

12 Aug 52

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Sub. Re Conflict of
Valentini + Exec. Committee

I want to make my remarks as concise as is possible. The best way to do that is to write them down. So I will read my notes, and ask you as a favor to let me read them without interruption. Then I will be glad to answer any questions you may ask me.

I propose to approach this problem with as much detachment as possible, and I have great confidence in your own detachment and in the collective wisdom, fairness and good will of the members of this Committee.

I suggest that you have a number of important problems to consider, including the following:

1) To what extent do the critical reports you have received represent the whole truth? I suggest your sense of fairness will make you want to go pretty thoroughly into that. All our correspondence with our sponsors is available. I will stand on that record, and on the comments of my associates on the CFA staff.

2) Does this sudden attack on me represent the whole story and the whole intent of those who make it? Except the Brown memorandum, I don't know what reports you may have received, but whatever they may be, these questions seem relevant:

a) Where did the criticisms originate? Did they originate from men who are personally detached in this matter?

b) Do they come from men completely informed in this matter?

c) Do they come from men sufficiently experienced in administration and mature in judgment to lead you to discount the records and reputations of the men they criticize, and your own experience with me and my associates?

e) Does the method by which these critics secured their information or mis-information; the sudden manner in which they presented those criticisms, without any advance notice to me, impress you with their judgment and fairness?

f) Are the heads of our sponsoring organization unreservedly backing the statements of the Brown memorandum? I have no means of knowing. If they are, are they doing so after having heard both sides of the question, or are they simply supporting their subordinates on the assumption that their subordinates have given them the complete picture?

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3) I was instructed by this Committee, and also by our sponsors, to create an organization which would make both invulnerable to future attacks or investigations; to build a sound foundation upon which present and future operations could be safely built and efficiently conducted. Is there any evidence that I have not followed those instructions as effectively as difficult conditions have permitted? If my attempts to do so necessarily involved me in vigorous (though I had thought friendly) differences with some members of the staff of our sponsors, does that justify your acceptance of the criticisms in the Brown memorandum?

4) If I have loyally followed your instructions, is the present issue really one of my competence or is it actually an issue between this Committee and our sponsors on larger grounds of policies?

5) Is there any first hand evidence that a single important member of the CFA staff seriously intends, as of today, to resign if I continue in office?

6) Does the latest report on operations, which General Maddocks will give you, indicate a satisfactory development of our overseas operations, and satisfactory additions to our staff of Asians where they will do the most good,-- in Asia?

7) Does the increase in our budget by sponsors two months ago from [] (plus a potential [] for more in addition) as compared with an intended [] indicate any then lack of confidence by our sponsors in my leadership, and if not, then precisely what has happened since then to impair that confidence?

8) At the last meeting of this Committee which I attended, its Chairman stated that the Committee was fortunate in having the services of a President of national reputation as a skilled administrator (an excessively kind statement). Is that statement now made irrelevant by the [] report? In a letter dated July 17 to me, in offering his resignation, Charley Blyth wrote, "I do this reluctantly because I think it is a very important undertaking and also because I feel particularly congenial with you and the other executives and Committee members who are running it." Is that statement also now irrelevant? In a letter of July 21 (three days before I first heard criticisms in Washington and fourteen days before Brayton told me he thought I should resign) Brayton wrote to

Charley Blyth: " I feel that now we have gotten off to a good start and hope we can point with pride to some tangible accomplishments." Is that statement also made irrelevant by the Brown report?

9) Suppose this Committee does not wholeheartedly concur in the criticisms of the [] memorandum, but finds it expedient to act upon its implications. What will then be the future degree of independence or authority of this Committee?

10) The last question sums up all the rest: Is this present difficulty derived from the fact that the working relationship between this Committee and its sponsors has never been clearly conceived in agreement; that the Committee cannot function successfully unless that relationship is clearly conceived and agreed upon and then understood and observed at all levels in our sponsors' staff; that my efforts, under your direction, to achieve that clarity and unity have had constant sympathy and aid up to date from the Deputy Director, but opposition from certain lower levels in our sponsors; that the result has been the expression in personal terms of an opposition which has not had its way in policy agreements. I, therefore, suggest again that this issue is not primarily one between you and me, but between this Committee and its sponsors.

