

HR70-14  
(N)

CIA Internal Papers on Hoover Commission Report, together with memoranda of conversation, briefing notes, etc. Also paper on authority and membership of commission.

1. DD/S paper - 5 April 1957
2. D/Commo memo on Special Recommendation, Part 2, Appendix I - 17 April 1956 [redacted]
3. DD/P memo - 30 March 1956
4. [redacted]
5. DD/P memo on Conversation with Gen. Charles Willoughby - 24 March 1955 [redacted]
6. DD/P memo of notes on meeting with Committee - 24 March 1955 [redacted]
7. IG memo for record on briefing of Committee - 23 March 1955 [redacted] [redacted]
8. AD/Operations memo on questions raised at Committee - 23 March 1955 (TS 25424, cy 1)
9. DCI memo for record on meeting with General Mark Clark on 17 Feb 1955 - dated 26 Feb 1955
10. Transmittal note from RHelms to CPCabell, <sup>7 March 1955</sup> memo from D/Security to DCI on General William C. Bullock, dated 4 March 1955; memo from D/Security to DCI, dated 19 April 1955, together with signed affidavits by George Musulin and Michael Rae.
11. DCI memo of conversation with General Clark, dated 8 December 1944 [redacted] no number, carbon copy) [redacted]
12. Authority and Organization.
13. Membership.

HR70-14  
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APPROVED FOR RELEASE  
DATE: FEB 2008



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57-1168

APR 5 1957

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Your Memorandum of 1 April 1957 with Questions from Stanley Grogan in connection with our Congressional Appropriation Hearings.

1. The task force submits the accompanying possible answer-substance to the questions posed and the information here is submitted independently of the overall budget presentation [ ] [ ] is preparing. He may or may not use one or more pieces of information set forth here.

2. The questions in the order submitted are copied below with the suggested answer-substance:

(a) Has CIA carried out the Hoover recommendations? What savings in funds have been achieved?

Ans.: Yes to some extent.

1. The Agency has in effect a Paper Work Management Program which embodies all of the features suggested by the Hoover Commission Report. These features are:

Office Business Machines  
Regulations Control  
Form Management  
Correspondence Management  
Reports Management  
Vital Materials  
Microfilming  
Records Systems  
File Equipment  
Supplies Standardization and Utilization  
Records Disposition

Except for the Records Disposition feature delineated below, savings from this program have been widespread but intangible, i.e., less paper, better systems, more efficiency, etc. However, the Records Disposition Program has produced tangible and substantial savings as follows:

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As of 31 December 1956, the Agency has removed from active Headquarters file space to an inactive removed area a cumulative total of 39,708 cu. ft. of records. Of these, 7,314 cu. ft. have been destroyed. Besides space savings and clerical time consumption at Headquarters, the greatest tangible saving here is the elimination of need for purchasing safe cabinets to house these records at Headquarters. These total cubic feet would have required the purchase of an equivalent of 4,963 four-drawer safe cabinets at \$1,766,902.

This saving is exclusive of that arising from records destroyed by the offices in progressive initial attack on the problem. A recent sample of a few offices only indicate the initial destruction of approximately 1,200 cu. ft. of records.

2. A review of the classified report of the Clark Task Force of the Hoover Commission shows the following Agency treatment:

Principal among these recommendations is the one to establish a separate component to conduct "cold war" activities having its own administrative and logistical support services. After careful study, this recommendation was rejected for operational reasons and also because it would involve a costly duplication of functions. Another recommendation concerning an internal organizational adjustment required the establishment of a new component which contributed to an increase in personnel and expenditures. Still other recommendations were directed to an expansion of existing programs all of which added to Agency requirements for manpower and money. The only recommendation which would bring about substantial savings in funds was that pertaining to the construction of adequate housing facilities for the Agency. This would reduce the excessive costs of maintaining a large number of small establishments scattered throughout Washington and vicinity and would permit a better utilization of manpower and a possible reduction in total personnel.

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3. The following selections illustrate further application of the recommendations of the Hoover Commission:

a. Re personnel and Civil Service.

The Agency has already in effect particular programs to meet the same objectives as the Commission. These are in the fields of training, executive selection and development, position classification, and performance evaluation. For the most part, we found little explicit reference to groups of positions excepted by statute as are all positions in the Agency.

b. Re legal service and procedures.

A large part of these recommendations has no application in this Agency. In some other instances we are already operating in accordance with the recommendations. We agree with some others.

c. Re food and clothing.

Application to this Agency is of such a limited degree as to cause no report.

d. Re use and disposal of Federal surplus property.

Of the seven recommendations applicable here, we are operating under four of them. With one we agree with the intention, but need security statutory exemption to carry it out. With another we agree and will do. With the seventh, we disagree because of security requirements.

e. Re printing.

Only one of the 19 recommendations is applicable to this Agency. This was for the Bureau of the Budget to study the feasibility of centralized control of the Executive Department printing plants. We agree to the study, but believe our security requirements will rule out our participation.

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- 7. f Re depot utilization - warehousing and storage.

The applicable portions of these recommendations are ruled out on security grounds.

- 8. g Re research and development.

No direct application.

- 9. h Re water resources and power.

No application.

- 10. i Re budget and accounting.

Of these 20 recommendations, three are out or modified on security grounds, one we are now doing, on three we agree and have made progress in application, on two we agree but need legislation, on one we agree but have to wait on the lead from the Comptroller General. Ten are not applicable.

- 11. j Re real property management.

We do now adhere to the intent in these recommendations, except as security considerations over-ride.

- 12. k Part II on paper work (reports required from the public).

Not applicable.

- 13. l Re lending agencies.

Not applicable.

- 14. m Re medical services.

All are limited direct applicability. We agree on eight of them, on one more we agree, but need legislative amendment. On one more we disagree.

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(b) Has the Director had his organization checked for overlapping, duplication, waste, extravagance?

1. The Agency has three separate units the job of which is to serve the purpose of continuing check for these named objectives. These units are:

IG Staff of 7 officers for the Agency as a whole

Inspection and Review Staff of 8 officers for the Clandestine Services

Management Staff of 14 officers in the field of Organization, 4 officers in the field of utilization of office business machines, and 20 officers, mostly junior, in the field of Paper Work Management.

The work performed by these units is not overlapping.

Responsive to the Davis Committee of the Congress, in addition to the above continuing checkup, the Agency undertook via a special task force, (headed by the Inspector General) to do a one-time, thorough-going overhauling of all possible intra-Agency and inter-Agency overlapping, together with other surveys within the Agency for possible work elimination. These studies included scrutinies in the field of supplies, stockpiling, repair services, building supply services, research and development, personnel services performed for other agencies, etc. These studies are continuing. One such proposes the likely transfer of approximately 80 people to another Government agency to obtain from the combination a savings in personnel. Another product obtained so far in one area is the elimination of 109 positions resulting from the process of some work elimination, organization, consolidation and combining of activities.

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(c) Has the Director checked operations and eliminated non-essential or doubtful ones?

1. Proposed Agency operations are carefully considered before they are approved for action. Each one is evaluated with respect to its feasibility, cost, and potential productivity and to ensure that objectives are established which conform to overall plans and policies. No operation is undertaken unless it meets a definite need. Once the operation is mounted, it is monitored continuously in Headquarters. Progress is reported monthly and even more frequently in cases of unusual importance or complexity. In addition to the constant monitoring, senior staff officers review each operation at least annually to determine that objectives are being met and that the results are productive in proportion to the effort expended. Non-productive operations are quickly terminated and marginal operations are either revised to increase their potential or abandoned completely. Whole programs have been drastically reduced when it became evident that they were not sufficiently productive to warrant continuation on a major scale. (REDSOX-NTS.) Every effort is made to direct the full force of the Agency's assets against the main target without dissipating resources on irrelevant matters.

As an example of the treatment of projects within the Foreign Intelligence field:

as of 1 January 1956  
new projects added during year  
terminated during year (for all reasons)  
active as of 31 December 1956

As an example of the treatment of the projects within the PP field:

as of 1 July 1956  
new projects added to date  
terminated since 1 July 1956 to date  
(for all reasons)  
active as of 5 April 1957

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(d) What has the Director done to reduce personnel and still do an efficient job by retaining only the most skilled?

1. As of 1 July 1954, the Agency established the CIA Career Staff. The criteria for selection into the Career Staff is three years of service with CIA, acceptable performance and conduct, and intent to make a career in the Agency. Each person who has been selected as a member of the Career Staff has had his total record with the Agency, including his background prior to entering the Agency, reviewed by his supervisors, the head of his Career Service, and a Selection Board, appointed by the Director.

In addition to the Career Staff Selection process, the Agency is successfully utilizing the one-year probationary or trial period for all new appointees. During this period, new employees are critically evaluated on the basis of their performance and suitability for the Agency, and unsatisfactory personnel are released.

Subsequent to the probationary period, employees are periodically evaluated (at least once a year) as to performance, suitability, and potential through a formal system of Fitness Reports. An unsatisfactory Fitness Report is followed by attempts at salvaging the employee through training or reassignment; and, if this is not possible, he is separated for inefficiency or cause, or he is advised that it is in his best interest to seek a position elsewhere. A system of Advisory Boards composed of Senior Officials of the Agency is used to assure fair and equitable treatment to all employees and to avoid violation of their rights. (Statistics separate.)

(e) What are Mr. Dulles' views to the popular Congressional idea of keeping vacant one out of every 20 vacancies that occur? Has he tried this as an experiment?

