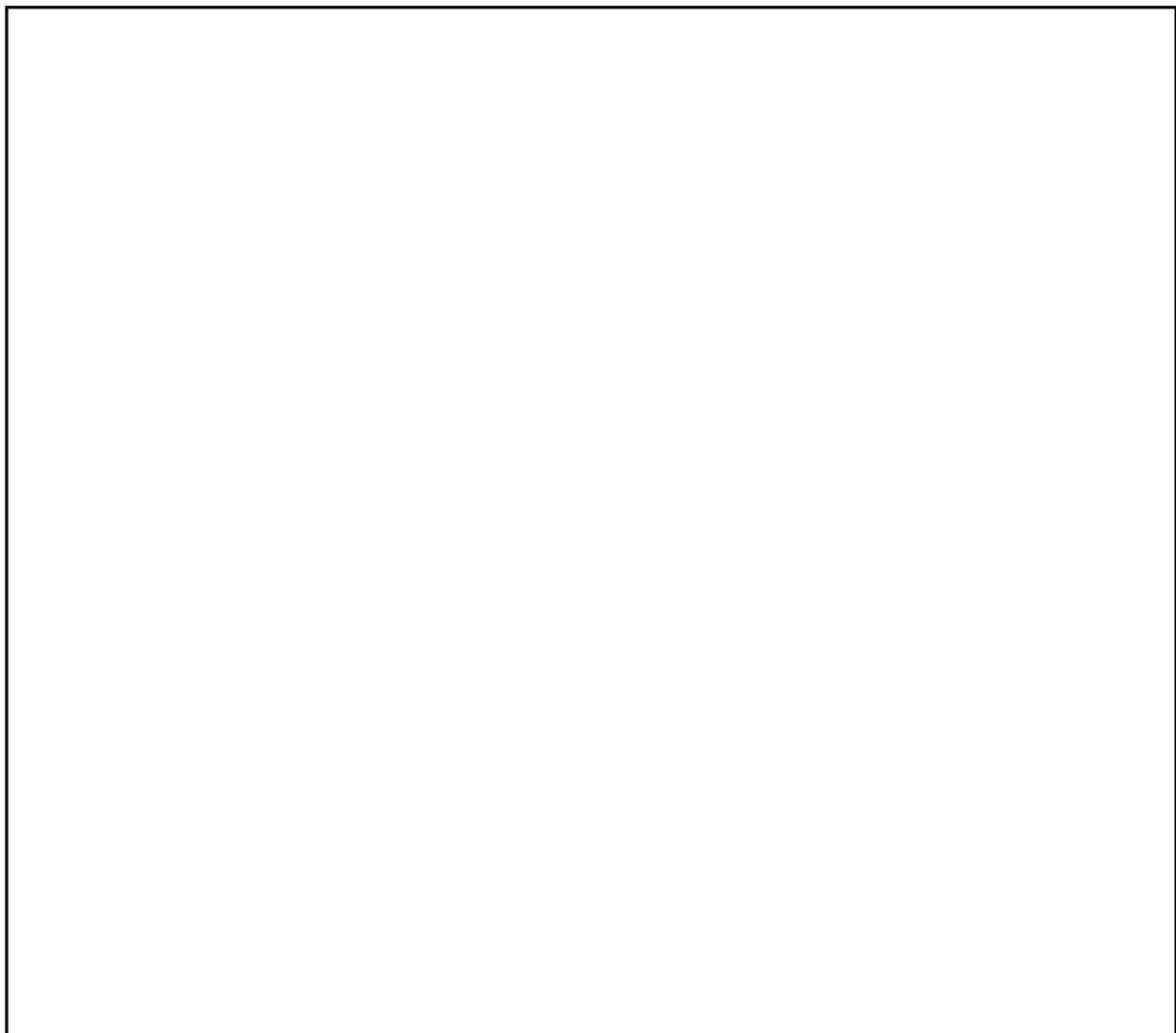
Following the civil disturbances in Washington, D.C. in the spring of 1968, a Contingency Planning Officer position was established within OS during the fall of 1968. In addition, construction of a Headquarters Security Command Center was initiated. When actual emergency situations existed, the Security Command Center was operated by a six-man staff on a 24-hour basis, and additional security manpower was brought in as necessary to insure protection of Agency facilities. During periods of relative normalcy, the Contingency Planning Officer,