* * * * *

Now a few comments, as briefly as possible:

1) I do not pretend that I have not made mistakes, but I am more than willing to stand on the record. I accept full responsibility for all actions of all present members of the CFA staff.

2) I am less concerned about keeping my job than I am concerned to maintain the confidence of members of this Committee, and to have its assurance that it by no means concurs with the drastic criticisms of the Brown memorandum.

3) On assuming the Presidency of this Committee, I was expected to serve two masters,-- our Executive Committee and our sponsors. I have never received from either source clear and enduring directions as to the extent of my responsibility to each of these masters; indeed - members of this Committee have not themselves been in full agreement on that subject. The staff of our sponsors, below the level of the Deputy Director, have not been in agreement with the Committee, or among themselves, on the extent to which I should take orders from them, or on the extent to which you should take orders from them. Under these

circumstances, I could have played one group off against the other. I have not done so, but have tried to adjust this matter amicably into an effective working agreement. In the basic issues I have always chosen to support the instructions and policies of this Executive Committee, as I have understood them. Would you have had me do otherwise?

4) On assuming the Presidency I had a choice. I could have produced in the first six months some operations overseas which would have seemed impressive in terms of publicity build-up and money expended. By that procedure I might have won the temporary applause of our sponsors and yourselves. But such procedures would certainly have been more flashy than permanent; more dangerous than secure. Instead, I accepted the assurances of both sponsors and Executive Committee that they got me here to do the job properly for the long pull; that they had confidence in me and would continue that confidence through difficult times; and that they wanted the Committee organized and administered on a sound, businesslike and secure basis. This I have attempted to do, recruiting able men of good judgment as rapidly as possible, and establishing sound foundations and procedures so that as our activities expanded in Asia, we could direct, service and maintain them effectively and securely. At the same time, I have constantly pressed the urgency of our getting into action and repeatedly begged our sponsors to accelerate their security clearances, to give us prompt and durable decisions on salaries, taxes, allowances, etc., -- all essential to speedy and successful operations. Delay, for which I am now blamed, can be proved by records to have been caused by our sponsors.

5) A very basic difficulty, which no substitution of new officers can solve, is the fact that the members of this Executive Committee, no matter how interested and eager to be helpful to us, have not felt able to give the time to CFA to become familiar with its problems, procedures, restrictions by sponsors and energetic efforts. Had we been able, over the past six months, to present you in unhurried weekly sessions with a thorough picture of our activities and our difficulties, you would not today be in any doubt about the qualifications of your officers or the real issues in the present situation. Instead you might seriously be questioning whether this Committee can hope to function successfully, ever, so long as the present procedures of its sponsors, as expressed, not by the Deputy Director or in preambles to documents, but in actions of some members of its staff, continue. I began by urging weekly meetings of this Committee. Failing them, I then urged meetings every two weeks. We have had to settle for meetings once a month, usually without all members present and always hurried. My efforts to have meetings with the Chairman and others, separately, from time to time, have not been really successful. In the necessary

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presentation of our studies of the major radio project, for example, we felt it so important to have you all know about it that since we could not get you together, we arranged to present it to you one by one at your convenience. I do not criticize members of the Committee for this, for I realize how difficult it is to find adequate time for CFA; I simply state it as a major problem. Had we been able to keep you properly in touch, you would not be seeking the answers about us now for you would know them, one way or the other.

6) Distance is a tremendous handicap in dealing with our sponsors. We cannot easily go to them in a friendly way when the problems first arise. By the time we do get to them, misunderstandings or offended sensibilities have sometimes already developed. Admiral Miller recently told me that he shuddered to think what would happen to NCFE if he and members of his staff and Executive Committee were as far away from our sponsors as we are. I have found it necessary to make the round trip to Washington more than once a month as requested by our sponsors, usually at night to save time, and the continuity of my work here and my health have not gained from those trips. I would be happier about these trips if matters I had got settled then stayed settled. Sometimes I have come away with certain definite assurances, but after returning here have not been able to get confirmation or have received a prompt reversal. It is for this reason that I have emphasized improvement in liaison and have apparently invited criticisms from liaison officers for doing so. My letter of May 14 to the Deputy Director written at his request and submitted herewith is evidence of that. We could not expect the Deputy Director to be as familiar with our office as I am with his, but if he were, I doubt we would be debating the present issue.