1. Basically it is believed that the idea of keeping vacant one out of 20 vacancies that occur may have considerable validity. In fact, the

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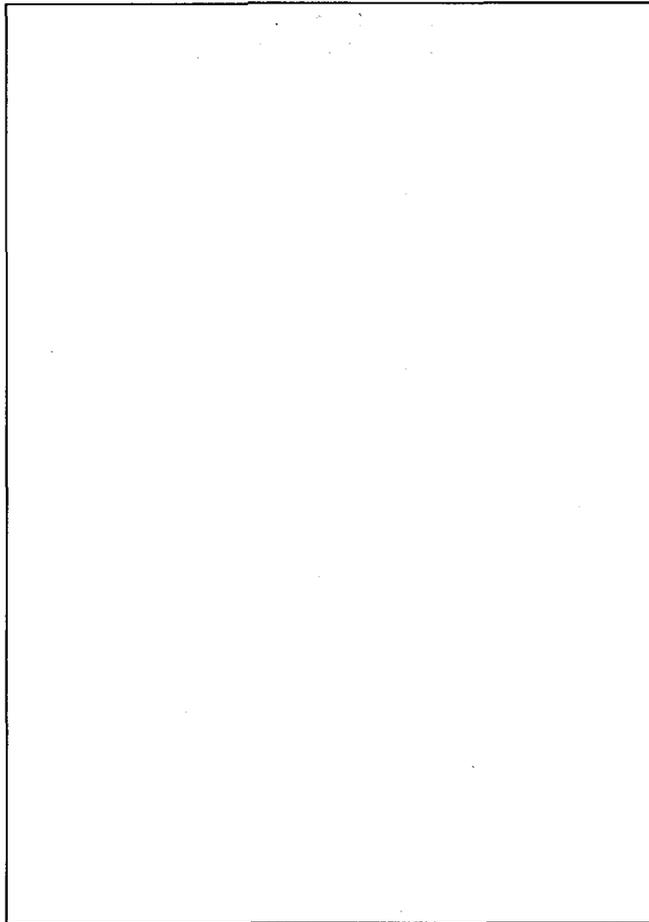
budget for the Fiscal year 1958 has been prepared on the anticipation of a reduction in strength in Fiscal Year 1958 of about [ ] below the maximum strength at the close of the Fiscal Year 1957. By and large, reductions in various segments of the Agency are accomplished through attrition and the projected reduction of [ ] in the Agency budget would represent absorption through attrition of a ratio of about one to fifteen or sixteen. Although we have never followed this as a strict policy, we have used this procedure as a basis of reductions of the various segments of the organization.

(f) What specifically has the DCI done to determine if CIA can do an equal or better job with fewer personnel?

1. In order to obtain maximum production from available employees, an intensive training program has been instituted. The end product of such intensive training is to increase the capabilities and the effectiveness of our staff. In addition, every effort is being made to reduce turn-over of personnel in order to save for the Agency the training and experience so badly needed for successful operations. In the Hoover Commission Report it was stated that available turn-over for the Agency in 1954 was almost 25%. During the past four years the rate of turn-over has been reduced until our experience during the calendar year 1956 reached a low of 11.4%. Thus, the turn-over in CIA in the calendar year 1956 was less than half that for the Government as a whole in 1954. By retaining trained people and by providing specialized training for our employees, we have been able to take on activities without corresponding increases in personnel strength. For example, we have increased our operations substantially in the Western Hemisphere, the Near East and are in the process of increasing them in Africa. Although substantial increases in operations have been going on in these areas, corresponding increases in personnel strength has not taken place in the Agency.

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CHIEF, MANAGEMENT STAFF





00-6012

MEMORANDUM FOR: The Inspector General

SUBJECT: "Special Recommendation" - Part 2 - Appendix I,  
Hoover Commission Task Force on Intelligence  
Activities.

Reference our telephone conversation this morning on the "Special Recommendation" contained in Part 2, Appendix I of the Clark Task Force Report, there is quoted below my comments on this which were made on 5 July 1955, to the AD/CI. I adhere to the views expressed therein:

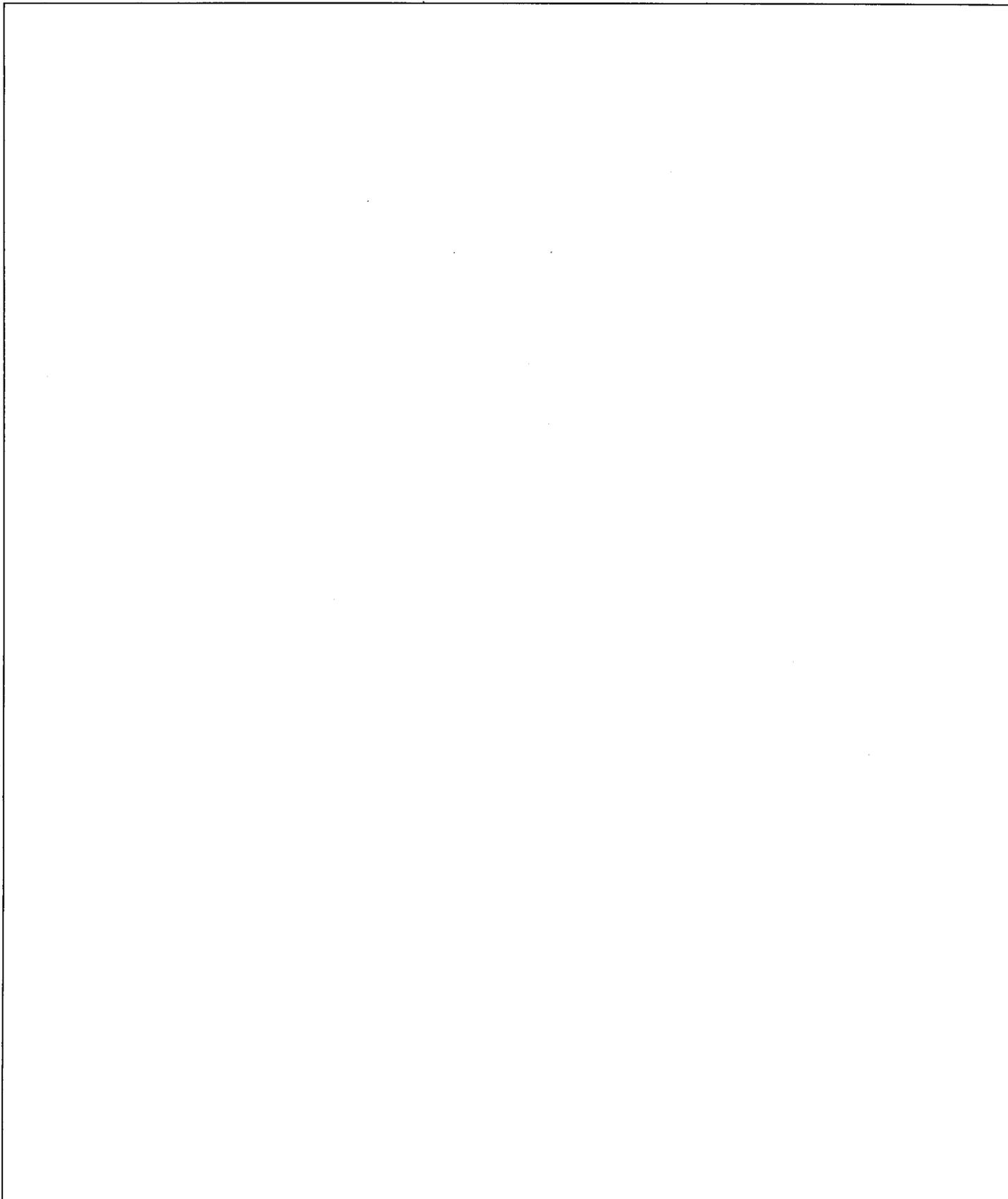
"Part 2 of Annex I of the reference report is so generalized that I find it difficult to make specific comments or recommendations. The study points out where duplication or inefficiencies could exist but does not state whether or not in the opinion of the investigator that it does exist. On the basis of a possible duplication the study then recommends the creation and maintenance of additional high level committees to provide continuous review. It is my personal belief that the present practice of having ad hoc investigations of Government activities is most desirable, but that additional echelons and high level reviewing committees should be established only when a definite need exists and then to solve specific problems or deficiencies. In my opinion, the creation of an additional communications group would further complicate an already complex problem, and would duplicate and conflict with the responsibilities and activities of the Telecommunications Planning Committee, JCEC, and other working groups."

