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16 January 1956

MEMORANDUM FOR: CHIEF OF OPERATIONS, DD/P**SUBJECT: Task Force Report on Intelligence Activities**

1. In accordance with your request I have gone over Appendix II of the Task Force Report and I have discussed the matter with C/I&R. We are of the opinion that there is no objection, in fact it might be entirely to our advantage if we would be willing to take the initiative and provide the Department of Defense extracts from Appendix II which refer to them.

2. The first sixteen pages of this Appendix is background and history taken almost entirely from a paper prepared by the PPC Staff in 1953. There is no need to send any part of this section to the Department of Defense as it does not pertain directly to them.

3. The next two sections of the report covering from pages sixteen to twenty-eight pertain to psychological warfare and political warfare. There is nothing in these sections pertaining to the Department of Defense.

4. The next section pertaining to paramilitary (pages twenty-eight to thirty-three) relates to the Department of Defense and could be referred to them.

5. Selected parts of the section regarding foreign intelligence (pages thirty-three to thirty-nine) which relates to the Department of Defense could be extracted and furnished Defense.

6. The section on the defector program (pages thirty-nine to forty-two) could be given to Defense in toto.

7. The remainder of the report does not concern the Department of Defense.

8. Recommendation:

a. That the Clandestine Services offer no objection to furnishing to General Erskine's office, Department of Defense, 143841-A

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the extracts of Appendix II of the Task Force Report on Intelligence Activities which refer to them.

b. That other sections of the CIA report (DD/S, DD/I, etc.) be extracted and furnished in a similar manner.

c. That CIA officially request the parts of the Department of Defense Task Force Report which refer to this Agency.

d. That after the exchange of information has been made that we sit down with the proper people in Defense and resolve the facts, thus limiting any extensive discussion at OCB, PB, or NSC levels.

Signed J. D. BALMER

J. D. BALMER

Chief, Planning and Program
Coordination Staff

Attachment:

Attached hereto are additional extracts from the DOD report which give a better idea of the scope of this proposed undertaking.

DD/P-PPC/JDBalmer/mlh

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NOTES TAKEN FROM THE
TASK FORCE REPORT
CN
INTELLIGENCE ACTIVITIES

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- Page VI** - Complaint of security restriction imposed by CIA. Recommend no legal restrictions in future.
- Page XXIII** - 1st Hoover Report (1948) said excess of adm. personnel. This report says it still exists (excess) but due to number of buildings and compartmentation.... (Task force apparently accepts fact that some improvement has been made.)
- Page XXV** - Comment on the Command Relationships paper which evolved since 1st Report (1948). The committee feels that due to seriousness of the problem continued study should be made to solve problem, to reach the best possible solution, prior to outbreak of war. (This indicates further solution required.)
- Page XXV** - 1st Report (1948): Military do not reveal enough to (CIA?) on grounds of security. This report says situation is not solved.
- Page XXVIII** - Comment favorably on quality (CIA) improvement of scientific and medical intelligence -- handicapped because of inability of all intelligence community to operate in bloc.
- Page XXIX** - CIA not contaminated -- good security risk -- Dulles commented on favorably but report states he has taken upon himself too many operational tasks. Certain admin. flaws have developed in CIA which must be corrected.
- Page XXIX** - Task force deeply concerned over lack of adequate intelligence data from behind curtain. Aggressive leadership and boldness is essential in order to get the info.
- Page XXX** - Majority of task force convinced internal reorganization of CIA is necessary to insure primary and vital functions are discharged without diversionary interests interfering with primary responsibility.
- Page XXX** - Recommend watch-dog commission (Joint Congressional).

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ARMY

Page 118: Relationship of Assistant Chief of Staff, G-2, to Other Intelligence Agencies.

"... G-2 operates generally in a healthy atmosphere of cooperation with the other Agencies in the intelligence community. The only areas of disagreement which currently exist stem from the proscriptions contained in certain directives of the National Security Council. . . ."

Page 118: "There are certain attitudes taken by some Agencies which have a tendency to interfere with this overall effort, however, and these are evidenced in an over extension of the 'need-to-know' criteria. If this criteria could be given a 'need-to-know-all' connotation, a fuller degree of mutual understanding would result Having a source which has certain capabilities should be a matter of common knowledge within the community."