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in addition to maintaining the Command Center in an operational condition, reviewed intelligence reports, conducted liaison with law enforcement and other governmental organizations, and kept the area commanders in the CIA buildings advised of pending emergency situations. 268/



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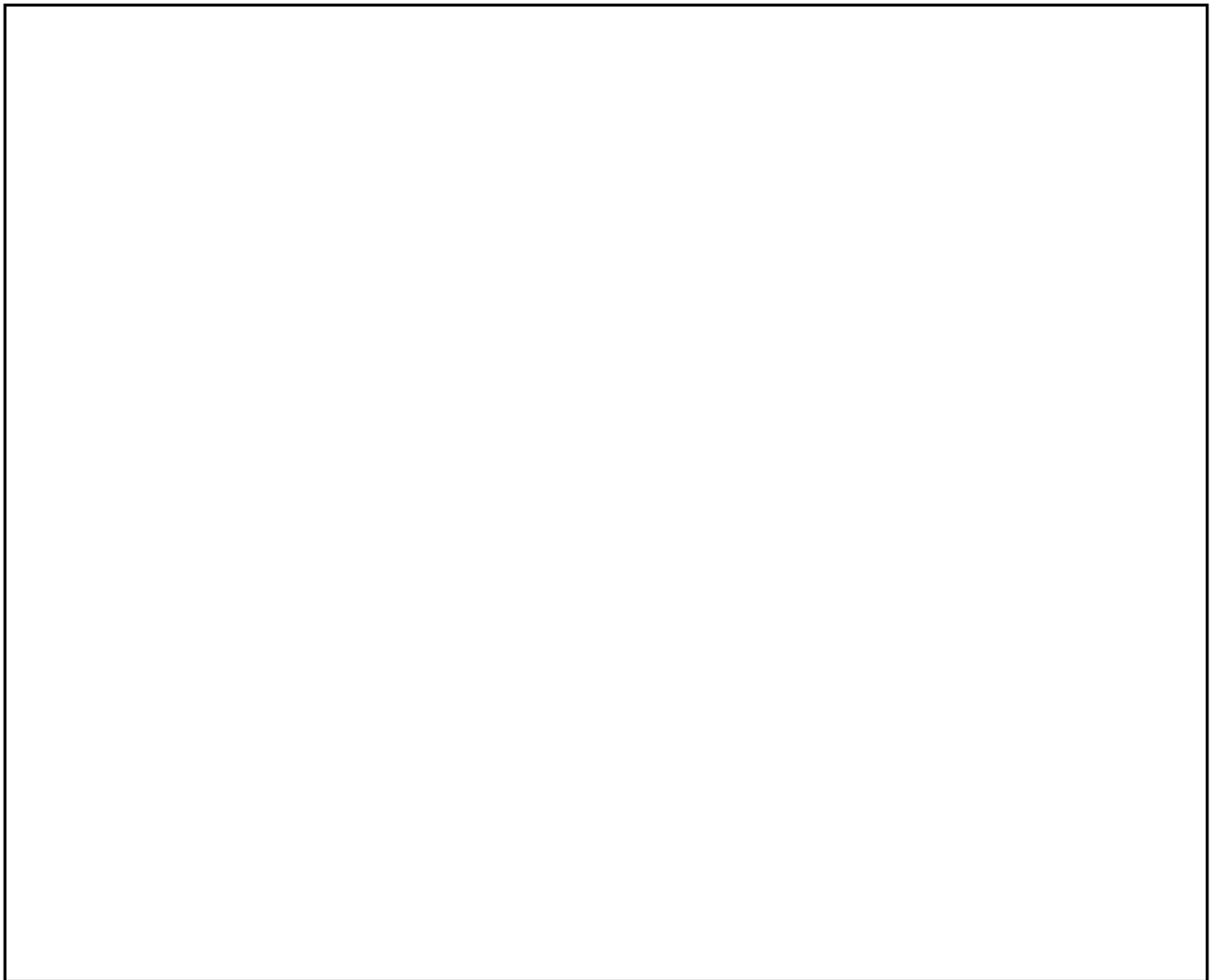
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that all considerations related to these programs be compartmented from the balance of the Agency's procurement effort. The Office of Special Activities and the Office of Special Projects, under the DD/S&T, were given contracting authority direct from the DCI, quite distinct from the contracting authority possessed by the Director of Logistics.