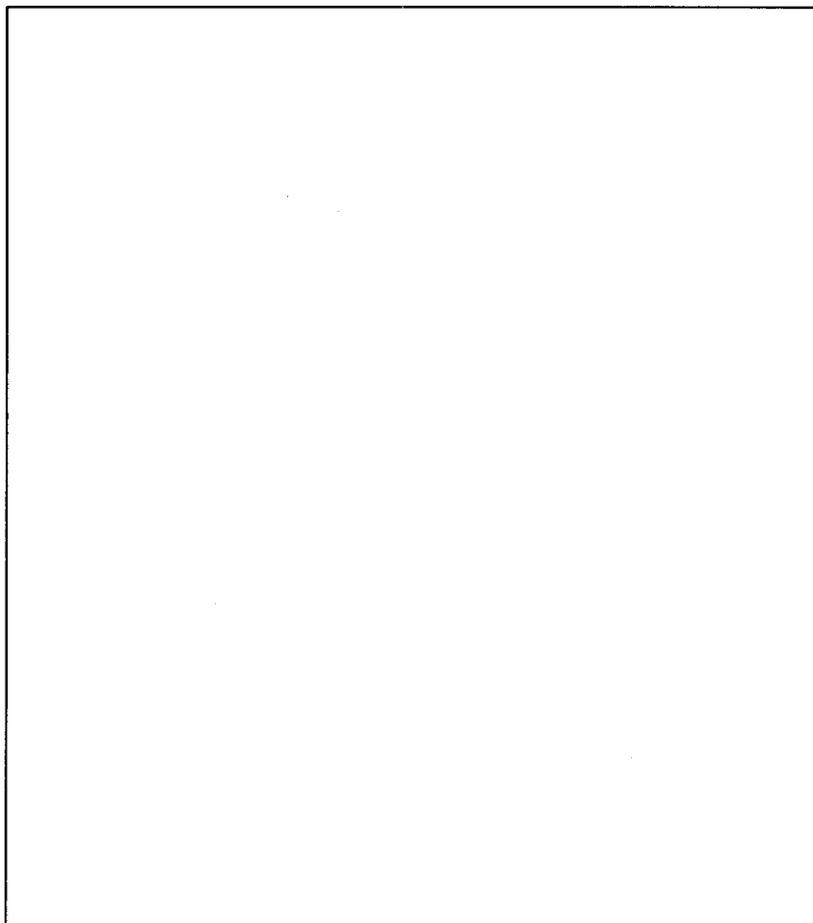
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Director of Communications

*See file to Arthur Flemming - 16 Sept 56*

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30 March 1956

**MEMORANDUM FOR: DIRECTOR OF CENTRAL INTELLIGENCE**  
**ATTENTION: The Inspector General**  
**SUBJECT: Clandestine Services Comments on Report of the Hoover Commission Task Force on Intelligence Activities of the Department of Defense.**

1. Tabs. 1 and 2 are memoranda which state the Clandestine Services views on the Task Force recommendations on the following subjects:

Tab. 1: Military Services Clandestine Intelligence Activities;

Tab. 2: Escape and Evasion; Guerrilla Warfare Support.

2. I will give you separately the Clandestine Services view on matters relating to defectors.

FRANK G. WISNER  
Deputy Director (Plans)

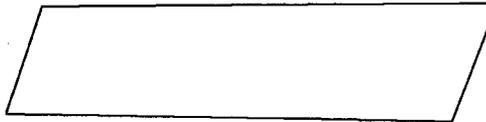
Attachments: As noted above

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30 March 1956

This memorandum was prepared primarily by FI, with PP and CI concurrences.

Task Force Recommendation:



That the National Security Council revise NSCID No. 5 to provide for clandestine intelligence activity on the part of the military services consistent with their capabilities and statutory responsibilities under the National Security Act of 1947.

Comment:

At a meeting held 13 November 1954 to review DCID 5/1, and attended by Mr. Dulles, General Cabell, General Trudeau, Admiral Espe, Admiral Layton and General Samford, General Trudeau proposed that NSCID No. 5 be revised for the purposes stated in this recommendation. This proposal was carefully considered, and it would not be revised. It was decided instead to go ahead with the publication of DCID 5/1 and then to judge on the basis of experience whether this document provided the military services with the latitude required for their clandestine intelligence activities. It is the position of this Agency that DCID 5/1 has indeed achieved the purposes for which it was written. This Agency does not, therefore, concur in this recommendation.

Task Force Recommendation:

That under the terms of the "Agreed Activities" paper, the services expand their clandestine collection efforts with primary emphasis focused on targets in the Soviet Union and Communist China. Personnel and funds to accomplish this objective should be made available to the military intelligence services.

Comment:

This Agency takes the position that under the "Agreed Activities" paper, DCID 5/1, the military services may allocate intelligence funds and personnel for whatever purposes they see fit so long as their

clandestine collection activities are adequately coordinated with CIA. This Agency does not therefore deem it necessary to comment on the relative importance of targets or areas assigned for collection purposes by the Defense Department.

Task Force Recommendation:

That the intelligence community establish adequate and positive measures for the identification and listing of all clandestine operators, as provided in the IAC Directive No. 54 approved July 24, 1952. Mutual trust regarding the divulgence of intelligence sources should be cultivated within the community.

Comment:

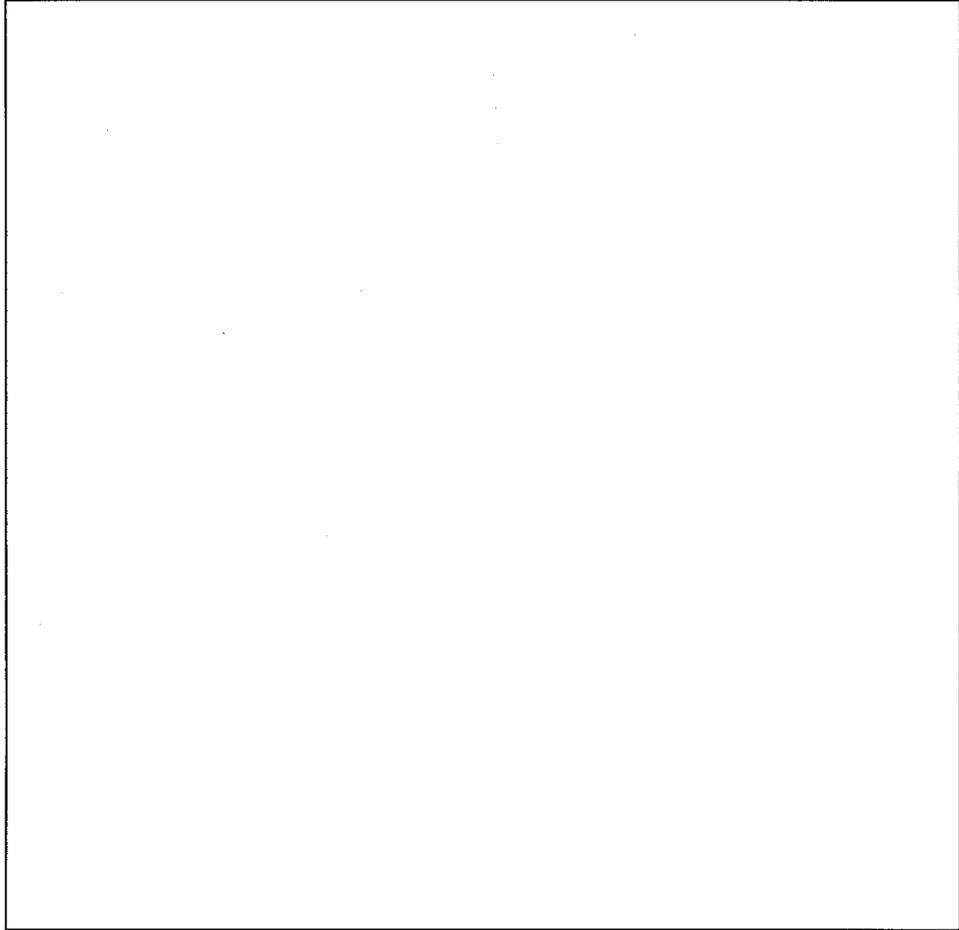
As a result of "Agreed Activities" procedures, there is being established at overseas posts a system which provides for adequate identification of agents and which will protect all participants against an agent who desires to sell his services to more than one service.

Task Force Recommendation:

That prompt action be undertaken to provide cover,   
 for CIA operations.

Comment:

Continuing progress is being made in achieving a more satisfactory balance in the use of both official and unofficial cover for clandestine operations. It must be recognized that official cover,   
 will continue to be needed



Task Force Recommendation:

That when [ ] cover is used, steps be taken to insure that the persons so covered live in consonance with the cover position and duties.

Comment:

After many years of experience with [ ] cover, both by group and individuals, the Agency has developed a satisfactory set of regulations and doctrine which places personnel using such cover in close consonance with the duties and behavior patterns of [ ]  
[ ] Serious departures from this system have been exceptional and rare, and are usually followed by vigorous corrective action.

MEMORANDUM FOR: Deputy Director (Plans)

SUBJECT : Clandestine Services Comments on the  
Conclusions and Recommendation of the  
Hoover Commission Task Force Report on  
Intelligence Activities Dealing with CIA War  
Planning and Preparation

1. BACKGROUND

The Hoover Commission Task Force Report (dated May 1955) on the Defense Department contained the following conclusions and recommendation directed at the Clandestine Services of CIA.

Conclusion: Either CIA has been unable to develop and maintain adequate assets in the escape and evasion and guerrilla warfare areas or is furnishing inadequate information to the Services concerning its assets. Such a condition can only result in duplication of effort, inadequate planning, and failure in operation.

Recommendation: "That the National Security Council review present assets and direct the necessary action to assure adequate preparation for evasion and escape and support of guerrilla warfare."

In August 1955 the Secretary of Defense forwarded to the President Department of Defense views and concurred in the recommendation of the Hoover Commission Task Force cited above and commented as follows:

"National and theater war planning for evasion and escape and guerrilla warfare is at present hampered by a lack of information on the status of development of covert assets in support of these activities. In order to facilitate the review recommended, CIA and the Department of Defense should report the pertinent facts to the National Security Council with recommendations for necessary action. The Assistant to the Secretary of Defense (Special Operations) will initiate a proposal within the Department of Defense looking to the preparation of an appropriate report."

