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INTELLIGENCE CONSIDERATIONS IN THE FORMULATION OF NATIONAL SECURITY POLICY

By

The Honorable Robert Amory, Jr.

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BIOGRAPHY

The Honorable Robert Amory, Jr., Deputy Director for Intelligence, Central Intelligence Agency, was born 2 March 1915 in Boston, Massachusetts.

He received his B.A. (1936) from Harvard College and LL.B. (1938) from Harvard Law School. He was admitted to the New York bar in 1939; the New Hampshire and Massachusetts bars in 1946; and practiced law in New York City, 1938-40. He served as professor of law and accounting, Harvard Law School, 1947-52.

During World War II, Mr. Amory enlisted in the U.S. Army as a private and served with the 258th Field Artillery, 1941-42; 533d Engineer Boat and Shore Regiment, 1942-45; and commanded an amphibian engineer battalion and regiment in New Britain, New Guinea, Luzon and Southern Philippine campaigns and in the occupation of Japan. He was discharged as a colonel in 1946. From 1947 to 1952 he commanded the 126th Tank Battalion of the Massachusetts National Guard, including active duty as a student in the Infantry School and the Command and General Staff School, 1951. He is now a colonel of infantry in the Organized Reserve Corps.

He is author (with R. M. Waterman) of Surf and Sand, (Cambridge, Harvard Law School, 1947) and (with Covington Hardee) Materials on Accounting, (Brooklyn, N.Y., Foundation Press, 1953).

Mr. Amory was assistant director in charge of Economic and Geographic Intelligence, CIA, February 1952 to February 1953 and has been Deputy for Intelligence since that date. He has also served as CIA Adviser to the National Security Council Planning Board since March 1953. He was a member of the U.S. delegation to the Bermuda Conference, 1954, and the Bangkok Conference, 1953.

This is Mr. Amory's fifth lecture at The National War College.

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COLONEL TWADDELL: (Introduced the speaker).

MR. AMORY: General Harrold, gentlemen:-

It is a pleasure to return to this platform to take up this rather knotty subject with you.

You have had a previous session earlier in the year with General Cabell and Lyman Kirkpatrick, our Inspector General, and I understand that that covered the background history and organization of CIA and the various relationships of a managerial nature in the Intelligence Community.

You have also had other speakers touching on or around my topic. Gordon Gray showed me his talk to you of a week ago, and I was pleased to see how much note he paid to the way in which intelligence is absorbed and ground into the policy-making procedures.

So I brought no slides, no wiry diagrams with me today. I thought I would deal in as substantive way as possible with the formulation of intelligence for the policy maker. I am going to condense my remarks as much as possible - those of an expository nature - in order to get, in the latter half of my talk, to a series of problems with which we are still wrestling and which you might find of interest to pursue in your thesis writing and discussion groups.

The basic national security policy papers as they are annually revised contain an intelligence paragraph, a sort of mandate to the Community, that has changed very little over recent years. This paragraph lays a threefold requirement of developing and maintaining an intelligence system capable of collecting the requisite data on and accurately evaluating three types of things:

1. Indications of hostile intentions that would give maximum prior warning of possible aggression or subversion in any area of the world.

2. Estimates of capabilities of foreign countries, friendly and neutral as well as enemy, to undertake military, political, economic, and subversive courses of action affecting U. S. security. And,

3. Just to be sure we had not forgotten anything (I was one of the drafters of this paragraph), we put in a little item "c", forecasts of potential foreign developments having a bearing on U. S. national security.

Obviously, if anything was left out of the first two, the third was intended to encompass the waterfront.

Now, I will talk first, if I may, about the advance warning, the first mission of giving this maximum prior warning to the policy makers. Of course, in really critical times it would be directly to the action components -- the unified commanders, the Joint Chiefs of Staff, etc. There are three aspects to this.

One aspect is getting the intelligence war information in fast from the field, in sufficiently short time so that in this hectic

age in which we live action can be taken on it in a timely fashion. For this we have developed a thing we call a "critic intelligence system".

First, we have defined throughout the Community on an agreed basis certain types of information which is characterized as being of such a nature that it might have to be brought to the immediate attention of the President. Please realize that in making any definition like this (and I won't bore you with the types) that an individual person, whether he is a clandestine case officer in the Middle East or an NSA operator in a station in Okinawa or Alaska, or something like that, is not going to have the big picture. He has to be able to judge something by one nugget at a time, one form, and make up his mind whether that is an item that had better be fed back jolly fast. Assuming that he sees something like that, he slugs it "critic" and puts a flash or emergency precedence on it, depending on whether in his judgment it is the type of thing that ought to get back in ten minutes or in an hour.

That message then goes through with maximum clear trackage in the communications network, and the important thing is that when it gets to Washington no further human judgment is applied to the question of whether or not it is disseminated throughout the Community. If it has the word "critic" on it, bang, it goes out from message centers by an automatic multiple teletype system in a matter of seconds and then again it is automatic that the watch officers on 24-hour duty throughout the Intelligence Community immediately bring

that to the attention of their chiefs -- in our case to the attention of General Goodpaster at the White House for the President.