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The Inspector General's Survey of Industrial Security, September 1965, was one of five surveys of functions, rather than components, conducted at the request of the DDS. The IG



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The IG recommended that the Director of Security, though his newly-established Industrial Security Support Division, exercise more direct control over the Agency's industrial security program. The IG noted that the 1959 Management Staff survey* had recommended that the Director of Security assume total responsibility for the industrial security program, and

* See III, C, above.

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the IG acknowledged that this would probably have been too drastic, primarily because it would have relieved contracting authorities of any responsibility for security of its contract operations. A compromise solution whereby the Office of Security provided central guidance and monitorship might have produced the needed results. What was needed according to the IG survey was: (1) a central inventory of all contractors, consultants, and grantees maintained on a current basis; (2) more realistic categorization of contractual relationships by degree of importance and sensitivity, including objectives and security classifications; (3) development and dissemination of uniform industrial security doctrine and standards; (4) continuing overall analysis to reduce costs; (5) a coordinated program of study of the security vulnerability of Agency industrial programs; and (6) regularization of inspections of contractors facilities as required by the degree of sensitivity of the work performed, and an efficient, equitable allocation of the inspection function. The IG's 1965 report also took issue with the fundamental policy bases for the special security controls governing those Agency programs subject to DOD/CIA

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agreement, and noted that the USIB was currently considering matters related to this subject. The USIB and higher authorities, however, subsequently sustained these policy bases.

ISSD was formally established under OS's PTOS Directorate, effective 13 April 1966. 270/ A great deal of effort was put forth in attempting to define its specific charter to the agreement of Agency contracting authorities and in promoting corresponding changes to Agency regulations. It prepared, "Uniform CIA Industrial Personnel Security Policy and Nomenclature - A Study," May 1967, 271/ which was extremely useful in defining the total scope of this subject. It worked in close coordination with the Special Security Center and DOD representatives in the preparation of an industrial security regulation and a manual governing the joint DOD/CIA activities, and it prepared a draft, "Industrial Security Manual for Safeguarding Classified Information," to be applicable to the balance of the Agency's industrial security effort. 272/ The former was issued over DCI signature; however, the latter was not implemented because its drafting presupposed the adoption of regulations changes which did not come about. Nevertheless,

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the latter served as a useful tool in terms of necessary study of the problems involved in the Agency's industrial security program, and through ISSD's close coordination with the writing of the DOD/CIA policies, more compatible procedures developed.

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DDS&T, but under the general surveillance of the DDS and the Agency Contract Review Board.

In a counter-proposal submitted on 23 December 1966, the DDS took exception to the proposal to make all R&D contracting the responsibility of the DDS&T as representing a major transfer of responsibilities and manpower to achieve the "team" concept," the latter of which he nevertheless acknowledged as an appropriate managerial device. He also acknowledged the desirability of establishing a CIA Contract Review Board but took exception to a DDS special assistant performing a management surveillance function which was more appropriate to the Agency's Director of Logistics. The position of the DDS prevailed; responsibility for R&D procurement in CIA remained divided between the DDS&T and OL; a Contract Review Board was established 4 April 1968** with the Director of Logistics presiding as its chairman; but the team

* Heretofore there had been a division of this responsibility between DDS&T and OL; with the former responsible for those procurements the subject of joint DOD/CIA agreements, and the latter responsible for all others.

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concept was adopted in principle.