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2. SUMMARY OF CONSIDERATIONS:

a. PACCOM:

- (1) CIA has received JCS requirements for CIA wartime action in support of military operations in this theater.
- (2) CIA has accepted substantial portions of such requirements, primarily in currently accessible areas, on the basis of existing capability, and has accurately informed the JCS and the Theater Commander what these capabilities are.
- (3) CIA has equally informed the JCS and Theater Commander which portions of such requirements it is not presently capable of meeting. It has committed itself to make vigorous efforts to keep military elements fully informed concerning its success in doing so.

b. FECOM:

- (1) CIA has received from the JCS and CINCFE Unconventional Warfare Annexes (Annex F) to Operations Plan 1-54 and Operations Plan 10-54, which define a general CIA mission but do not include detailed requirements for CIA wartime action.
- (2) On 2 November 1955, DCI accepted these plans by Memorandum to the JCS, which stated: "That the Central Intelligence Agency within budgetary, personnel and operational limitations will do everything possible to fulfill specific requirements which may be forthcoming as a result of the Joint Chiefs of Staff approval of these plans."
- (3) CINCFE has now formulated specific requirements for CIA which have been submitted to JCS. The CIA Senior War Planner Far East was furnished a copy of such requirements as so submitted, and CIA is now evaluating its capabilities and potential as fully as it can prior to formal receipt from the JCS.

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- (4) Throughout the entire period of CINCFE's development of his requirements, the CIA Senior War Planner FE, has continually provided CINCFE with information on CIA capabilities.

c. MIDDLE EAST:

- (1) CNO has thus far specifically prohibited the preparation of an Unconventional Warfare Annex by CINCNELM. Consequently, at present there are no requirements for wartime unconventional warfare action in the CINCNELM area, whether by CIA or military elements, and consequently there is no basis for CIA acceptance of wartime tasks.
- (2) To the extent possible within this limitation, CINCNELM has informally provided CIA with planning guidance which outlines the types of wartime supporting action which CINCNELM would consider appropriate from CIA.
- (3) In August 1955, CIA headquarters informed CIA field personnel in London of the capabilities of CIA in the CINCNELM area. CIA has concurrently initiated action to support the requirements tentatively suggested in the CINCNELM guidance.
- (4) In January 1956, CINCNELM was informed by the CIA Senior War Planner Europe concerning the specific capabilities of CIA to accept CINCNELM requirements as outlined in the guidance, if and when they should be received and approved by the JCS.

d. EUROPE:

- (1) CIA has not received firm requirements from the JCS for CIA wartime action in support of military operations in Europe.
- (2) From May 1953 to May 1955 the CIA Senior War Planner Europe received from EUCOM a series of preliminary and tentative statements of such requirements. CIA responded with informal, tentative, and candid information

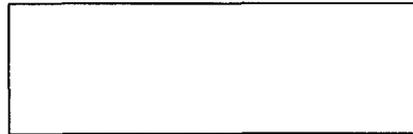
concerning its capabilities and potential. Although this response appeared at first to show a very inadequate level of CIA capability, further consideration led to the mutual conclusion by CIA, CINCEUR, JCS and the Office of the Secretary of Defense, that these requirements, as tentatively formulated by EUCOM, were unrealistic and infeasible and, therefore, were not a proper frame of reference for consideration of CIA capability. Accordingly, by Secretary of Defense and JCS order, CINCEUR was directed to make a complete review of such requirements and is doing so under terms of reference with which CIA concurs.

- (3) CIA Senior War Planner Europe, has now received from EUCOM a tentative statement of requirements, so revised, and CIA is currently considering its capabilities to the extent possible in the present tentative stage of these requirements. Such preliminary analysis indicates that CIA will have substantial capability against these requirements.
  - (4) As these requirements become firm, by JCS consideration and transmittal to CIA, CIA will inform JCS and CINCEUR with complete frankness concerning CIA capability to fulfill them and CIA potential for development of additional capacity.
  - (5) Beginning before CIA receipt of the earlier sets of tentative requirements, CIA has anticipated the ultimate receipt of such requirements in firm and final form and has generated substantial assets which will be applicable.
- e. In relation to all of the above theaters, CIA has repeatedly pointed out to Defense that there are substantial obstacles in the way of current operation in presently denied areas, and that neither CIA nor any other clandestine organization can validly expect substantial prewar creation of reliable assets in place in such areas. As an additional consideration, there are some Free World areas in which current U. S. policy does not permit the types of current operations which are required to create assets needed for wartime use.

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Conclusion:

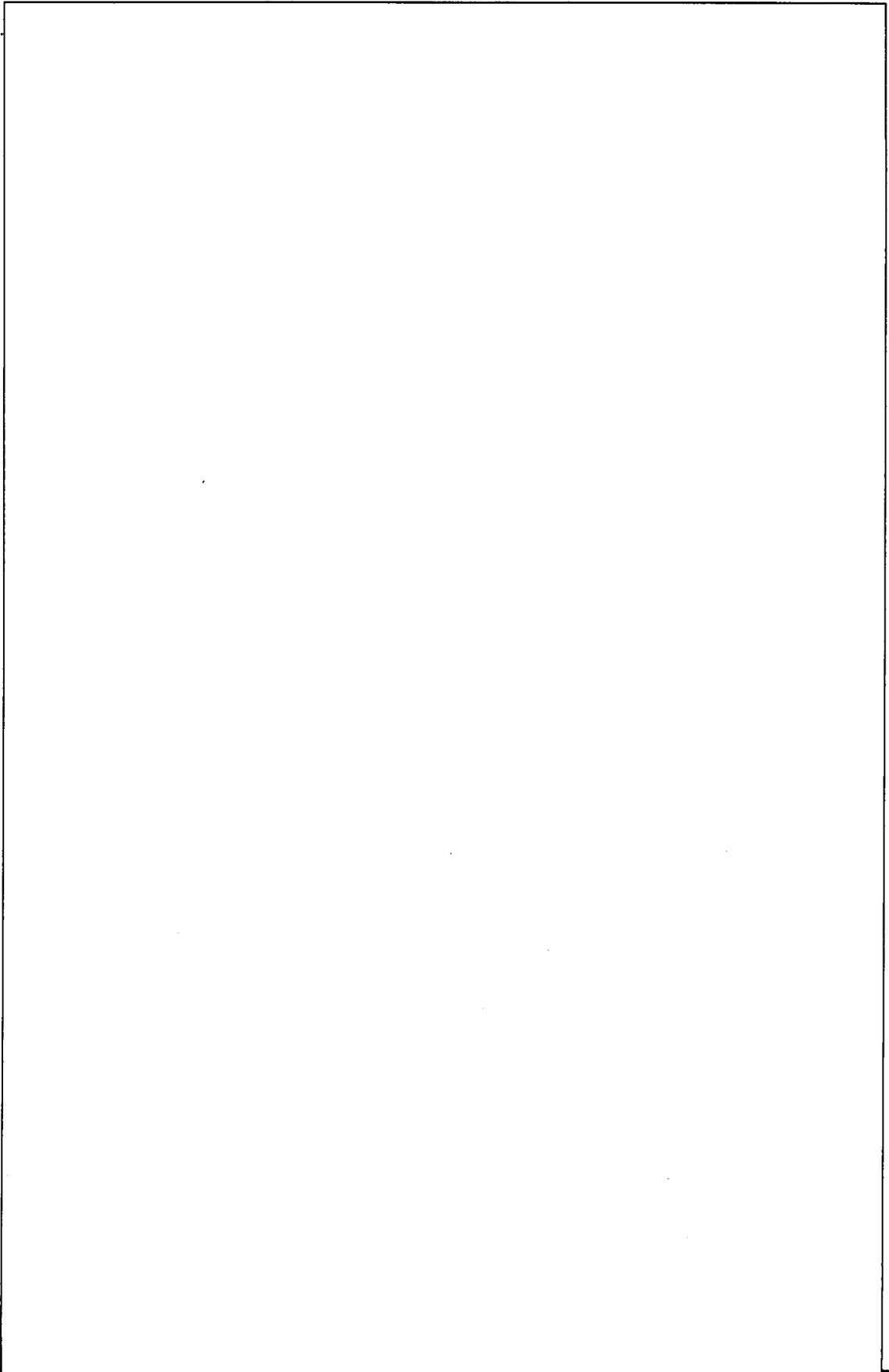
- a. CIA has furnished the JCS and Theater Commanders with accurate information concerning CIA's capability and potential to meet military requirements. This has been done very completely where such requirements have become firm by JCS action. It has been done as fully as possible, on a preliminary or tentative basis, throughout the theater level process of developing such requirements.
- b. The war planning process, as between CIA and the Department of Defense, has not reached such a state that either CIA or Defense can yet judge the adequacy of CIA's ability to fulfill military requirements.
- c. For all the above theaters, NSC review would be premature if undertaken (1) before firm military requirements have been established by the JCS and/or (2) before CIA has had a reasonable time to show what it can or cannot do in relation to such requirements.