The theory in the process is quite different from the facts to date, because, as many of you who have been engaged in communications know, we are not yet really within striking distance of the ten-minute goal at the moment. But there is a program, which is approved by the NSC, for implementation by the Department of Defense with guidance from the Intelligence Community that looks toward this when we get adequate automatic relay and routing systems electronically controlled and run. But we have made a vast improvement and a few figures I think might be of interest to you.

In the crisis of the fall of 1957 (maybe forgotten by many of you in the light of the more dramatic crises of the summer of 1958 in the Near East), the one in which Syria was thought to be going Communist and the Turks and others were planning to make a quick intervention and in turn the Russians were threatening intervention in Turkey, we had the kind of situation in which Washington should have been apprised as early as possible. Yet, the messages coming back at that time averaged nine hours and 35 minutes from the time of filing, generally in the Middle Eastern area and in some cases in Moscow, until receipt at the policy level in Washington.

The following summer, putting into effect the "critic system" for the first time, a year ago July, a similar type situation produced an average time of one hour and 23 minutes.

This year we ran a test in September, not having a good

crisis to contrast to that, which we really made a little more difficult than a real one because of various control factors. We picked various and sundry out-of-the-way places in which intelligence information might originate and timed a large series of messages right straight through to the White House. There our average time was down to 59 minutes. The median time, which is probably more important because one or two erratic long-shots weighted the average upward, was only 46 minutes. So we are beginning to get a system that is quite on the way to being effective. But in the days of ballistic missiles and that kind of thing, we obviously cannot be satisfied until we get further ahead with the automatic signalling system.

The second thing that you have to have is an on-duty group at all times of the day and night and all days of the week, which we now have in the National Indications Center in the bottom of the Pentagon. The absence of this, as many of you know who read the history of the last week of November and the first week of December in 1941, was really, more than anything else, to blame for the failure of the national leaders to appreciate what the Japs were going to do. Everybody knew there was a crisis coming, but everybody's eyes were on different parts of the world and on their own fields of responsibility; and the various bits and pieces were not put together in front of intelligence experts in a single hand for observation and analysis. This we think we have covered now in this Indications Center, particularly in having professional intelligence officers on duty at all times of the day drawn from all three Services, State Department, and

CIA, so that there is never a case where a corporal or yeoman is a mere CQ but that he is a person who has professional training and is ready to act; and the director or the on-duty man of the NIC can call the Watch Committee into being.

The Watch Committee, as I think was explained to you, is immediately subordinate to the United States Intelligence Board and is chaired by our Deputy Director, General Cabell. It meets at the drop of a hat; it has sometimes met on nine or ten minutes' notice; it meets right in the National Indications Center, where all the "dope" there on hand or flowing in within the next few minutes will be available to them. They make up their considered judgment as to whether or not this is an indication of hostilities or a situation that can be exploited in a hostile way by the Soviet bloc or any other major force that threatens our security.

Finally, of course, if there is time, there will be a meeting of the U. S. Intelligence Board and a crash national estimate (which I will discuss in more detail in a few minutes) readied for White House consumption. All this can be telescoped.

I mean, if it is a really hot item and a really urgent matter, the Watch Committee would meet over the telephone. Secondly, the warning from the Nation Indications Center and from General Cabell would immediately go to the action authorities - the JCS and the White House - even as the evaluation of the "dope" was taking place. Finally, it is a problem that we have wrestled with from time to time and that is what I call the question of the width of the

focus of the Watch Committee.

If we make this Watch Committee in the National Indications Center responsible for alerting the Government to every little possibility, that is going to be annoying and possibly embarrassing and confusing, such as a revolution or a golpe in Bolivia or an assassination in Ceylon, or something like that; they are just going to be so diffused that they are not going to be alert enough to pick out series of indications that may be something of much more importance to us in the way of being related to major hostile aggression. Therefore, we limit their responsibilities, as I say, either to hostile actions directly generated by the Soviet bloc or situations in or near the Soviet bloc which are capable of ready and rapid exploitation in a hostile way by it.

If there is any doubt in the case of a situation generating, the Watch Committee consults with the USIB and says: Do you want us to take this under advisement and watch it or don't you? The USIB will frequently say: Leave that alone. We will commission a special task force to keep our eye on that. You watch for the big ball game.

Finally, there is the question of being sure that everything necessary gets to this group. It is all very well to set it up, but if highly sensitive information is going to be withheld from it by somebody who is afraid of leaks or trusts only people who have multiple stars on their shoulders or $25,000 a year civil pay salaries, you won't get anywhere -- and, naturally again, which you had at the time of Pearl Harbor.

So we got the NSC five years go to direct every Government department and agency to make fully available to the Watch Committee all information and intelligence of reasonable credibility pertinent to its mission and functions without restriction because of source, policy, or operational sensitivity. (Of course, when I say "get the NSC", as you well know, it means get the President on the advice of NSC to give command direction.)