Under the latter concept, the Director of Logistics further delegated his contracting authority to other contracting officers assigned to individual Agency components. Complete procurement "teams," consisting of technical, contract, audit, and security specialists, were assigned to the several CIA offices engaged in large-scale R&D activities. By the close of 1968, the system had been implemented in NPIC, TSD, ORD, OSSI, OCS, FMSAC, and OEL. The Director of Logistics provided overall supervision of management, policies, practices, and procedures related to the Agency's procurement program,

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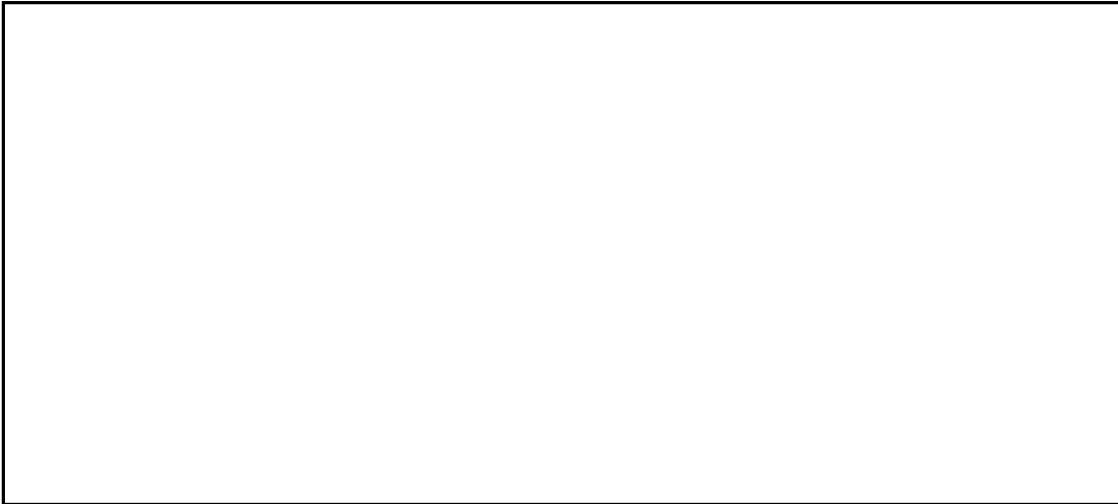
The decentralized nature of the Agency's overall research and development procurement system, coupled with the unique management and security structure applicable to such a large portion of the effort, led to the abolishment of the Industrial Security Support Division, and many of the concepts involved in its formation. The ISSD never succeeded in its efforts to promote changes to regulations which would have provided it

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with the necessary charter to operate effectively. Its profes-



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Director of Security retained the industrial personnel security clearance authority, as well as responsibility for developing overall security policy and standards related to the Agency's industrial contracting arrangements. A new factor, however, had been introduced. Because of the Director of Logistics' new role under the decentralized procurement program -- providing overall procurement policy to Agency contracting authorities -- the principal initiative for industrial security policy now stemmed from the Office of Logistics (albeit in coordination with Director of Security, and albeit formulated by

* Author's own analysis.

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Career Security Officers assigned to the OL Security Staff) as an integral of the Agency's total procurement policies.

The Chief, Security Staff, Office of Logistics, was made responsible for the security of the contracts executed by the Office of Logistics, as well as for giving technical advice and guidance to the Industrial Security Officers assigned to the operating directorates, who under the decentralized procurement system would be working members of the contracting* teams. In this latter role, the Chief, Security Staff, OL, was also responsible for:

a. Effecting such coordination as necessary among the Industrial Security Officers assigned to the directorates to ensure that inspections and re-inspections of contractors' facilities are accomplished in an orderly and timely fashion.

b. In collaboration with the Support Services Staff, DDS, developing automated record systems

* All Security Officers were Career Security Officers assigned by the Director of Security with the concurrences of the D/L and heads of contracting offices.

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to reflect appropriate industrial security information.

c. Developing procedures leading to the identification of responsibility among the Industrial Security Officers assigned to the several directorates for prime cognizance of a contractor facility which is used by more than one directorate; and ensuring the development of the necessary coordination so that all Industrial Security Officers were aware of the security status of any contracting facility in which they had interest.