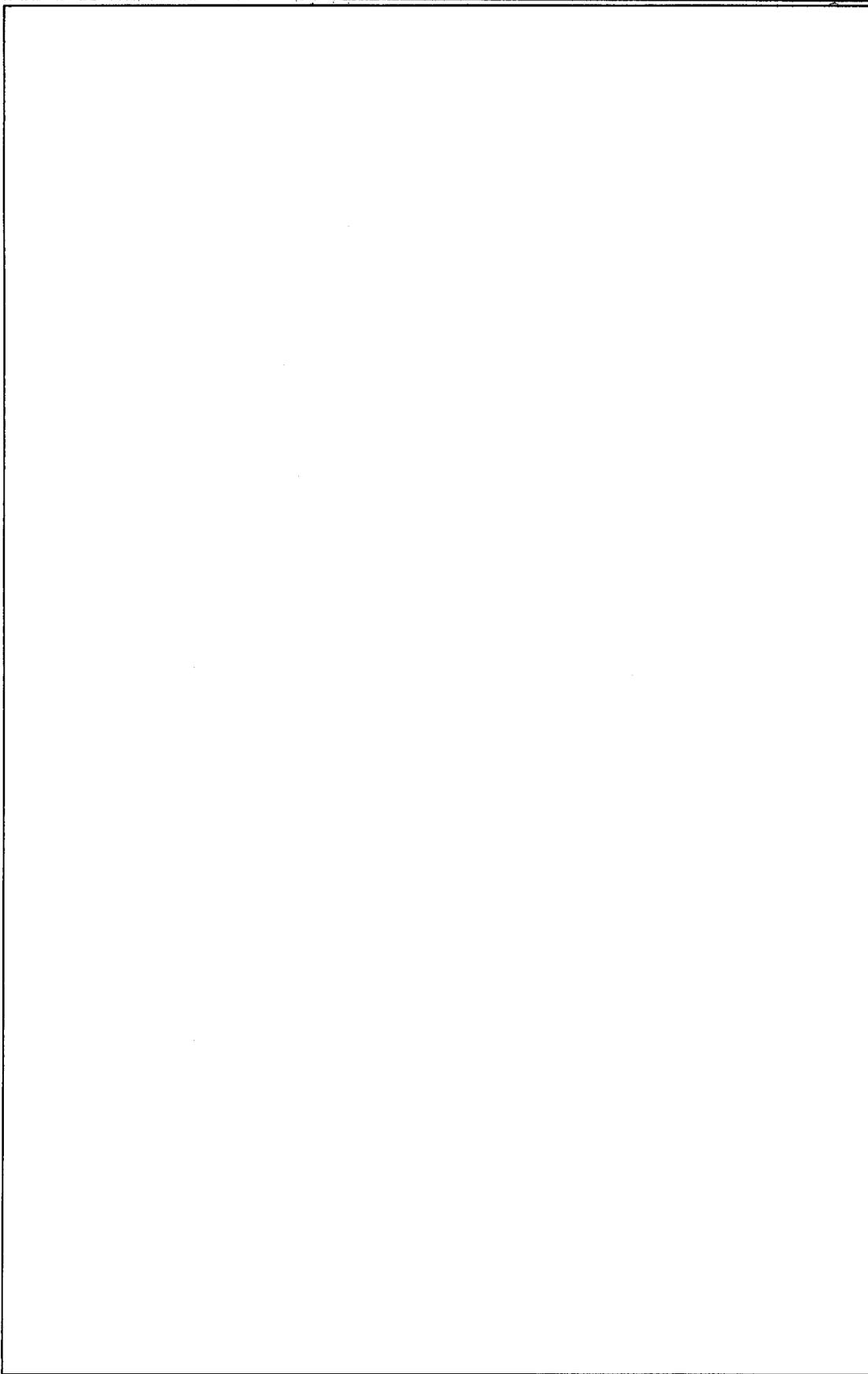


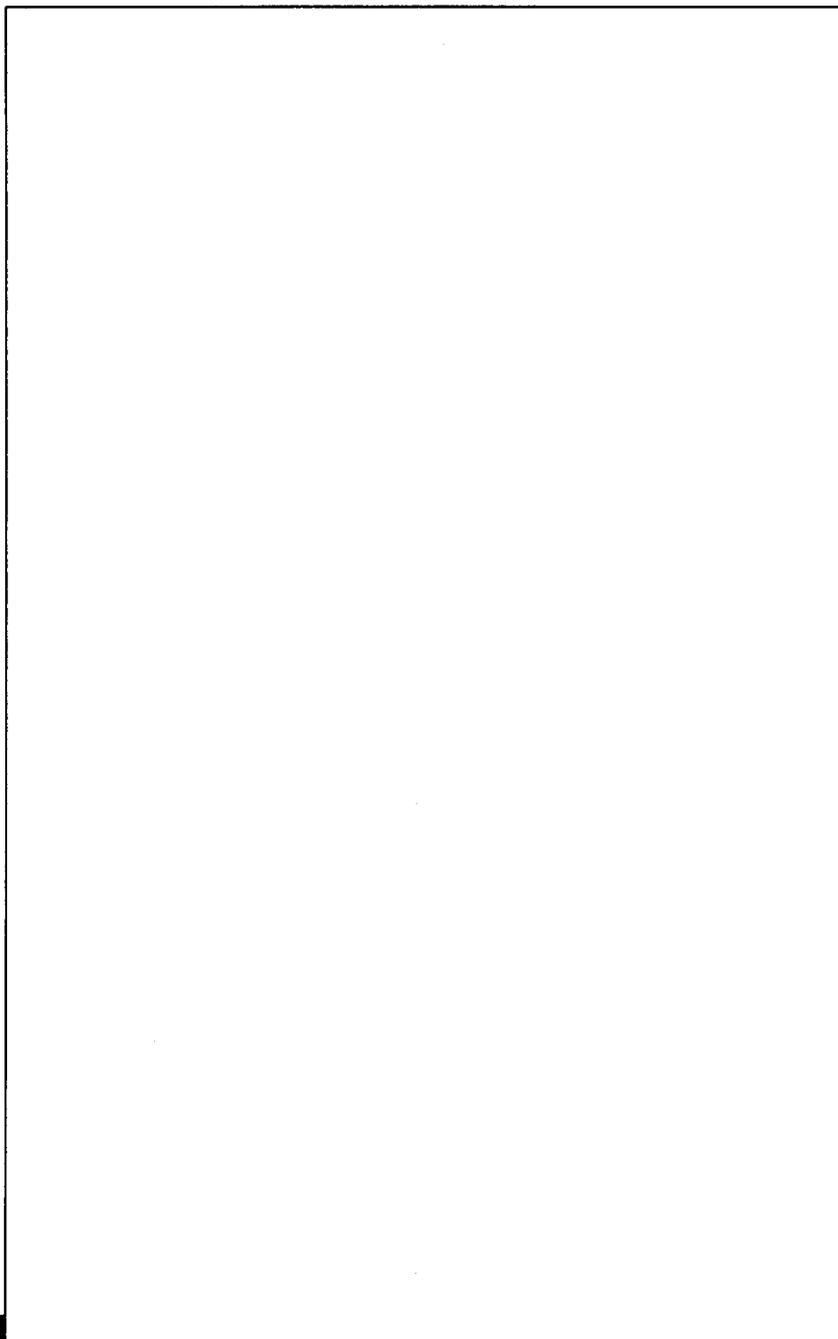
Chief, Planning and Program  
Coordination Staff







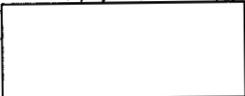






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24 March 1955

  
MEMORANDUM FOR: The Inspector General

SUBJECT: The Clark Committee; various  
notes concerning.

Lyman:-

Attached hereto are two memoranda which I have dictated pursuant to a request from yourself and one from the Director. The first of these is taken from my notes covering certain aspects of our meeting with the Clark Committee of March 23. The second memorandum sets forth the gist of certain statements volunteered to the Director by General Willoughby. The Director requested me to write up these remarks and send them to you to be held as part of "the record".

*F.G.W.*  
F.G.W.

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24 March 1955

MEMORANDUM FOR THE RECORD

SUBJECT: Conversation with General Charles Willoughby

1. This memorandum will record certain portions of a conversation which took place in the Director's office on the afternoon of March 24. The undersigned was present during the conversation between the Director and General Willoughby.

2. General Willoughby began the conversation with a very pointed reference to the activities of the Clark Committee. He said that the Clark Committee had summoned him to appear before it about two days earlier and that he had understood they were coming to see us next. He thought the Director might be interested to know the kind of questions which were asked of him and what his answers had been, as well as his impressions of the entire matter. Without encouragement from the Director, General Willoughby proceeded to speak at great length concerning his experience with the Clark Committee. He said that he believed he had appeared before the full board, and he mentioned General Clark, Admiral Conolly, Mr. Rickenbacker and General Christiansen by name. He described one or two of the other many members in recognizable manner.

3. General Willoughby next said he had received the distinct impression that the Clark Committee was hostile to the Central Intelligence Agency and was out "to trim its wings". He felt that the Committee had already arrived at its major conclusions, and he doubted that his testimony and replies to their questions had been especially influential. He said that the Committee appeared to be suspicious of the "ambition and ability of the leaders of CIA" and seemed particularly concerned about what was described as an attempt on the part of CIA to establish itself as a "fourth force" or rival organization to the three military services. (General Willoughby said that he had never heard the expression "fourth force" used before in reference to the CIA and had so testified to the Committee.)

4. General Willoughby further stated that from the kinds of questions which were put to him it seemed that at least certain members of the Committee were most interested to discover and probe if possible any areas of friction or difficulty as between CIA and the military services. General Willoughby declared that he had discounted the innuendo of these questions as best he could, but that the Committee had gone all the way

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back to OSS days in its efforts to get him to acknowledge the existence of past difficulties and disagreements. According to General Willoughby he had kept repeating that he had never had any difficulty with CIA and had always been able to come to terms of understanding with this Agency's directors and representatives with whom he had dealt. There had been a disagreement in principle between General Donovan and General MacArthur since General MacArthur had been adamant during the time he was theatre commander in the Pacific in World War II in asserting the principle that no element serving in his area would have autonomous status and independent lines of communication to Washington.