Most of you are, happily, not personal victims of the workings of those large and not always unified groups which comprise our Federal democracy. I have had some experience with it and I am having more now. I have been accused of creating a bureaucracy in San Francisco. I hate bureaucracy. I have done my best to avoid bureaucracy here, though we have been pushed into many forms and carbon copies by the requests of our sponsors. But I could not avoid, in pursuit of my duty, getting pushed into the bureaucracy of our sponsors. You could not be expected to be aware, as I am only partly, of the convulsions and reorganizations within the staff of our sponsors within the last six months; the jockeyings for power and prestige; the administrative uncertainties; the internecine soreness. There is a somewhat similar situation between sponsors and Roger. CFA, as well as some individuals on its staff, is in part the inevitable victim of those troubles. Any man who vigorously presents this Committee's instructions on freedom from detailed bureaucratic regimentation may not last long.

7) CFA was created to serve certain purposes which have been within the programs and ambitions of several government organizations. The present activities of CFA, to say nothing of its planned expansions, have aroused nervousness, if not something more, in the minds of those organizations, which naturally do not wish to see their own activities and budgets reduced or unfavorably compared with those of a new, apparently private, organization. This concern exists in at least some minds in U.S.I.S., V.O.A., elsewhere in the State Department, and in some areas of our own sponsors' staff. The cumulative effect of their self-defensive actions and talk is to bring criticisms on CFA and specifically upon its officers. We have been an unwelcome newcomer to many.

As instructed by this Committee, I have urged strenuously, but with good temper, that CFA should not be a subsidiary of OPC. An important member of OPC stated that CFA is such a subsidiary, and that you, as well as I, were therefore technically subject to orders from him. That person is Deputy to the Chief of the Far East Division, who on the sponsors' chart is under the Deputy on Policy Coordination, who is under the Assistant Director for Plans, who is under the Deputy Director for Plans, who is under the Deputy Director, who is under the Director. This Executive Committee would, therefore, be taking its orders from a man six levels down. My apparently successful arguments against this may have given offense in some quarters; I do not know.

On one point I will speak positively. I regard the personal attack in the memorandum on Henry Siegbert as beneath contempt. I feel more strongly about that than I do about any comments on me. Henry Siegbert is one of the ablest all-around administrators I have ever met, and I have met many. If you are in doubt about that, ask Tom Finletter, Bill Foster, Admiral Jonas Ingraham, John Traphagen, Chairman of the Bank of New York, E. H. Westlake, President of Miami Copper or Charley Blyth, who at my request, helped me check on Siegbert's abilities. We are lucky to have him with us. Had he not been with us in recent months, and had he not been willing to take over, at my request, the temporary oversight of our finances and general administration, I shudder to think what shape we might now be in, how vulnerable you would be to auditors and investigators, and what criticisms you might then properly heap on me. It is true that Siegbert has never been in Asia. He is the only man I have added to any important post who has not. We looked first and long for a man with Asian experience, plus the necessary ability to fill the post, and could secure none. In many questions on policy in Asia I would trust his judgment before that of some of our "Asian experts." Paul Hoffman had never been in Europe when he became head of ECA. Every action taken by Siegbert here has been with my full knowledge and approval, and for all his actions I take full responsibility, and would be proud to take credit.

Because my sense of the urgency of the work has been questioned, I ask you to let me read you certain parts from recent letters from me to Ascham. Full copies of these are here for you and I ask you to read them. I repeat that I believe only a careful examination of the whole record of the Committee in my time, and talks by all of you with both Vice Presidents and with Elwood, Stewart, Grover, Ryan, White, Day and Keller (and any others you may wish) can give you a basis for fair judgment.

My chief objective in this matter is to secure the Executive Committee's repudiation of these personal attacks upon the ability, judgment and relative success, against heavy odds, of myself and others. The criticisms apply not only to me, but to others who have worked closely and well with me in the leadership of the Committee's work. Once this matter is cleared, there will be other subjects for discussion with this Committee. I shall be glad to answer any questions.

Alan Valentine

August 12, 1952