Following abolishment of the ISSD, a Special Assistant for industrial security policy was added to the staff of the Special Security Center, to provide a working-level point of coordination within the Office of Security for the Chief, OL/Security Staff, to coordinate matters of policy. The Chief, OL/Security Staff, initiated a program involving the assignment of overall security cognizance for contractors' facilities to Industrial Security Officers assigned to other Offices possessing contracting delegations, to insure that dual security inspection responsibilities did not exist in those cases where more than one

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office possessed contract relationships with the same contractor. Work was also commenced toward preparation of a standard industrial security guide, and Chief, OL/Security Staff, held regular meetings with Industrial Security Officers assigned to other Offices.

G. Technological Security Considerations

The government's, and the Agency's, incursion into the field of Automatic Data Processing (ADP) occurred much too swiftly for realization of the security problems involved in such a system.* Security policy and procedures were based on traditional concepts of personnel and physical security which were born in an environment with little or no automation of the information-handling processes. Classified information was thought of in terms of a single piece of paper, a spoken word.

With the advent of the computer, the security hazard increased dramatically, if for no other reason than that so much

* The principal source for information related to ADP security is reference 274/.

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information could be compromised so quickly. The computer's ability to collate information from all sources threatened to undermine the "need-to-know" principle, which had been a fundamental concept of security applied to the intelligence mission. One unreliable individual with access to the computer could now do more damage.

Storage in the ADP environment is either internal or external to the computer processing unit and is in digital form; it can thus be in "main memory" (or core) or on one of a variety of tape, disc, drum, or other devices. As examples of computer storage capability, 13 million characters may be stored on a single magnetic tape; 7 to 24 million characters in a disc pack; 3,200,000 characters in a drum; and the capacity of a data cell is 400 million characters per disc and 40 million characters per unit. The small size of the storage unit created a vulnerability to theft. The computer itself provided the means to copy information. Electromagnetic radiation occurs in almost all parts of a computer system, and it is subject to direct electronic eavesdropping. The digital transmission of data provides no more privacy than Morse Code.

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Since 1965 there has been an increasing awareness of the security hazards inherent in ADP systems. In July 1967, Mr. Clark Clifford, as Chairman of the President's Foreign Intelligence Advisory Board, submitted a report to the President on the intelligence information-handling problem which contained, among other recommendations, the following:

The development by the Director of Central Intelligence of new physical security regulations, procedures, and guidelines to be implemented by US intelligence agencies on a community-wide basis, with a view to providing adequate security protection for sensitive intelligence data within information-handling systems utilizing automatic data processing techniques.

Mr. Clifford's report was subsequently (in February 1968) forwarded to the Director of Central Intelligence under cover of National Security Action Memorandum No. 368. This memorandum requested the DCI to consider the recommendations and to prepare a proposal for implementing a community information-handling system which would ensure the secure and efficient dissemination, processing, storage, and retrieval of intelligence information. In April 1968, USIB approved the establishment of the Intelligence Information Handling Committee (to replace the former Committee on Documentation);

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one objective of this new Committee was to ensure that the security aspects of information-handling systems were given appropriate consideration. In addition, USIB indicated an objective in the intelligence information-handling field to develop standards to assure the protection of information incorporated in ADP systems, particularly multiprogramming and on-line systems.

In CIA on 23 October 1967, recognizing the special security problems of computer operation, the Director of Security established the position of Special Assistant for ADP in the Executive Staff of the Office of Security to coordinate Office of Security applications for ADP, in addition to representing the Office in all matters related to the security aspects of ADP utilization. 275/ Two additional professional personnel were subsequently added.

But other aspects of technology affected the Agency's security program. Large-scale research and development efforts to produce equipments of potential intelligence application resulted in break-throughs in the overall technological state-of-the-art.