5. The Committee had asked General Willoughby what he thought the division of responsibility should be in a particular military theatre. General Willoughby had replied in terms of his experience in the Far East command, stating that he had felt it to be the primary concern of G-2 to have responsibility for the base of operations and the immediate approaches, whereas it should be the responsibility of CIA to concern itself with the more distant and "strategic areas" deep in the enemy's territory. Under this principle he had felt that G-2 should be concerned with the Japanese mainland, Korea, and the coastal areas of the Soviet maritime provinces; while CIA should assume responsibility for the Chinese hinterland, Mongolia and Siberia. The Committee had asked whether these principles would apply on a worldwide basis, and General Willoughby had said that they would not since in the first place they are not at all applicable to parts of the world which lie apart from theatres of military operation, and in the second place not all military theatres are the same.

6. General Willoughby said that he had tried hard to get across the point that intelligence organizations get along best together when they are represented within a kind of committee structure. The inter-departmental or inter-agency structure in a military theatre should, of course, be subordinate to the theatre commander, but every intelligence service or agency has its representative on a co-equal basis with every other. This worked out very well in the Pacific theatre during the war when there were several services of each of the many allied nations -- the US military, the British, the Australians, the Dutch and even the Portuguese.

7. The Director commented briefly from time to time during General Willoughby's discourse. He stated that he was unable to understand why the Committee seemed to attach so much importance to the expression "fourth force", since the CIA did not regard itself as such and since he knew of no authoritative paper in which CIA was so described. At another point the Director observed, in apparent agreement with one of General Willoughby's points, that it is unwise to take an authoritarian approach toward intelligence -- there is no need and no room for a "dictator of intelligence".

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8. The balance of the conversation was taken up with a discussion of General Willoughby's proposal to write a book in Spain, perhaps a biography of General Franco whom he had known and admired since about 1923; and an exchange of remarks about Captain Liesner.



FRANK G. WISNER  
Deputy Director (Plans)

Orig: Inspector General  
lcc: DCI

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24 March 1955

MEMORANDUM FOR: The Inspector General

SUBJECT: Notes on meeting with the Clark Committee  
on 23 March 1955.

1. The following are some rough notes setting forth a few of the questions and answers which came up on the occasion of the March 23 meeting with the Clark Committee. It is understood that you have some notes of your own and are drawing these together into more finished form.

2. General Clark asked whether it would be possible for a covert operation to be launched without policy clearance. He stated that his Committee had gotten "a little indication somewhere" that it would be possible for a low-level desk man in the State Department to think up a covert operation, and sell it at a low level to some of our operating people, with the result that the operation would be launched without proper policy clearance.

The Director answered this question, stating that he did not believe this would be possible under our system of controls. For one thing it would not be possible for the people involved to get the money. In order to obtain funds for projects, application must be made to a level sufficiently high within the Agency to bring into the picture a senior officer who would know enough to be responsible for making certain that policy clearance had (or had not) been obtained.

3. Mr. Earnest Hollings asked the Director whether the cold war responsibilities of CIA detracted from CIA efficiency and effectiveness in the intelligence field.

The Director replied in the negative, stating that in his opinion it would operate to the detriment of both functions if they were split apart and placed in separate agencies. He pointed out that there would be great confusion and competition for facilities, etc., if there were two covert operating agencies working overseas. He further stated that it would not be possible for certain kinds of operations, e. g. PBSUCCESS, to be carried on without the fullest interplay and greatest amount of mutual support as between the cold war and intelligence arms.

4. Mr. Hollings then inquired whether the Director's participation as a member of the OCB (he first said "a full-fledged member of the NSC") detracted from his effectiveness and efficiency as Chief of US intelligence.

The Director said that he did not think so, but before he could elaborate in any detail --

5. General Clark asked whether it would not be much better for there to be a separate person "sitting quite high, who would be the coordinator of all intelligence activities of the Government." After a pause, General Clark said "for example, General Cabell."

As well as I recall, the Director pointed out that General Cabell frequently chairs important interagency committees and that it would be possible for other CIA officers to fill in where necessary.

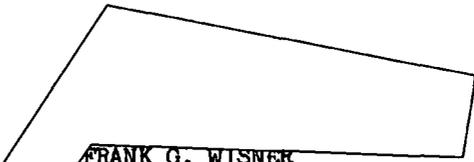
6. General Clark quoted Under Secretary Anderson as having stated that CIA had made an agreement concerning intelligence operations in Iran which we had later backed out of.

The Director said that he believed this was some kind of misunderstanding, since he did not think we had entered into any agreements which we had not kept. He pressed General Clark closely on this point, but was unable to obtain any clarification. The Director then said that he felt that the misunderstanding in question might have arisen from some confusion about a conversation with the Shah of Iran. I happened to be present later in the day when Mr. Dulles asked Under Secretary Anderson about this matter and the latter said that he could not recall having made any reference whatever to Iran in his conversation with members of the Clark Committee. He might have referred to Iran, but he simply could not remember it, and he certainly could not recall any allegation of breach of faith or contract on the part of CIA. 7

7. General Christiansen asked whether our people in the North Asia area are still under the control of the Far East Command. He also asked whether the Agency as a whole considered military intelligence to be of secondary importance. He purported to quote a variety of individuals, including Generals Taylor, Hull and Gaither, as well as our own people, viz., [redacted] as stating that we are no longer under the control of the theatre commander and that we regard military intelligence as being of secondary importance.

The replies to these questions were fairly lengthy but the net was that we consider our activities in the Far East Command as being generally subordinated to General Hull and that we did not accord to military intelligence a secondary priority. [It was stated that we would make inquiry about these matters and the Director undertook to straighten out the point about our subordination with General Lemnitzer in a conversation which he was expecting to have with General Lemnitzer on the afternoon of 23 March.]

8. One other very important phase of the discussion was Admiral Conolly's very full and detailed account of the proven inaccuracy of certain (G-2) inspired statements against CIA with regard to military intelligence, including OB intelligence in Germany. Admiral Conolly was asked to speak about this by Mr. Rickenbacker, who appeared to agree with Admiral Conolly in all of his statements, although he said very little himself. At the end of this discussion, in which CIA came off looking like a rose, there was an unsuccessful effort to draw the Director into a controversy about G-2 and General Trudeau. There was also a brief reference to a certain letter, but after consultation between members of the Clark Committee, it was decided that General Clark would tell the Director about this in private.

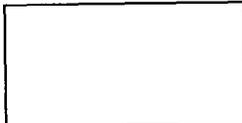


FRANK G. WISNER  
Deputy Director (Plans)



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23 March 1955



MEMORANDUM FOR THE RECORD

SUBJECT: Briefing of Clark Task Force of Hoover Commission  
Wednesday, 23 March 1955

PRESENT: For Clark Task Force: General Mark W. Clark, Admiral Richard Conolly, Captain Edward Rickenbacker, Mr. Henry Kearns, Mr. Donald Russell, Major General James G. Christiansen, Mr. Earnest Hollings.

For CIA: Allen W. Dulles, Lt. General Charles P. Cabell, L. K. White, F. G. Wisner, R. Amory, L. B. Kirkpatrick, R. Helms, K. Roosevelt, George Carey, Wm. P. Bundy (part time), Sherman Kent.

1. General Clark asked the DCI for his estimate of Chinese intentions regarding the off shore islands. The Director stated that, based on present rate of build-up, action might take place in one/six months. General Clark asked whether the DCI thought that USSR would actively participate in a US, Chinese war. The Director stated that he did not think that Russia would participate unless she believed that she was losing China as a Communist partner. (The DCI read from the pertinent estimate including the Navy and JSC variation.)

2. Mr. Earnest Hollings asked the Director whether the cold war responsibilities of CIA detracted from CIA efficiency and effectiveness in the intelligence field.

The Director replied in the negative, stating that in his opinion it would operate to the detriment of both functions if they were split apart and placed in separate agencies. He pointed out that there would be great confusion and competition for facilities, etc., if there were two covert operating agencies working overseas. He further stated that it would not be possible for certain kinds of operations, e. g. PBSUCCESS, to be carried on without the fullest interplay and greatest amount of mutual support as between the cold war and intelligence arms.

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DCI



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3. Mr. Hollings asked the DCI whether being on the OCB didn't detract from his being Director of Central Intelligence, and whether one of his Deputies shouldn't sit on OCB. (The DCI said he had never felt it a burden although his Deputies could handle it; that the President had ordered it set up the way it was; and that members of OCB should always attend when they were in Washington and should not send alternates.)

4. Mr. Hollings asked if inasmuch as the DCI was a member of the National Security Council, didn't his participation on OCB lower his stature. The DCI said he was not a member, but an ~~observer~~ <sup>adviser</sup> on NSC, although he didn't hesitate to speak up if the matter was pertinent. ✓

5. General Clark asked whether it would not be much better for there to be a separate person "sitting quite high, who would be the coordinator of all intelligence activities of the Government." After a pause, General Clark said "for example, General Cabell." (The DCI said he thought this would be ineffective because such a coordinator would be ineffective because he commanded no troops.)

6. In the discussion of the Fourth Force, the issue was raised as to CIA's potential in the field. It was pointed out that CIA, in this respect, is really a holding force rather than an operating force, and the Director stated that at present we had no Air Force. General Clark stated that he hoped CIA never would have an Air Force. General Clark in commenting on the Fourth Force concept, said that in wartime the CIA head man would be an officer on the staff of the Theater Commander.

Mr. Kearns asked whether CIA aspired to be a Fourth Force in the event of war. General Cabell answered "No" that all of this is now provided for by a [National Security Council directive] "Command Relationships" paper

*with the Joint Chiefs of Staff + the Secretary of Defense.*

7. General Clark asked who controlled CIA in Korea. Mr. Wisner answered that the Theater Commander had the Control. General Christiansen stated that he was told by General Taylor or General Hull that the Theater Commander had no control but had had no trouble on this point. This led to the question of whether the control referred to was over the special task force under the US Embassy which had nothing to do with collection efforts on North Korea. The Director stated that he was going to discuss this problem this afternoon with General Lemnitzer. This point seemed to please General Clark.