This took some doing and it has not always been lived up to, but its spirit is never attacked, and when people are caught out on it they are contrite and therefore say they will try to do better the next time.

In addition to that, which required intelligence to come before it, it is also necessary, in order to judge accurately enemy reactions, that you have what we are up to at the same time in a given crisis. So the second paragraph requires the Watch Committee be kept informed concerning significant diplomatic, political, military, or other course of action by the U. S. approved for immediate implementation or in process of execution which might bring about military reaction or really hostile action by the U.S.S.R.

I would like to pay tribute here to the military Services and the Joint Chiefs as a corporate body for the way in which they have lived up to that in the off-shore islands crisis, and other things like that, where in order to judge what the Chinese were up to you had to crank into the machinery what the situation must have looked like in Peiping in view of the movements of the Seventh Fleet,

and so on.

We think, thus, that we have devised a system that takes full account of failures of 17 - 18 years ago. Of course, it can still be defeated by human error or human incapacity. But we believe that as far as an abstract organization is concerned, and putting the means at its disposal, the Community has done about everything possible to see that intelligence will not be ignored in that kind of a crisis.

Of course, you do not want to confuse this with the early warning system -- this we call the advance warning system -- the early warning system of actual hostile movement of missiles or aircraft as detected by the various warning lines. The two are very tightly integrated. Anything that came over the DEW Line, or something like that, would be fed into this Watch mechanism, and, of course, the Air Command post and NORAD and others would be getting any of the advance intelligence indications. But this is a responsibility that exists prior to getting things handled prior to the actual mechanical detection of hostile action.

So much then for the first question of early warning.

Now, to the question of what we do about estimating capabilities and trends and sort of forecasting developments in aid of the policy maker.

The machinery I am going to talk about, of course, deals with what we call and define as national intelligence, that which is required for the formulation of national security policy, concerns

more than one department or agency, and transcends the exclusive competence of a single department or agency. That is contrasted with departmental intelligence, which is that which any department or agency requires to execute its own mission. Obviously, the two overlap and anybody who thinks one can draw a line between them and say that the national estimates machinery will handle one to the exclusion of, we'll say, ONI or ASTIA (Army) has rocks in his head. The important thing is that if the Chief of Naval Operations or the Secretary of the Navy has need for certain intelligence to be developed in a way suitable for his planning and programming he can order it within his own resources. And just because it is a naval matter -- shall we say, how many nuclear submarines do the Soviets have and what is their program for building them -- does not mean that it is not also national intelligence, because if it is important enough to affect the national security then it can also be handled in the national machinery. The only important thing is that once it has been handled in the national machinery, with everybody having the right to speak and to be heard on it (which I shall describe), then that is the national intelligence on the subject until revised and it is not permissible and not sensible practice for a given department or agency unilaterally to put out conflicting estimates. We have had no trouble with that over the last several years.

We have been in business in this national intelligence business now nearly a decade, and after the first two or three years its general acceptance has been widespread. But there have been occasions,

not so much in the Services here in Washington as in commands out in the field, where the commander will say: "We have a very interesting paper out of Washington that is called National Intelligence Estimate Number so-and-so. On the whole we think it is rather good but we disagree with this, that, and the other thing, and the command will be advised and guided accordingly." That also has not happened in the last couple of years.

Now, how do we get this national intelligence? How is it done? I think it is worth a little chronological narrative run-through.

In the first place, the statute would give the Director complete authority to do this on his own with his own machinery. The statute was intentially vague and broad, like all good organic statutes in this and other directions. But if he did that and to the extent that it was done in the very early days of the agency, he, of course, would get nowhere, because, when it is presented, no matter how well it is dressed up and how gaudy a raiment you put around the term "national intelligence estimate", if in the policy meetings at the level of the NSC, the Cabinet, or otherwise, the Secretary of Defense says, "that's fine, but that is not what we think over in the Pentagon", it obviously is no more than a fifth wheel in other departments' and agencies' views.

Conversely, this could have been done on a pure committee system. It could have been done by whacking out contributions - drafts, stapling them together, and saying: Here is the Army view on the Army

thing; here is the Navy view on the Navy side; the State Department on politics; and so on and so forth; and then handing it over with everybody approving their own pertinent section of it. If you did that, you might have agreement on everything but you would have no corporate responsibility for the whole and you would have no integrity in the paper. It just would not stand together as a single useful document.

The compromise reached, whether you call it midway between two possibilities or anywhere in between (at least, it is not one of the two extremes), is essentially the committee system in the sense of final corporate total responsibility by the Board for the paper, but a process of developing the paper that focuses responsibility on a special machinery which happens to be on CIA's payroll, but is very definitely machine information, and on behalf of the Intelligence Community - to wit, our Office of National Estimates.

The Office consists of two parts: mainly, a small thing we call the Board of National Estimates -- approximately ten senior individuals with wide experience in Government and in intelligence usually, drawn from all walks of life, or at least from as many walks of life as we can get ten people that are pertinent to the intelligence game, including normally, but not necessarily always, an ex-Service officer from each of the three Services, an ex-member of the Department of State, whether Foreign Service or, as in one case, an ex-Assistant Secretary, a couple of historians, a lawyer who was General Counsel of MSA, and so on and so forth.