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I. Other Organizational Adjustments

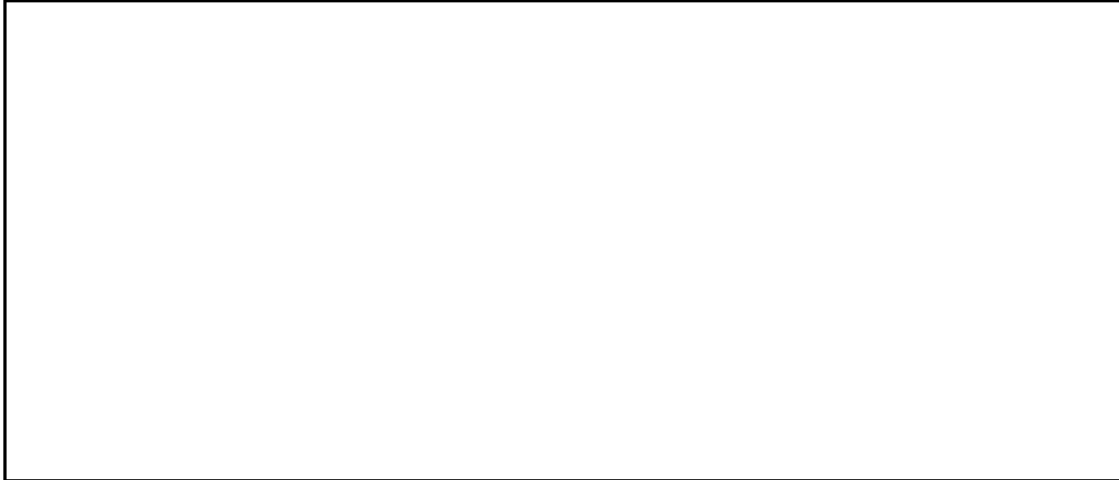
Other minor adjustments to the Office of Security occurred subsequent to the 1965 reorganization. The Special Activities Division of the IOS Directorate was created in March 1966 to supervise and manage the Office's proprietary investigative organization. 282/ In 1968, due to the drastic curtailment of

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J. In Conclusion

The profession of Government security officer was born during World War II. The nation was engaged in a total war, and all elements of the Government's bureaucracy, as well as much of its industrial organization, became involved in the military effort. Since the activities of the greater portion of the bureaucracy had previously been open to full public scrutiny, World War II security efforts were much concerned with censoring the information which was to be released to the public. Sabotage was also a concern, as was the possibility that the opposition's intelligence services would somehow

* See Figure 1, Page 13, for Office of Security organizational structure existing as of 31 December 1968.

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effect a secret penetration of the US war-planning machinery. Fortunately, the FBI had for several years been engaged in identifying suspect individuals, and grants of emergency war-time authority permitted their incarceration. The lines of battle thereafter provided a formidable barrier to subsequent efforts on the part of the opposition. With relatively limited experience, the nation entered the postwar period with little or no sense that foreign intelligence services represented a threat to US national security.

The activities of the Government security officers include a conglomeration of many specialties, common to one another only in that they are all intended to negate the threat of unauthorized exposure, either accidental or purposeful, of classified information. It might be concluded that the Government security officer need not have been at all. The investigation and appraisal functions attendant on the personnel selection processes might have been made the responsibility of the personnel officer; the physical protection of installations and classified materials the province of the logistics officer; and the day-to-day application of security concepts peculiar to the

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nature of any given activity, the sole prerogative of the command authority. The opposition, however, as represented by foreign intelligence services, organized itself in a manner designed to best exploit the overall weaknesses in the security system. Therefore, a counter-effort (security) structured to consider the total threat was necessary.

When the Central Intelligence Agency came into being in 1947, Federal government concepts of security were still undergoing a process of refinement. Proposals entertained under CIG, which would have given the Agency the paramount role in the coordination of policies related to the protection of all classified defense information, were discarded during the preparation of CIA enabling legislation, probably due as much to insistence by the military departments that such matters were more rightly within their province as to prevalent national fears related to the creation of a secret Federal security organization. Thereafter, the Agency's considerations of security turned inward to the business of providing protection for its own operations. Given responsibility to pursue activities of extreme sensitivity, wherein the exercise of good security was

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essential, the Agency's security program not only kept pace with that of the balance of the Government, but surpassed it in effectiveness.

