

THE PRESIDENT HAS SEEN *Chiron def.*

THE WHITE HOUSE

5236

WASHINGTON

~~CONFIDENTIAL~~/XGDS

MEETING WITH JOHN A. MCCONE  
FORMER DIRECTOR OF CENTRAL INTELLIGENCE

Monday, November 11, 1974

1:30 p.m. (30 minutes)

The Oval Office

From: Henry A. Kissinger *HAK*

I. PURPOSE

To give Mr. McCone an opportunity to discuss with you his thoughts on the Central Intelligence Agency and the President's Foreign Intelligence Advisory Board.

II. BACKGROUND, PARTICIPANTS & PRESS ARRANGEMENTS

A. Background: Mr. McCone, who served as Director of Central Intelligence from 1961 to 1965, recently discussed with Governor Scranton his thoughts on the Central Intelligence Agency and the President's Foreign Intelligence Advisory Board (PFIAB). Mr. McCone is apparently concerned about the "erosion of CIA", both internally and in the public eye. Governor Scranton recommended that Mr. McCone be given an opportunity to give his views directly to the President.

Mr. McCone will have attended the November 10 dinner and reception honoring Representatives Chet Holifield and Craig Hosmer, retiring members of the Joint Committee on Atomic Energy.

A biography of Mr. McCone is at Tab A.

A list of the present membership of PFIAB is at Tab B. The Board's next meeting is scheduled for December 5 and 6, 1974.

B. Participants: Mr. McCone and Secretary Kissinger or General Scowcroft.

C. Press Arrangements: Meeting not to be announced.

NSS Review Completed.

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**III. TALKING POINTS**

1. I understand that you are concerned over the present state of the Central Intelligence Agency. I share your interest in insuring the strength and vitality of that organization.
2. I have become increasingly aware of the vital importance of the work of the Intelligence Community in providing to me and my senior advisors accurate information and assessments on foreign developments.
3. At present, the Intelligence Community is faced with serious resource problems brought on by the pressures of inflation and the need to keep pace with technological advances. It is particularly important that we continue to maintain an effective technical capability to monitor the development of Soviet strategic forces, as well as the means to provide the essential political assessments of Soviet intentions. At the same time, it is becoming increasingly important to collect and interpret information on international economic developments.
4. I appreciate this opportunity to obtain your thoughts on our foreign intelligence structure, particularly the Central Intelligence Agency and the Foreign Intelligence Advisory Board. What do you feel to be the major problems facing us in the intelligence community?

**Attachments:**

- Tab A: Biography of Mr. MC Cone
- Tab B: Present Membership of PFIAB
- Tab C: November 1971 Press Release

CONFIDENTIAL

**JOHN A. MCCONE**

**PERSONAL DATA**

**Born in San Francisco, January 4, 1902**  
**Studied engineering at the University of California**  
**Married in 1938, two children, wife deceased (1961)**  
**Married in 1962 to Theiline Pigott**

**BUSINESS EXPERIENCE**

**Present -- Chairman of the Hendry International Company since 1968**  
**Director of Standard Oil of California, ITT Corporation,**  
**United California Bank, Western Bancorporation, Pacific**  
**Mutual Life Insurance Company**

**Past -- Construction engineer, Llewellyn Iron Works**  
**Superintendent, Consolidated Steel Corporation, 1929**  
**Executive Vice President and Director, Consolidated**  
**Steel Corporation, 1933 - 1937**  
**Organizer and President, Rechtel-McCone Engineering**  
**Corporation, 1937 - 1945**  
**President and Director, California Shipbuilding, 1941 - 1946**  
**President and Director, Joshua Hendy Corporation, 1945 - 1958**  
**Chairman, Joshua Hendy Corporation, 1958 - 1969**

**GOVERNMENT EXPERIENCE**

**Past -- Member, President's Air Policy Commission, 1947 - 1948**  
**Deputy to the Secretary of Defense, 1948**  
**Under Secretary of the Air Force, 1950 - 1951**  
**Chairman of the Atomic Energy Commission, 1958 - 1960**  
**Director of Central Intelligence, 1961 - 1965**

**OFFICE ADDRESS**

[Redacted Office Address]

(b)(3)

**HOME ADDRESS**

[Redacted Home Address]

(b)(3)

**THE WHITE HOUSE**

**WASHINGTON**

**PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD**

**ANDERSON, GEORGE W., JR.** -- Appointed by President Nixon on May 1, 1970 to replace General Maxwell Taylor as PFIAB Chairman; former Chief of Naval Operations; former U.S. Ambassador to Portugal; presently director of several large corporations.