Page 124: "The Army is definitely not satisfied with this agreement (Agreed Activities) only accepting the terms as the best obtainable solution at this time."

Pages 124, 125, 126 are devoted to the

(b)(1)
(b)(3)

Page 126: Conclusions:

"The Army has a responsibility under Section 101 (d) (3) of the National Security Act of 1947 as amended and also under the provisions of NSCID 1, to engage in clandestine activities. The NSCID 5 therefore is in effect a denial of the Army's capability and statutory authority in this respect. The 'Agreed Activities' paper is only a partial recognition of this responsibility and does not fully permit the Army to meet the requirements of this responsibility or the exigencies of the situation. . . . The Army has a very extensive capability for further exploiting the defector program but is prevented from doing so by the implementation of the provisions of NSCID 13 which relate especially to the inducement aspect of that program."

Page 127 - Recommendations:

That the NSC revise NSCID 5 to provide for clandestine intelligence activity on the part of the military services consistent with their

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capabilities and statutory responsibilities under the National Security Act of 1947.

" That the implementation of NSCID 13 be extended to permit participation in the Soviet and Satellite Defector Inducement Program by the military services and CIA in direct proportion to the capabilities of each."

U. S. NAVY REPORT

- Page 145: NSCID/1 requires CIA to furnish collected info of concern or interest to another agency to service attache or other local intell. rep. in the area. Reported to task force that in some areas this procedure is not being fully implemented.
- Page 146: Effect of Naval Blockade (China). Navy & Army have parview in the field. State and CIA are also furnishing info on this. Estimates of Navy and Army should be considered paramount; under terms of National Security Act of 1947 and NSCID/1, CIA will not duplicate intell. activities of various departments but will use department intell.
- Page 154: Navy jealous of its prerogatives in intell. field. Several cases cited where CIA duplicated work of primary interest to Navy particularly guided missiles and transportation in Far East.

AIR FORCE

- Page 179: Recommendation: Intell. Research Center be established under CIA to guide the total intelligence research program. (Makes note of Air Force research in this field.)

COVERT OPERATIONS

Department of Defense

- Page 183: JSCAP 1954 - Approved by Joint Chiefs in 1954 (June). No consultation or referral to CIA was effected until it was approved by JCS.

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Page 184: CIA responsible for preparing a base for B&E and EW. "So far as JCS know, this is not being done in areas now under Soviet or Satellite control." Theater commanders and certain other members of Army and Navy planning staffs in Washington must know current status of assets in order to plan intelligently. The knowledge is not now available to pertinent military staffs in Washington.

Page 184: Army member of JCS directed realistic estimate of guerrilla potential behind curtain for D/Day and D/ 6 months up to 24th month.

Each of Iron Curtain countries report was 0 "which indicates lack of info on part of commander (Theater) or of action on part of CIA." Army much concerned because JSCAP says "GW will be used to the maximum from D-Day onward."

Page 186: "In spite of accomplishments of Inter-Agency Priorities Committee, Army is concerned over the lack of info from the CIA as compared to its own collection achievements in certain areas."

Army wants restraining directives lifted believing it could collect more info in Europe. Confidant because Army type info is more easily obtainable than that which CIA is trying to collect.

DEFECTION

Page 188: Army satisfied with wording of directives in field of defection inducement. Not satisfied with present lack of inducement policies. Defectors lost because Army unable to give assurance of asylum or other appropriate inducements due to CIA unwillingness to grant Army authority to make such offers.

Page 188: "The inducement feature and CIA's failure to keep Army member of the Inter. Def. Comtee and its supporting committees overseas adequately and promptly informed are the two most important problems in the defector program as far as Army is concerned."

"There have been instances in which CIA has denied the Army knowledge of or access to defector in CIA custody." CIA says these people have double agent value. Defectors are great source of all kinds of info and Army does not agree with CIA in this field.

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Page 190:

(b)(1)
(b)(3)GW

Army assigned "Primary Interest" of all services for GW.

Page 193:

Grave concern expressed by Army that Theater Commanders are not informed by CIA of UW assets and planned operations; concern based on --

"Meagerness of assets set forth in plan submitted by the theater commanders in accordance with JCS instructions."