This is a board -- you might call it agglomerate, or something like that -- that has two major features to it. One is its total separation from administrative responsibility. It has nothing to do but do this thinking and estimating, cashing its own individual pay checks every fourteen days, or something like that. And the second is, insofar as possible, having no responsibility or concern with policy or programs or any loyalty to a particular Service or department or national policy, it should be able to look as objectively as humanly possible at the world events as they go by and portray -- no axe to grind, so to speak.

It is supported by a small staff of relatively younger men who are drawn from largely academic circles initially but who have by and large experience of six to eight years in the intelligence business, who are competent draftsmen, good thorough readers of the world scene, and, again, partake of this independence of position of their seniors on the board.

You were assigned in your reading a short article by James Burnham. You will note in his highly critical observations on our political and strategic intelligence, as opposed to what he calls technical intelligence, that he calls for just such a group - a small group - and he says: Leave them alone as far as intelligence is concerned; just give them the Economist and the New York Times.

Well, that is not a bad idea sometimes, and I am sure they all do read the New York Times and the Economist, but there are other things that occasionally add a little useful grist to the mill. The

important thing is that we have tried to get just this kind of independent mentality and take them away from problems of internal security and administration of large attache organizations or foreign service problems and policy. The only difference between what Burnham asserts he would like and these people is that these people have an open mind and Burnham would like them all to have a closed mind.

Now, how do these papers get put together?

In the first place, they have to be commissioned or born. On that Mr. Gray, I think, gave you some inclination of the closeness between workings of the Council planners' executive secretariat, himself, and those of us who are commissioning NIEs. In fact, it is a fairly free commission. If the Secretary of State calls up and says he is worried about the situation in Yugoslavia, he can jolly well have a national estimate on Yugoslavia; also, the Secretary of Defense, likewise, or the Joint Chiefs, or anyone.

By and large we try to focus the efforts of this body, because it is limited in the number of estimates it can do well during a given year, to the agenda of the Council. That we try to do in two ways.

One is: We will provide an estimate for what the Council plans to take up. But, conversely, and more importantly, being in the intelligence business, what we decide the Council ought to be thinking about we will have a national intelligence estimate geared up so as to stimulate and very likely obtain a review by the Planning Board or the OCB or the NSC itself on what is going on in a given

area.

More and more, these papers are responsive to real questions that confront the policy maker. In the early days they tended to be very largely what we call "country studies" -- the outlook in France over the next two years, or the outlook for Algeria, or something like that. Today, while we still have a certain amount of those papers in the account, we give priority to papers that say: What will be the world reaction - Communist bloc, neutrals, allied, and so on - to the following U. S. courses of action with respect to the Horn of Africa? or something like that.

The State Department's Policy Planning staff, ISA, and the Department of Defense, or otherwise, working with Jimmy Lay and Mr. Gray, will define the questions of the policy options in a realistic way, and then we will give our best prediction as to what will happen if one or the other or none of them are adopted. The most recent jutty job done like that was last spring on certain courses of action to contend with the Berlin situation, including opening up a corridor, and so on and so forth. I think Mr. Gray discussed with you one of them with respect to the Middle East.

The next stage is the one of getting the terms of reference of the estimate reasonably defined and detailed to the end that if intelligence can be found to answer the questions you will have been sure that you asked all the questions that the policy maker would like to have answered. Then these are whacked up among the various agencies and contributions solicited and obtained from the estimates

sections.

The important point to stress here is that the contribution that comes in is a genuine study of all the aspects of that problem and is not a set draft of how the submitting agency would like to see that part of the estimate read. For that reason the contribution will normally exceed the final estimative section which it subtends by a ratio of ten to one in pages or words.

When all these contributions are in, a small task force of this junior staff that I talked about gets to work and whacks out an initial draft, staying within the limits of the contributions in almost every case. In other words, they are not supposed to have independent ideas that are outside the right or left field foul lines of what somebody in the Community thinks about the situation. But we do not make that an absolute ground rule, and from time to time we will startle the Community by coming in with our initial draft, taking a position more extreme on a given point than any one of the responsible contributors has taken.

When that draft is completed it is sat on by this senior board that I described as a "murder board", refined, beaten around, redrafted, and then resubmitted to the contributors, the member agencies of the USIB. This is called then the "Board Draft". They give, if there is time, the agencies time to think it over, to come in with their recommended changes, which are frequently lengthy and widespread. They come back and meet with the panel of the board in the final or semifinal heat of the tournament. In the course of

their work, the dissents are normally for the first time hammered out and set forth. When their work is done, the paper goes to the United States Intelligence Board for its final working over and approval.

Now, I stress here, as I have always, that the action of the United States Intelligence Board - the heads of the intelligence agencies - is by no means rubber-stamping or cursory. They take the attitude that in this process they are not just the senior representatives of their intelligence services concerned, that they are a corporate board of final evaluators of intelligence information, and they stake their sort of personal as well as departmental reputations on having this paper as good as humanly possible.