**BAKER, WILLIAM O.** -- Originally appointed to the Board by President Eisenhower and reappointed by each succeeding President; currently President, Bell Telephone Laboratories, Incorporated; member of the National Academy of Sciences and numerous other governmental and quasi-governmental boards and commissions.

**CHERNE, LEO** -- Noted Economist; presently Executive Director of the Research Institute of America, Incorporated; member of the United States Advisory Commission on International Educational and Cultural Affairs; member of the Board of Advisors of the Industrial College of the Armed Forces, and numerous other boards and commissions.

\* **CONNALLY, JOHN B.** -- Former Secretary of the Navy under President Kennedy; Governor of Texas 1962 - 1968; Secretary of the Treasury December 1970 to June 1972; presently a partner of the law firm of Vinson, Elkins, Searls, Connally and Smith.

**FOSTER, JOHN S., JR.** -- Physicist; presently Vice President for Energy Research and Development, TRW, Incorporated; former Director of Defense Research and Engineering, Department of Defense; and former Director of Lawrence Livermore Laboratory and Associate Director of Berkeley Laboratory.

**GALVIN, ROBERT W.** -- Chairman and Chief Executive Officer of Motorola, Incorporated; Director of Harris Trust and Savings Bank; Director and past President of the Electronic Industries Association; and former member of the President's Commission on International Trade and Investment.

**GRAY, GORDON** -- Publisher; Director of R. J. Reynolds Tobacco Company and several other large corporations; former Secretary of the Army, Special Assistant to the President (Eisenhower) for National Security Affairs, Assistant Secretary of Defense (International Security Affairs), Director of the Office of Defense Mobilization; former Chancellor and President of the University of North Carolina.

**LAND, EDWIN H.** -- Inventor of the Land Polaroid camera; presently Board Chairman and President of Polaroid Corporation; member of the National Academy of Sciences and numerous other similar groups.

**LUCE, CLARE BOOTHE** -- Novelist and Playwright; former U.S. Ambassador to Italy, and Congresswoman from Connecticut; presently member of the White House Preservation Committee, the Academy of Political Science, the American Institute for Foreign Trade, and numerous other boards and commissions.

**ROCKEFELLER, NELSON A.** -- Former Governor of New York; presently Chairman, National Commission on Critical Choices for Americans.

**SHULTZ, GEORGE P.** -- Former Secretary of the Treasury and Assistant to the President (1972-74), Director of the Office of Management and Budget (1970-72), and Secretary of Labor (1969-70); economist; educator; member American Economic Association, National Academy of Arbitrators, Industrial Relations Research Association; presently Executive Vice President of Bechtel Corporation.

**TELLER, EDWARD** -- Physicist who played a major role in the development of the first atomic bomb, and has made important contributions in the fields of chemical physics, molecular physics, nuclear physics and quantum theory. He has been associated with the University of California since 1952, where he currently holds the position of University Professor of Physics and Associate Director of Lawrence Livermore Laboratory.

**BYERS, WHEATON B.** -- Executive Secretary of the Board.

**\* NOTE:**

At General Haig's request, Chairman Anderson forwarded to Governor Connally the recommendation that he tender his resignation from the Board. No response has yet been received.

THE WHITE HOUSE

The White House announced today that the President has directed a number of management steps to improve the efficiency and effectiveness of the U.S. foreign intelligence community.

The President's objectives are to ensure:

- Continuing review of the responsiveness of the U.S. intelligence effort to national needs.
- Strengthened leadership for the community as a whole.
- More efficient use of resources in the collection of intelligence information.
- Elimination of less efficient or outmoded activities.
- Improvement in the quality, scope and timeliness of intelligence information.