8. General Christiansen asked whether our people in the North Asia area are still under the control of the Far East Command. He also asked whether the Agency as a whole considered military intelligence to be of secondary importance. He purported to quote a variety of individuals, including Generals Taylor, Hull and Gaither, as well as our own people, viz., [redacted] as stating that we are no longer under the control of the Theater Commander and that we regard military intelligence as being of secondary importance.

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9. Mr. Kearns and General Christiansen both stated that there was some confusion in Korea and Japan as to the priority on the collection of military information. General Christiansen stated that [ ] had told him in Japan that it definitely had a second priority. Mr. Kirkpatrick mentioned the possibility that the confusion might have arisen due to the difference between strategic and tactical information. The Director asked that a cable be sent to the field to clarify the apparent difference of opinion between CIA in Korea and Japan.

10. On being asked what was considered the best source of intelligence on Chinese build-up, the Director stated that overflight photography was the best source. Mr. Kearns asked what proportion of intelligence on Formosa was provided by CIA. It was pointed out that it was impossible to answer a question of this kind accurately. Mr. Kearns seemed to be somewhat confused as to how overflights were coordinated and wanted to know whether the Air Force, Navy and CIA flew their own overflights without any coordination, thereby resulting in duplication. It was pointed out, partially by General Clark, that no overflights were made without the knowledge and approval of the Theater Commander, in this case Admiral Stumpf.

11. Mr. Kearns said he had found confusion in the Pacific as to the authority of the Senior Representative Tokyo and the various station chiefs. (The DCI said he thought it was clearly understood, but that he was glad to have it called to his attention.)

12. On a discussion of a rumor which General Clark had heard to the effect that the Military was not willing, in many cases, to accept CIA reports on order of battle information, he asked the Director to comment on this. The Director stated that he believed that this problem was basically one of personalities and pointed out that [ ] had definitely been a bottleneck in Tokyo. On being further pressed, the Director stated that he felt that General Trudeau was undoubtedly an excellent engineer officer. Mr. Kirkpatrick went into some detail on his visit with [ ] and others in Korea where he found that a large percentage of order of battle information on Korea, during the Korean War, came from CIA to CINCPAC but, by the time it was disseminated in final form, the origin was lost. Admiral Conolly stated that before he left this country he had been led to believe that USAREUR was getting no order of battle information at all from CIA but, after visiting Colonel Critchfield's headquarters and talking to the USAREUR liaison officer, he had found 75 to 80% of the order of battle information was coming from Critchfield's work with the Ghelen organization. This led to some discussion of G-2's tendency to discard any information on which they were given no background of the sub-source. General Cabell pointed out that G-2 placed its chief reliance on order of battle in communications intelligence. Captain Rickenbacker asked if this was the moment to discuss the "letter". Admiral Conolly said he thought it was. General Clark said he thought it better if "the three of them take it up with Allen".

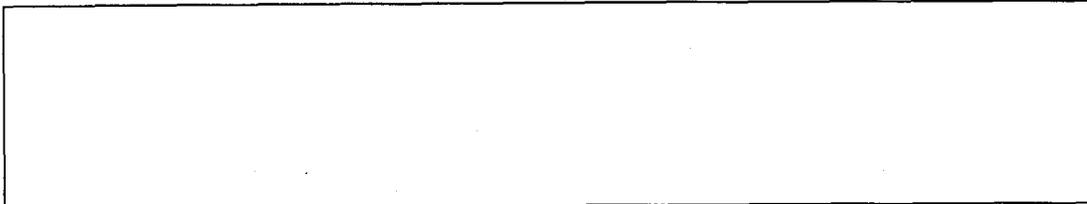
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13. General Clark said they had spent yesterday afternoon with General Willoughby. (The DCI said he thought Willoughby was a "great" intelligence officer and that we saw a lot of him.)



15. During Mr. Helms' discussion, which went into some detail on penetration of Communist Embassies worldwide, General Clark asked whether we covered the Embassies in this country. Mr. Helms stated that we did not that this was an FBI function. General Clark then asked whether there was any contribution to CIA from the FBI as a result of this coverage. Mr. Helms stated that he assumed so but that the FBI did not indicate where the information they sent us comes from. The Director stated that yes there was definitely a contribution.

16. General Clark asked whether we did any wire tapping in the United States. (Mr. Helms replied no that this was the FBI.)

17. General Clark asked whether it would be possible for a covert operation to be launched without policy clearance. He stated that his Committee had gotten "a little indication somewhere" that it would be possible for a low-level desk man in the State Department to think up a covert operation, and sell it at a low level to some of our operating people, with the result that the operation would be launched without proper policy clearance.

The Director answered this question, stating that he did not believe this would be possible under our system of controls. For one thing it would not be possible for the people involved to get the money. In order to obtain funds for projects, application must be made to a level sufficiently high within the Agency to bring into the picture a senior officer who would know enough to be responsible for making certain that policy clearance had (or had not) been obtained.

18. Captain Rickenbacker asked why psychological warfare should not be completely cut off from CIA. The Director stated that at present RFE, for example, spends roughly [redacted] a year and that if it was put under USIA it would not only be difficult to obtain the money for its budget but also it would no longer be a covert operation and, therefore, the US Government could not disclaim responsibility for its broadcasts. Mr. Wisner added that if RFE was a known part of USIA, it would have to eliminate all its black propaganda. The DCI added that FEC had an excellent Board of Directors and that CIA exercised as little control as possible. He pointed out that while there was a lot of speculation, FEC had government support, but that it had never come out in the open.

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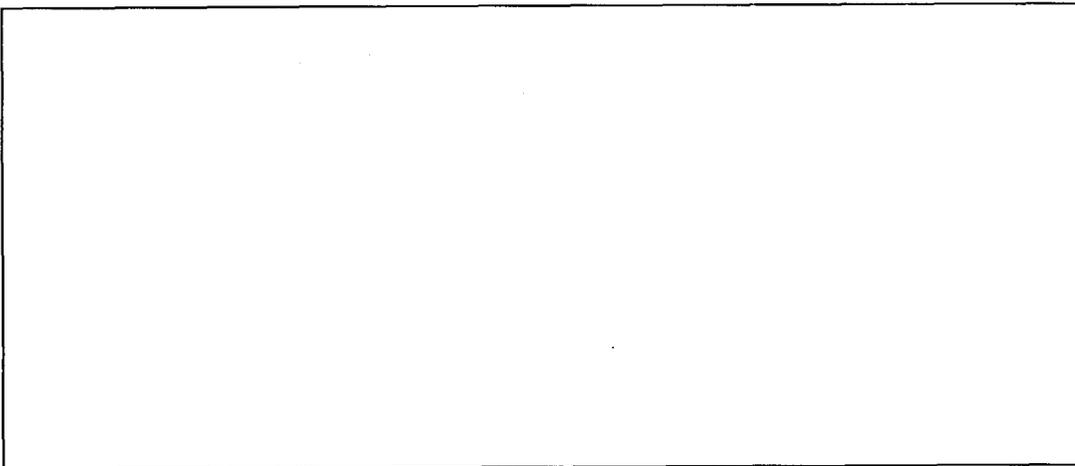


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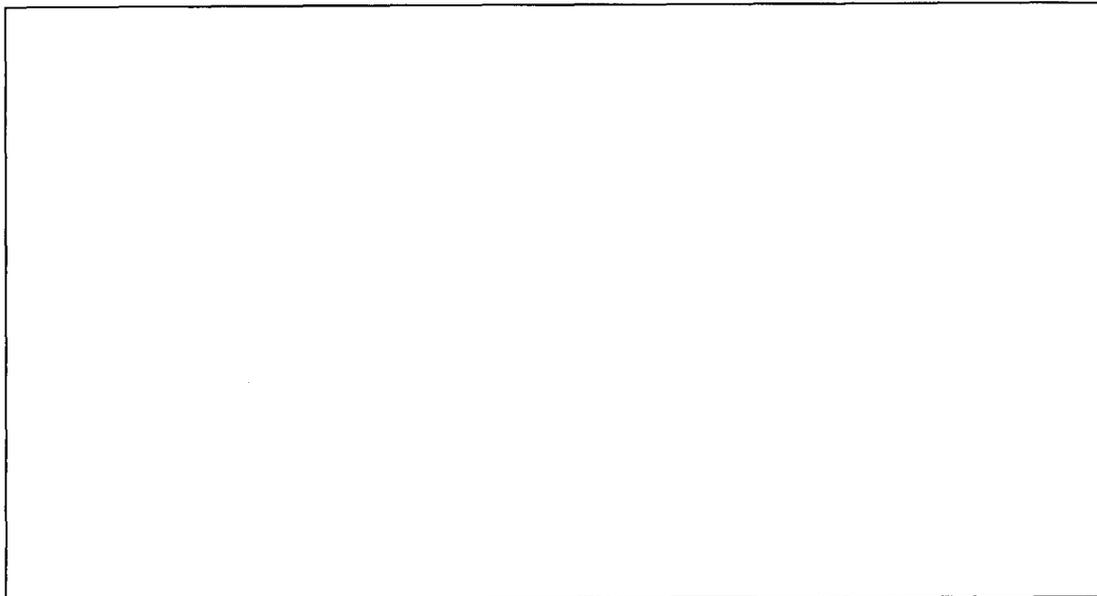
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19. General Clark asked where the control of FEC was exercised from in CIA and was shown the location of I.O. on the organization chart.