The Agency possessed certain advantages over other departments and agencies. Its early introspective considerations of security led to the development of policy and procedure in more intimate surroundings, where conceptual thinking was always subjected to the rigorous critique of those who were faced with the practicalities of getting the overall job accomplished. This unquestionably resulted in a more responsive security program. Furthermore, able to operate under considerable exception to the Federal policies controlling other departments, it made use of the good aspects contained in these policies, often improved upon them, and further innovated as appropriate to the nature of its own mission. What resulted was a combination of orthodox procedure -- related to security of personnel, physical assets, information controls, and the principle of "need-to-know" in the dissemination of classified information -- with concepts of clandestine operation (operational security), wherein security relies heavily

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upon anonymity. The latter also provides a basis for "plausible denial" or disclaimer by the Government of direct involvement in actions, the acknowledgement of which might seriously prejudice international relations.

The orthodox aspects of security provided considerable early challenge to the CIA. The Agency began with many personnel inherited from the wartime OSS organization, a number of whom possessed political philosophies inimical to the objective of the new, peacetime intelligence organization. In addition, the Agency expanded its personnel very rapidly. The personnel security screening process was delivered a severe blow by the FBI's withdrawal of applicant investigative services. The Agency quickly developed its own security investigative organization, which investigated not only its applicants but also those proposed for operational use in its clandestine activities.

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The Office of Security also was able to render a wide range of other support to Agency operations, thereby developing into an important corollary to CIA's activities abroad. The limitations of the investigative process to alert

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to a truly clandestine penetration attempt were quickly recognized, and the polygraph was introduced as an integral part of the Agency's personnel security screening procedures. It was early presumed that even the most rigid personnel screening program might not be completely successful in preventing penetration of the Agency through its personnel by foreign intelligence services, and programs providing for continuing security research and re-investigation to detect possible patterns of penetration, in addition to the security counseling of employees related to personal problems, were undertaken.

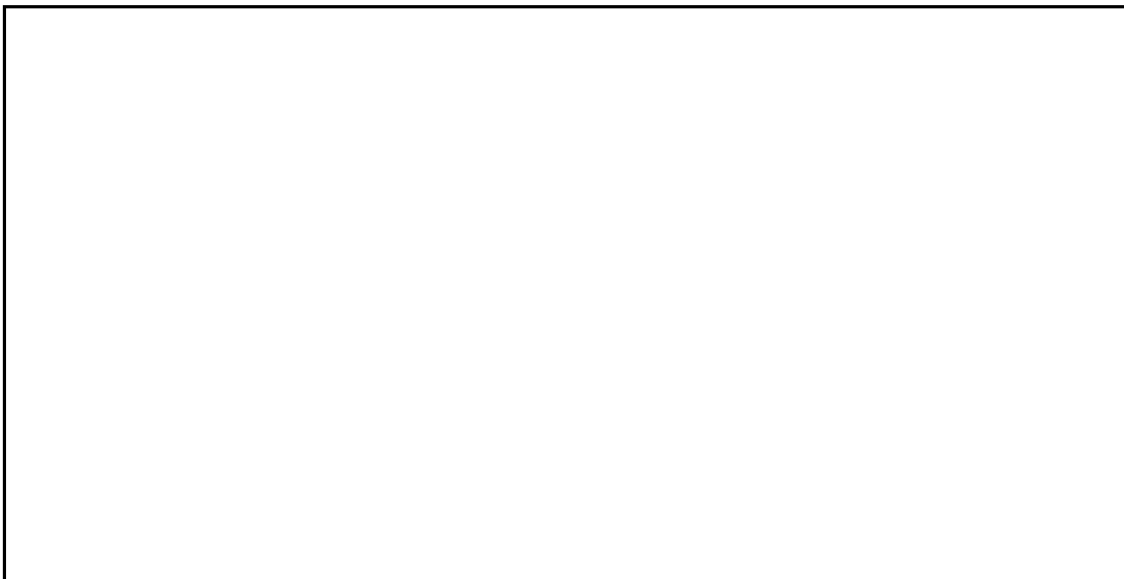
The physical protection of the Agency's classified information and facilities also involved unusual problems. Working daily with information involving the highest classifications of sensitivity was the general rule, rather than the exception, in CIA. Personnel needed to be constantly reminded of their obligations to security. The many dispersed buildings constituting the early CIA Headquarters establishment necessitated a constant traffic of personnel and classified materials from building to building, thereby subjecting the Agency's activities to an unusual degree of security hazard. Too often CIA physical