"Complete lack of info on part of staff at Washington level charged by JCS with staff supervision of and planning for this type of war."

Page 194:

Makes reference to fact that EUCOM has dragged military feet in providing CIA with targets to be covered. These initial requirements of war so huge it couldn't be filled - (Take off of Erskine statement). (This has to do with special forces and assistance to S. F. by CIA.)

DEPT. OF NAVY

Page 194-5:

Intelligence Collection: Sent "agreed activities" to field, in addition sent instruction to direct efforts to development of E&E info and provision for assistance in coastal areas where evaders or escapees may seek refuge. Latter activity cannot be construed to come under "Agreed Activities" and is recognized by working level of actual intelligence. Navy issued these instructions because of lack of any info that such assets have been or will be developed by CIA and felt it must go ahead on its own.

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Page 196:

"In the Far East all collectors in Korea, except CIA, are cooperating and the services have a control system for all of their operations. CIA contends that because of requirements of National Security Act of 1947 and Public Law 110 of 1949 it cannot cooperate."

This has to do with system of source control and IAC-D-54 dated July 24, 1952.

DEFECTION

Page 196:

All services have much complaint with CIA in failure of CIA to keep Inter-Agency Defectors Committee in Washington and field informed of defection until long after they had taken place. No complaint when procedures in accordance with existing directives are used.

E&E

Page 197:

Long discussion on E&E concerning Air Force and Navy - then -

CIA will not reveal assets in field of E&E at this time. States it is unnecessary. Commander 6th Fleet got instructions in sealed envelope to be opened in time of war which would provide instructions for pilot briefings. CIA will not provide info to Navy crews participating in "overflights" -- CIA says why sacrifice all for one or two men. "This is the only firm indication available to the Navy at the Washington level of the possible existence of any CIA assets in this field."

CONCLUSION

Page 203:

"There is a need for the establishment of a control registry of clandestine agents in accordance with IAC Dir 454 in order to prevent duplication of payment and false confirmation or information. Action in this respect is being delayed due to Agency reluctance to disclose sources." (p. 196)

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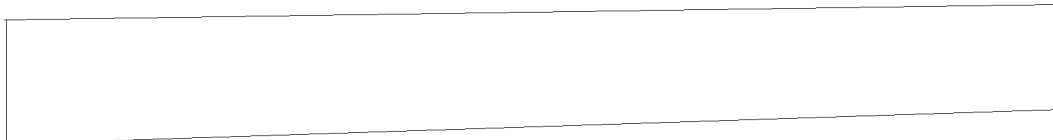
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"Either CIA has been unable to develop and maintain adequate assets in the E&E guerrilla warfare areas or is furnishing inadequate info to the services concerning its assets. Such a condition can only result in duplication of effort, inadequate planning and failure in operations." (pp. 183, 184, 189, 192-194, 201, 202.)

(b)(1)
(b)(3)RECOMMENDATIONS

Page 204&5: All concerning above, and

"That the NSC review present assets and direct the necessary action to assure adequate preparation for E&E and support of guerrilla warfare.

ATOMIC ENERGY

Page 219: Conclusion

No one agency has primary responsibility for collection or production of info in their field.

Page 220: Recommendation:

"That the Central Intelligence Agency, in the exercise of its responsibilities for coordination of the production of national intelligence, pay special attention to the production of atomic energy intelligence."

III. COORDINATION IN OVERSEAS AREAS

Page 308:

"CIA generally has been the least cooperative Agency in these exchange matters and has aroused thereby the greatest dissatisfaction. It is appropriate to note that the CIA representatives apprised of their activities to the extent they are permitted to

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de so. However, because of the restrictions imposed on the use of this information by the recipient, its use is limited. In some areas a few military men were found who were of the opinion that CIA possessed assets and capabilities which, in fact, they did not have.

Page 309:

Conclusions:

The strong emphasis on security which gives rise to a high degree of compartmentation has an unfavorable impact on the exchange of information so vital to the effective operation of the intelligence function. The limitation imposed by CIA on its field representatives has aroused the greatest dissatisfaction.

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