The improvements directed by the President follow an exhaustive study conducted at his direction by the staffs of the National Security Council (NSC) and the Office of Management and Budget (OMB) with contributions from the President's Foreign Intelligence Advisory Board (PFIAB), the President's Science Advisor, and the Intelligence community.

The major management improvements include:

- An enhanced leadership role for the Director of Central Intelligence (DCI) in planning, reviewing, coordinating, and evaluating all intelligence programs and activities, and in the production of national intelligence.
- Establishment of a National Security Council Intelligence Committee, chaired by the Assistant to the President for National Security Affairs. Its members will include the Attorney General, the DCI, the Under Secretary of State, the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs of Staff. The Committee will give direction and guidance on national intelligence needs and provide for a continuing evaluation of intelligence products from the viewpoint of the intelligence user.
- Establishment of a Net Assessment Group within the National Security Council Staff. The group will be headed by a senior staff member and will be responsible for reviewing and evaluating all intelligence products and for producing net assessments.
- Establishment of an Intelligence Resources Advisory Committee, chaired by the DCI, including as members a senior representative from the Department of State, the Department of Defense, the Office of Management and Budget, and the Central Intelligence Agency. This Committee will advise the DCI on the preparation of a consolidated intelligence program budget.

MORE

(OVER)

**Reconstitution of the United States Intelligence Board** chaired by the DCI, including as members the Deputy Director of Central Intelligence (Vice Chairman); Director of Bureau of Intelligence and Research, State Department; Director of National Security Agency, Director of the Defense Intelligence Agency; representatives of the Secretary of the Treasury and of the Director of the Federal Bureau of Investigation and the Atomic Energy Commission. The Board will advise and assist the DCI with respect to the production of national intelligence, the establishment of national intelligence requirements and priorities, the supervision of the dissemination and security of intelligence material, and the protection of intelligence sources and methods.

The President has also directed certain changes in the Department of Defense's intelligence organization.

A National Cryptologic Command will be set up under the Director of the National Security Agency. Under this command will be consolidated activities now carried out by separate agencies. A further change is the consolidation of all Department of Defense personnel security investigations into a single Office of Defense Investigations. The President has also directed that a Defense Map Agency be created by combining the now separate mapping, charting and geodetic organizations of the military services in order to achieve maximum efficiency and economy in production.

THE WHITE HOUSE

WASHINGTON

November 8, 1974

MEMORANDUM FOR: GENERAL BRENT SCOWCROFT  
FROM: *for* WARREN RUSTAND *WRN*  
SUBJECT: Approved Presidential Activity

Please take the necessary steps to implement the following and confirm with Mrs. Nell Yates, ext. 2699. The appropriate briefing paper should be submitted to Dr. David Hoopes.

Event: Meeting with John McCone, former Director, CIA

Date: Monday, November 11, 1974 Time: 1:30 p.m. Duration: 30 mins.

Location: The Oval Office.

Participants: Mr. McCone; General Scowcroft

Press Coverage: White House Photographer

cc: Mr. Hartmann  
Mr. Marsh  
Mr. Cheney  
Mrs. Davis  
Dr. Hoopes  
Mr. Jones  
Mr. Nessen  
Mr. O'Donnell  
Mrs. Yates



MEMORANDUM

NATIONAL SECURITY COUNCIL

CONFIDENTIAL/GDS

ACTION

November 8, 1974

MEMORANDUM FOR: SECRETARY KISSINGER

FROM: Richard Ober *RO*

SUBJECT: President's Meeting with  
Mr. John A. McCone, former  
Director of Central Intelligence,  
Monday, November 11, 1974

Attached is a talker for the President's meeting at 1:30 p.m.,  
November 11, 1974 with Mr. John A. McCone.

Mr. McCone has been notified.

RECOMMENDATION:

That you forward the attached talker to the President.

Attachments:

Talker with Tabs A, B and C.  
Memorandum from Warren Rustand (Tab D).

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MEMORANDUM

NATIONAL SECURITY COUNCIL

CONFIDENTIAL/GDS

ACTION

November 5, 1974

MEMORANDUM FOR:

SECRETARY KISSINGER

FROM :

Richard Ober *RO*

SUBJECT:

President's Meeting with  
Mr. John A. McCone, former  
Director of Central Intelligence,  
Monday, November 11, 1974

Attached is a talker for the President's meeting at <sup>1:30 pm</sup>~~12:00 noon~~,  
November 11, 1974 with Mr. John A. McCone.