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Operational security concepts were also put to severe test. The introduction of the ideas of covert political action and psychological warfare in 1950 qualified and diluted the traditional concept of a case officer controlling an agent because of the size and scale of the operations involved. Efforts at compartmentation of activities always failed to achieve complete success, because, sooner or later, common assets and resources would need to be called into play. The geographical area division organizational concept prevailed, and the day-to-day activities of espionage and covert action programs came to be thoroughly integrated. As covert action activities grew in size and complexity, the resources of other departments and agencies

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were called upon with increased frequency and there was further deterioration of the "need-to-know" principle. Finally, the abortive covert invasion of Cuba demonstrated that there were practical limits to the size of any such effort that the nation could hope to undertake on a truly covert basis.

With the advent of the U-2 program in 1955, the principal source of intelligence collection began to move away from the traditional DDP methods into the technical and scientific field. Entire fleets of aircraft and other equally significant items of intelligence hardware were developed under conditions of security rivaling those involved in World War II's Manhattan Project. Dollar expenditures were so large that the defense of these programs required interdepartmental coordination to justify them. Special formal security systems were devised to provide security compartmentation to these programs which

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It was about 1957 that studies of the nation's overall foreign intelligence activities were begun by President Eisenhower. These studies, continued through 1961, resulted in the DCI becoming more firmly recognized as the titular head of all US foreign intelligence activities, and consequently as the individual most prominent in the coordination of policies affecting the safeguarding of intelligence information, and intelligence sources and methods. Previously the statutory responsibility of the DCI, related to the protection of intelligence sources and methods, had been applied only to matters concerning the security of the Agency's own internal operations, in addition to overseeing the protection of its published reports disseminated to non-USIB (United States Intelligence Board) departments and agencies.

Among other results, these studies led to the creation of the Security Committee (IBSEC) of the US Intelligence Board in 1958 and to greatly increased interdepartmental investigation and coordination of matters related to security intelligence.

Events occurring both during and subsequent to this period in-

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provided ample evidence of the extent and nature of threat to security of the nation's intelligence mission. There followed an overall effort toward uniformity and upgrading of security standards. The 1964 creation of the Technical Surveillance Countermeasures Committee (TSCC) under USIB further resulted in closer coordination in the fields of security training and research and development and in a pooling of ideas and resources.

Thus the DCI, early discouraged from a formal role in the promulgation of overall Government policies related to the protection of classified information,* nevertheless attained considerable Government-wide prominence in matters related to security, in his protection of intelligence sources and methods role. One might postulate that the time is long overdue for the nation to recognize that internal security

* A function of the Interdepartmental Committee on Internal Security (ICIS) (see III, J. 1, above).

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is affected by occurrences outside the territorial limits of the United States, and that the CIA has much to offer to this subject. As a minimum, some effort should be made to bridge the activities of ICIS with those of USIB, IBSEC, and TSCC at some point short of the Executive level.

An examination of the history of the CIA security program against these overall trends which have been summarized here must conclude that the Agency's security supporting organization demonstrated a remarkable degree of versatility and adaptability. The versatility and adaptability are reflected to a minor degree in the progression of organizational charts which are included in this volume, but it is those sections which describe the activities of the various components of the Agency's security organization which most reveal its unusual responsiveness. These sections reflect the development of one of the most outstanding personnel security screening programs in Government, a realistic assessment of the physical threat to Agency facilities, personnel, and classified materials, a security education program which has made every employee a security officer, the develop-

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ment of a professional security corps to render assistance as required to the varied and ever changing nature of the Agency's operations, and last but not least, leadership to the entire Government in its coordinated efforts to protect intelligence sources and methods.

As an overview, this volume has only touched upon many of the details of these accomplishments. It must be left to subsequent volumes in this series to describe them in further detail.

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