When that process is through you have a National Intelligence Estimate.

There are two or three things to say about them. For those of you who read them or commission them, as you all do in one way or another or have done before, the first is the important requirement of reading them with care. Little adverbs, little adjectives -- "it is bearly possible", "the chances are slightly more than even" -- are essentially mathematically thought out before they go into the language of the paper.

You may say: Well, wouldn't it be better to quote odds in a numerical way? There are some of us who think it would not be a bad idea from time to time, though others at the moment (well, the majority of controlling positions) say that would give a false

impression of accuracy and clarity that we do not have.

The second is to pay very close attention to the dissents. We encourage dissents on all matters of real substance. We try to discourage them when it is just a question of saying the same thing in two different ways.

By and large, nine-tenths of the dissents, you will find, have a real matter of substance at stake between the footnote and the text or whether evenly balanced between the two split texts. These serve the purpose of calling the policy maker's attention (1) to the fact that there is something important at stake and (2) to the fact that one or more of the agencies feels quite differently from the body. What the policy maker does with that, of course, is his own business. He may say: I am going to sit as an umpire on these and I will side with the majority or the minority. If he is a wise planner, however, he will take into account the fact that the minority is a thoughtful one and his plans, if humanly possible, should take into account the contingency or the point of view set forth in the minority. At least, we avoid this way what we are often accused in the public press of doing, least common denominator writing, tent language, which everybody can comfortably get under with no clear direction as to what we mean or guidance to the policy maker.

Probably that process has sounded to you extremely lengthy and cumbersome. You can say: Well, no wonder we are so far behind in various aspects of the cold war, if that is the way everything

has to be ground through before somebody does something about it. But the fact is, without missing any really essential ingredients, this whole process can and often is telescoped into a day or two or, in two or three certain instances in recent years, into a matter of a few hours. The contribution, instead of being a written one, will be a meeting at which the various Service and agency representatives come over to our building and give their views orally; somebody jots down notes; somebody writes the first part of a draft and kicks it back in; but essentially the intellectual process is in that same orderly manner. I recall one time when the USIB was actually sitting on the first part of a paper while the representatives were arguing out another section of it. So it does lend itself to rapid action.

So many of the things that the policy maker really deals with at the NSC level do not require that kind of rush and crash action. Those are more apt to be OCB decisions on whether or not to cancel a program or to put more funds behind this, that, or the other thing in a given country. But when you are planning generally what you are going to do over the next few years in Tropical Africa or what your attitude should be toward Sino-Soviet differences, you can take time to do a thorough job. And on a reasonable schedule, as we have on our big estimates of the Sino-Soviet bloc -- a big Russian paper, a big China paper, a big satellite paper, and so on and so forth -- there is no reason not to make those papers as good as possible by having a maximum period of detailed study in detailed cross

fertilization of ideas in the process. So, as I say, the process can take anywhere from a few hours to a few months, and that is, I really believe, as it should be.

We also include in this a post-mortem of the whole process which is a very good aid to the collector. We will state in that that this estimate was hampered by lack of information on this, that, or the other thing, by conflicting information on this, or so on and so froth, so that the collecting agencies in general terms can go out and do a better job prior to the next one.

We also have, happy as we are at the quality of our Board and the representatives from the agencies, a strong feeling that we can use outsiders to great advantage. We have a body that meets at Princeton which we call "The Princeton Consultants" of really first-class people -- you might say the kind of people we would love to hire for the Board of National Estimates, but they are too happy doing their other chosen occupations. To give you examples, Colonel Abe Lincoln of the faculty of West Point, George Kennan, Hamilton Fish Armstrong, Bob Boyd, Max Millikan, and so on. They meet with us about six times a year for a day-and-a-half span.

Naturally, we do not burden these people with everything that is going on in the estimating world. We pick the key elements. They may deal with an undeveloped area. They are more apt to deal with big questions of the Grand Alliance or, particularly, the Soviet bloc. We used to use them purely as post-mortemers. We would wait until the paper was done and then submit it to them, get their comments,

discuss it with them, come back and sort of tell the Board where we think maybe we went wrong -- if we had had the enlightened views of George Kennan on this we might have done so-and-so. But they got bored with that and we decided that that was a pretty futile way to do it. So now we tend to take papers to them at the stage of the Board of Estimates draft. When it has been thought over by us, it is in more than a raw state but it nonetheless has not gone through the final interagency polishing. Then we get their views which can be cranked in and be helpful.

I do not think I have to take very much time, in view of Gordon Gray's lecture, to describe to you the role of the Director on the Council and the way these papers come in as intelligence annexes and are either used in toto as such or are taken and condensed into the general considerations part of a policy paper.

It is my job at the Planning Board level to see that anything which pertains to intelligence in an NSC paper is precisely reflective of the Community's views. That is why, naturally, if possible, you have an NIE. If you do not have an NIE, then by scouting around informally I try to see that that is accomplished, and, at the highest level, the Director does the same thing.