Mr. McCone has been notified.

RECOMMENDATION:

That you forward the attached talker to the President.

Attachments:

- Talker with Tabs A, B and C.
- Memorandum from Warren Rustand (Tab D).

CONFIDENTIAL/GDS

*Still (by back)*  
*In Henry to keep up for (for S)*  
THE WHITE HOUSE

WASHINGTON

November 1, 1974

MEMORANDUM FOR: BRENT SCOWCROFT  
FROM: *for* WARREN RUSTAND *WR*  
SUBJECT: Approved Presidential Activity

Please take the necessary steps to implement the following and confirm with Mrs. Nell Yates, ext. 2699. The appropriate briefing paper should be submitted to Dr. David Hoopes.

Meeting: John McCone, former Director of the CIA.

Date: Monday, November 4, 1974 Time: 12:00 Noon Duration: 15 minutes

Purpose: To discuss with the President some of Mr. McCone's thoughts on the CIA and FIAB.

Location: The Oval Office

Press Coverage: Not to be announced.

cc: Mr. Hartmann  
Mr. Marsh  
Dr. Hoopes  
Mr. Jones  
Mr. O'Donnell  
Mr. Nessen  
Mrs. Yates

THE WHITE HOUSE

5236

WASHINGTON

*Scowcroft*

CONFIDENTIAL/XGDS

MEETING WITH JOHN A. MCCONE  
FORMER DIRECTOR OF CENTRAL INTELLIGENCE

Monday, November 11, 1974

12:00 noon (15 minutes)

The Oval Office

From: Henry A. Kissinger *HS*

I. PURPOSE

To give Mr. McCone an opportunity to discuss with you his thoughts on the Central Intelligence Agency and the President's Foreign Intelligence Advisory Board.

II. BACKGROUND, PARTICIPANTS & PRESS ARRANGEMENTS

A. Background: Mr. McCone, who served as Director of Central Intelligence from 1961 to 1965, recently discussed with Governor Scranton his thoughts on the Central Intelligence Agency and the President's Foreign Intelligence Advisory Board (PFIAB). Mr. McCone is apparently concerned about the "erosion of CIA", both internally and in the public eye. Governor Scranton recommended that Mr. McCone be given an opportunity to give his views directly to the President.

A biography of Mr. McCone is at Tab A.

A list of the present membership of PFIAB is at Tab B. The Board's next meeting is scheduled for December 5 and 6, 1974.

B. Participants: Mr. McCone and Secretary Kissinger or General Scowcroft.

C. Press Arrangements: Meeting not to be announced.

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III. TALKING POINTS

1. I understand that you are concerned over the present state of the Central Intelligence Agency. I share your ~~concern~~ *interest in ensuring the strength and vitality of that organization.*

5. ~~As you know~~ *As you know*, in November, 1971, President Nixon directed certain changes in the structure of the Intelligence Community designed to ensure the most efficient utilization of intelligence resources and to strengthen the role of the DCI. (Copy of press release is at Tab C). *Do you have any observations on the impact of these changes?*

2. ~~In recent months~~, I have become increasingly aware of the vital importance of the work of the Intelligence Community in providing to me and my senior advisors accurate information and assessments on foreign developments.

3. ~~At present~~, the Intelligence Community is faced with serious resource problems brought on by the pressures of inflation and the need to keep pace with technological advances. It is particularly important that we continue to maintain an ~~adequate~~ *adequate*

*Technical* capability to monitor the development of Soviet strategic forces ~~as well as~~ *as well as* the means to provide the essential political assessments of Soviet intentions.

4. ~~I welcome~~ *appreciate* this opportunity to obtain your thoughts on our foreign intelligence structure, particularly the Central Intelligence Agency and the Foreign Intelligence Advisory Board. *What do you feel to be the major problems facing us in the intelligence community?*

Attachments:

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- Tab B: Present membership of PFIAB
- Tab C: November 1971 Press Release

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