There has been a little confusion, I gather from some informants (not breaching the usual security rules of this College), who told me that I either misspoke or was misquoted a year or so ago about voting on the NSC. The fact is, of course, as Mr. Gray says, nobody votes at the NSC or at the Planning Board. That is a corporate

body of advisers who talk to the President, and when he has heard enough talk on a subject he issues his executive action, as he constitutionally must, on his own soul responsibility.

The point that I was trying to make is that the Director at his level and I at my level, necessarily for our own (and I do not mean personal) institutional good, stay out of the argument under the heading "What to do about it". We will keep them in argument on the point; This is the situation; see it clearly; see it realistically, no rosy glasses, and so on and so forth. But then when the question comes, what to do about it, we limit ourselves to predicting certain consequences if a certain line of action is taken. That, of course, by no means keeps you shushed, because you can do a fairly neat italian job on a policy by making predictions about what dire consequences to our grandchildren it will have if anything so bizarre is adopted. But leave the adjectives off the policy; just put them on the consequences.

At any rate, it is quite clear that we have to be careful, if we are going to be the merchants of an intelligence there that will have acceptance, not to take sides on how much should we spend on a given program or whether or not to join a pact, or something like that. I think it has been wisely our policy and is generally accepted.

The important thing that I am trying to get across in all this machinery, the relationship, is that you should solve insofar as human beings can do it the intelligence questions in a forum

that is free from policy considerations before you enter the policy forum, and then the policy makers should be sufficiently disciplined (I will come to this at the very end) - not always so - so that they will not substitute their own instinctive intelligence judgments for this catholic process judgment that is presented to them.

Of course, much more than NIEs go up to the Council and go to the senior policy makers.

We have a daily bulletin and we have a weekly briefing by the Director of the NSC. That has been an institution ever since General Eisenhower became President, and a very salutary one. It gives him a captive audience.

You know perfectly well (no reflection on our good friends here in the audience from the Treasury) that the Secretary of the Treasury has a lot of things to worry about other than the revolution upcoming in the Cameroons and when he gets a daily bulletin or briefing sheet on his desk in the morning the likelihood of his reading that with care is not very great. But when he is sitting around the table with the President, who is attentive to the Director of Central Intelligence, listening to a briefing on the world situation, there is nothing much else for him to do except listen to it. So you get a chance to have the high-level people all hoisted aboard on the key things.

It is a terrific responsibility to figure out how to use that fifteen minutes of time, and a great deal of care goes into that in our agency. Roughly speaking, a third of it will be targeted

on the topic on the agenda of a policy nature, but the other two-thirds of it will be the combination of the recent events of the week since the last meeting as seen through intelligence eyes, plus an occasional long-range roundup, such as: What is the meaning of the failure (or not so much failure - whatever it was) of the Chinese commune movement. There is no one week in which that is particularly topical. But every so often the Director will pick up or round up three months in the past and project three months in the future some topic like that.

The daily bulletin, which goes to a selective group of about forty of the highest level people and out by telegraph to the major unified commands, used to be an unilateral CIA publication, just because time did not seem to serve to coordinate it in anything along the lines of an NIE. But, in fact, we have tried, on direction of the President's Board, to make it a Community paper for the last year-and-a-half, and have been quite successful. It has a certain ground rule on it, though. We coordinate like hell on it from about four o'clock in the afternoon until about 5:15, and then the argument ceases right then and there. The CIA and majority view prevails and a footnote is taken by anybody who feels strongly enough about it. Very rarely is this necessary because we are not making predictions of the future in the bulletin; we are spotting various intelligence items.

How good are these estimates?

I am sure I will get that question from the floor, so I

might as well get it now while I am fresh from myself.

By and large, on the biggest issues, they have been very good. We have not really goofed on the basic direction of where Russia is going. We have not goofed on the general strength of Communist China when other people were saying that the good Chinese people would never accept Communism, and so on and so forth. We were discouraging and not downcast about it, but were realistic about it. We were good on such critical issues as how far would the Chinese Communists go when theyopened up on the off-shore islands and at what point they would stop. We have been pretty good, we think, on what is back of Berlin and how far they would go on that. And the returns are obviously not all in on that.

But we have had very conspicuous failures. There is no question but that we did not call attention in any adequate degree to the degree of unrest in the satellites that produced Budapest in 1956, and so on. In smaller areas of difficult problems I think our record is much better than average. Failures lay in the Algerian situation primarily. We have been too pessimistic about some countries. Ambassador Chapin's country, I think, we sold down the river a little more frequently than we should have. But by and large, we have called attention to trends in these countries in a timely fashion and the papers stand up remarkably well.

On the big final question, about which you see most in the press -- overestimating and underestimating the Soviets' military capabilities -- we all know the returns are not all in on that yet.

We have over the years (and I do not go back all the way to the days before the true NIE machinery on when they would get the atomic bomb, and so on, but taking the period from 1951, when General Smith came, through to date) been like a line fairly steady with developments of Soviet strength, scattered around it in a scattergram fashion that is not too discredible. But it can be very expensive when we are off in a particular one, as we were on the aircraft in 1956.

There we are blamed a little more than we should be because we did not purport to say when they would have them. We said: "They have a BISON and a BEAR in production and they are apparently flyable and combat worthy, if they want to." The trouble is, we did not underscore the "if they want to". But the way the thing was stated meant: If they want to they have the Boeing plants, the Lockheed plants, the Martin plants equivalent to produce these at a rate scaling up along the line that will give them X-hundred of these things in 1959. That was taken too much by too many people as a firm prediction that they would. Because the Russian was an evil beast and we stood in his way, obviously he was going to get anything that would clobber us. Therefore, people just rapidly read over that and said that a production capability was a prediction of what would be in the offing. So that is a hit or miss in a way, but I think I have hit the high points of the type of question.

When we post-morten a paper we also post-morten the old paper and look at it in the light of the new one. They read remarkably satisfactory in most instances.

Now, in the remaining time (and there isn't very much) I would like to just tick off a few problems that are not really in this area but impinge directly upon the area of how we supply intelligence to the policy makers.

In the first place, I would just like to observe that I am concerned (and this is personal) with the relative military imbalance in the USIB. There are on it ten members, of whom four are normally civilian and six are military -- which does not sound bad, but two of the four are really only there in most instances in a nonentity capacity, the representatives of the FBI and the AEC. They are very fine when subjects pertinent to internal security or atomic energy are before us, but they do not participate on other items, which comprise maybe 98 - 99 percent of the business. That leaves us with a six-to-two ratio -- all three military Services, plus NSA, plus Secretary of Defense officer, plus the Joint staff. And, considering the number of issues that are before us and the whole country and the policy makers of a nonmilitary nature, I am a little concerned at this balance; though we all know that the State Department is not incapable of keeping up its end, it has a very fine naval career officer sitting for it.

Considering also the fact that my boss, as chairman, while he is not inhibitive from having his own strong views, necessarily in order to bring about a modest concensus of opinion is not too forward in pushing extreme views himself but is, rather, a corporate chairman. It almost works down to a six-to-one military to political-economic.

Oddly enough, one of the solutions suggested to correct this imbalance a little bit is to have the ICA and USIA represented on the Board. USIA, by the way, has a highly competent, though small, intelligence organization of its own; and ICA is, after all, many times the best informed agency of the Government on an economic and sometimes economic-military situation in a given country. The Board is not opposed so much by the military, but it is just absolutely kicked down "dead finish" by our good friends from the Department of State. So if they want this lonely splendor, why they have got it.

Now, a little word or two on sources of information.

The problem, after all, of intelligence estimates is very simply stated in that they cannot be any better than human judgment can make them on the basis of the information that is ground into them, and that means how good and whence cometh our intelligence information.

As to where it comes from in the NIEs, that is almost impossible to state because we are not dealing with spot sources or spot items. But the NIEs essentially rest back in the departments or agencies on their own studies, the NIS type of thing, and so on back. We can take our little bulletin, which deals with spot items, and give you some idea of the general breakdown of our reports. Let's take fiscal year 1959 and the bulletin items that were put out.

Six bulletins a week, averaging about seven items, so forty times fifty -- 2,000 items, roughly speaking, State cables

and dispatches -- 36 percent.

[redacted] (b)(3)

NSA materials -- 17 percent.

Foreign broadcasting information reports -- 13 percent.

World press services -- 8 percent.

Military attache reports -- 4 percent.

(The latter may seem to you unjust, an erroneous figure. It is not. It is related only to this bulletin item because by and large much valuable intelligence estimates - state of the Army or the Navy or the Air Force of a given country - is not a spot item that you report to the White House and the Secretary of State the next day. In other words, this would be quite unrepresentative of the degree of contribution to NIEs that the overt reporting by the military makes.)

It is interesting to see what happens when we break this down only among the items referring to the Sino-Soviet bloc.

The State cables proportion and dispatches is cut more than half -- to 17 percent.

[redacted] (b)(3)

NSA rises slightly -- to over 20 percent

FBI press materials more than doubles -- to over 30 percent, thus showing, regrettably, in how far we are dependent upon what they in their own sweet time decide to tell us over the air waves as far as major events back of their borders are concerned.

I hesitated a little to throw those figures into this talk because they can be quite misleading and, of course, they totally ignore the quality or importance of a given item. Obviously, one [redacted] report could be worth a thousand medium or low level operational type reports; or one first-class military attache photograph of a new plane could be worth all the [redacted] rumors that we perhaps could get about there being a new plane. (b)(1) (b)(1) (b)(3)

The important thing to remember about clandestine collection, which is our business, is that it is extremely difficult behind the Iron Curtain. We do not like to be crybabies and play excuses, but we are up against the toughest, most efficient security the world has yet known (it makes Hitler's Schutzpolizei, and so on and so forth, look just sick by comparison), backed by tremendously loyal or frightened populations. I hate to say it, but I am forced to believe that you should underscore the "loyal" rather than the "frightened". They are just plain not in the mood to be recruited for any of this business behind it. There are plenty exiles and emigres, and so on and so forth.

On the other hand, clandestine intelligence can operate in areas where security is weak, both against the bloc and against the country itself, with a great deal of efficiency. I am impressed, for example, right now with how rapidly we have gotten a pretty good look at [redacted] (b)(1) (b)(3)

[redacted] (b)(1) (b)(3)

That is not quite horse's mouth stuff, but it is only one or two removed from it, and it is very helpful.

It is important, in view of the difficulty of getting information from behind the Iron Curtain, I think, that everybody interested in intelligence be strongly [redacted] (b)(3)

There may be other reasons for saying "let's not go too far too fast with it", but strictly from where I sit and where those in intelligence sit, what the Soviets can learn about us by having a lot of travelers, whether they be scientists, military, or other wise (I could not care less), compared to what we will learn if we strike an even and tough bargain on the nature of the trip, is such that we must be careful not to let benighted ideas of internal security deprive us of a real net advantage that we will get in that way.

Finally, before my closing, is the question of relation with allies.

I do think that we have to be awfully careful in this business to get the old rubber stamp "NoForn" firmly under control. Here we are, with the defense of the United States absolutely integrated with that of Canada, or at NORAD, with a Deputy who is General Partridge (or if Partridge is away, why Air Marshal Slemon), who is actually the man who is going to defend our wives and children if a blow comes tonight. Yet, when somebody gives me some intelligence and says, "I can't pass it to NORAD" or "I can pass it to NORAD on a 'US eyes only' basis", that is one hell of a note. And we have complaints from

NATO the same way.

We have excellent relationships with our British Commonwealth friends. By and large, as you know, [redacted] (b)(1) (b)(3) But that is not enough to satisfy our friends in Germany and elsewhere.

At the same time, I must admit, it is not an easy problem, because, when you get two Communists in the Icelandic Cabinet or a totally fudgy security situation in Turkey, or something like that, freewheeling with very sensitive data, NATO is obviously impossible. But our tendency when in doubt, seems to me, should be to be forthcoming. We are running a grand coalition and we had better not think of ourselves, strong as we are proportionately to them, as in a position to withhold from them.

Finally, and most important -- and this comes up all the time in my discussions with Service people and occasionally with State people -- remember that differences on policy about a given country are reasons for rather than against exchange of hard intelligence on that country. An obvious example is China. The British recognize it; we do not. But that is just the more reason that we try to be jointly and severally as well informed on China as possible so that we can profit from what they know and they can profit from what we know and let the policy makers have their arguments but on a common basis of fact.

Finally, let me say on this business about getting consumers to use intelligence correctly that it is always a trial. For some

reason or another, there is a tendency on the part of all of us to be our own intelligence officers. I was certainly guilty of it when I was a junior field officer of a command in the war. In fact, my intelligence officer was more frequently than not attached to my S-4 to go back to Army rear to find out why we were not getting our share of the warm beer because I was perfectly sure I knew what was up in front of me. So I am no exception to that. But it is amazing how people, who will not second-guess their medical officer on the amount of penicillin they need or their J-3 even on the amount of training time required, will have their own ideas on intelligence.

Secondly, there is this problem which I characterized once before in this room as the "succulent taste of the raw poop". There is nothing that the boys at high level like better than a nice little flimsy sheet of paper that has three or four garbles in it, and so on and so forth. And once they have wasted ten minutes pondering that, when the intelligence analysts have come up with a corrected copy and an analytical statement about it, they are too busy: "I am sorry"; "I know all about that". So you have to do something which is very difficult: withhold that from your boss. And then on the white form: "Gee, did you see this?" He hasn't seen it because you have been sitting on it, waiting until you get an interpretation from him, and you have virtually got yourself a heave ho.

Finally, there is the question, as I say, in this same thing, of getting people to use intelligence correctly, of getting over prejudices and emotional involvement in the cold war. Nobody wants

to be less dedicated to the general favorable outcome in that war than I do. But if you are in the intelligence business and if you are a good consumer of intelligence, you have to be careful to see facts hard and clear and not batten onto favorable little whisps of information and discard major unfavorable ones just because you would like to be on a winning, winning, driving side all the time. A typical recent example of that is Tibet.

I regret to say that the probable (note that I say "probable") true facts (nobody really knows) are that basically [redacted] (b)(1) (b)(3)

we go. But I am perfectly willing to have us do that in the United Nations, and so on, so long as we do not kid ourselves and think that all two-million Tibetans are just cheering for us all the time, when in fact they are not.

Well, that is kind of a rambly windup to a rambly talk.

I would just like to say that I am well aware that we need a lot of improvement in the intelligence picture. We are working on it constantly from the opposite point of view from that of complacency. By and large, when people complain right out and say intelligence is not doing its stuff, I would only remind you that insofar as I can make out from a career in and out of Government in the military the policy planner today has more information with less margin of error

than the average businessman has in making his decisions or the average military man has in time of combat.

Thank you.