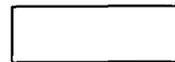
20. General Clark asked whether the restriction of employment of military personnel in CIA to 15 was too low. The Director stated that he would prefer to have 25 to 30. Captain Rickenbacker asked why CIA was restricted to the employment of 15 officers. (Mr. Kirkpatrick pointed out that it was not a restriction, but a grant--that the rest of the Federal government was prohibited from hiring retired officers.)



23. Captain Rickenbacker asked what happened to the Japanese population in the Kurile Islands after the USSR took over. The Director stated that he did not know but would attempt to find out.



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[REDACTED]

25. This week's Watch Committee Reports were passed around, and General Cabell went into some detail on the fact that the work that went into it could not be appreciated without a detailed briefing. General Clark said that he was well aware of the work involved but felt that the Committee members should each read the report and asked that sufficient copies be sent to GAO Building to permit the members to read it while they are here.

26. General Clark asked, in regard to the DCI's statement that a large portion of intelligence in the future would come from technical collection such as ELINT, whether there was agreement on methods of collection. General Cabell replied that complete agreement had not been reached yet, but that considerable effort had been put in on the subject. The DCI added that he and General Cabell had been meeting with Bob Anderson and Don Quarles to work out an agreement.

27. The Director discussed his conversations with Senator Russell regarding the Subcommittee of the Armed Services Committee which would be responsible to the Senate for CIA operations and also said that he was going to discuss with Vinson the possibility of a House of Representatives group. General Clark said that he thought a standard watchdog committee, part Representatives and part Senators, and part public would be the most desirable. It was also pointed out to the Committee that a House Appropriations Subcommittee was fully briefed.

[REDACTED]

Man B. Kirkpatrick  
Inspector General

cc: Mr. Wisner  
Mr. Carey  
Mr. Heggen

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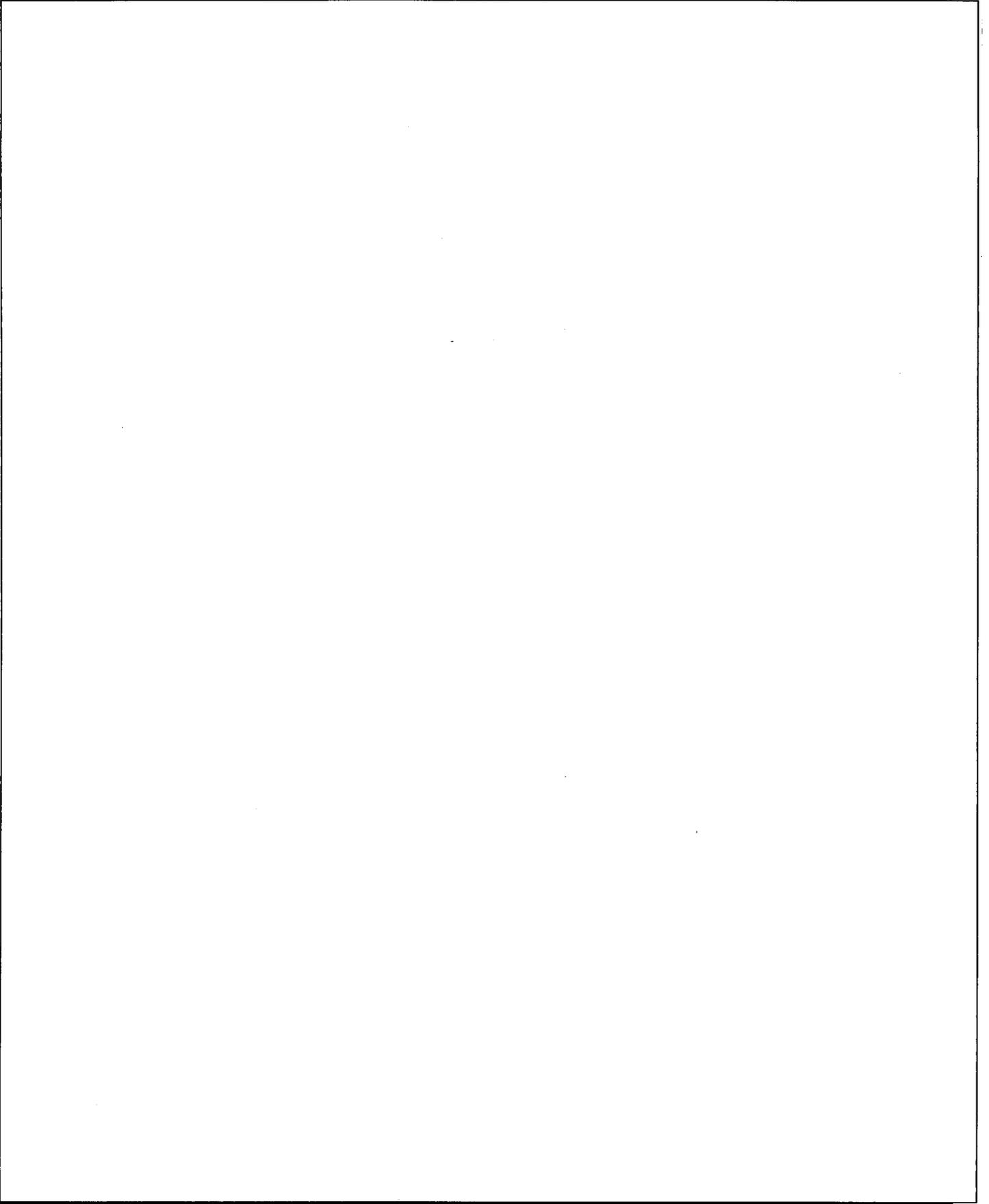
MEMORANDUM FOR:

v C I *Over for*

I have made some  
corrections in par. 6.  
After you indicate desired  
corrections recommend  
return to Kirk for  
redraft + file.

*efc*  
DDCI

(DATE)





23 March 1955

MEMORANDUM FOR THE RECORD:

SUBJECT: Questions Raised at Clark Committee Briefing on 23 March  
During the Discussion of the 21 Questions Based on the  
Agenda

1. General Clark asked the DCI for his estimate of Chinese intentions regarding the off shore islands. The Director stated that, based on present rate of build-up, action might take place in one/six months. General Clark asked whether the DCI thought that USSR would actively participate in a US/Chinese war. The Director stated that he did not think that Russia would participate unless she believed that she was losing China as a Communist partner.

2. On being asked what was considered the best source of intelligence on Chinese build-up, the Director stated that overflight photography was the best source. Mr. Kearns asked what proportion of intelligence on Formosa was provided by CIA. It was pointed out that it was impossible to answer a question of this kind accurately. Mr. Kearns seemed to be somewhat confused as to how overflights were coordinated and wanted to know whether the Air Force, Navy and CIA flew their own overflights without any coordination, thereby resulting in duplication. It was pointed out, partially by General Clark, that no overflights were made without the knowledge and approval of the Theater Commander, in this case Admiral Stumpf.

3. General Clark asked if there was a chance/a low-level State Department employee proposing a covert project to the corresponding desk in CIA and having it accomplished. The Director stated that this was impossible as it would require money which could only be obtained by approval of the Projects Review Committee.

4. Mr. Hollings asked the Director whether his cold war activities detracted from his basic directive under the National Security Act. The Director replied "No" and that, on the contrary, it complemented the basic directive.

5. Captain Rickenbacker asked why psychological warfare should not be completely cut off from CIA. The Director stated that at present RFE, for example, spends roughly [redacted] year and that if it was put under USIA it would not only be difficult to obtain the money for its budget but also it would no longer be a covert operation and, therefore, the US Government could not disclaim responsibility for its broadcasts. Mr. Wisner added that if RFE was a known part of USIA it would have to eliminate all its black propaganda.

6. In the discussion of the Fourth Force, the issue was raised as to CIA's potential in the field. It was pointed out that CIA, in this respect, is really a holding force rather than an operating force, and the Director stated that at present we had no Air Force. General Clark stated that he hoped CIA never would have an Air Force.

7. Mr. Hollings asked the Director whether General Cabell and Mr. Wisner could replace him on the OCB, thereby permitting the DCI to spend more time on his basic responsibility. The Director stated that he felt quite sure that either General Cabell or Mr. Wisner could replace him on the OCB but that due to the various subjects which came to the attention of the Board, it was desirable that the Board should maintain as high a standing as possible.

8. This week's Watch Committee Reports were passed around, and General Cabell went into some detail on the fact that the work that went into it could not be appreciated without a detailed briefing. General Clark said that he was well aware of the work involved but felt that the Committee members should each read the report and asked that sufficient copies be sent to GAO Building to permit the members to read it while they are here.

9. Mr. Kearns and General Christiansen both stated that there was some confusion in Korea and Japan as to the priority on the collection of military information. General Christiansen stated that [redacted] had told him in Japan that it definitely had a second priority. Mr. Kirkpatrick mentioned the possibility that the confusion might have arisen due to the difference between strategic and tactical information. The Director asked that a cable be sent to the field to clarify the apparent difference of opinion between CIA in Korea and Japan.

10. On a discussion of a rumor which General Clark had heard to the effect that the Military was not willing, in many cases, to accept CIA reports on order of battle information, he asked the Director to comment on this. The Director stated that he believed that this problem was basically one of personalities and pointed out that [redacted] had definitely been a bottle-neck in Tokyo. On being further pressed, the Director stated that he felt that General Trudeau was undoubtedly an excellent engineer officer. Mr. Kirkpatrick went into some detail on his visit with [redacted] and others in Korea where he found that a large percentage of order of battle information on Korea, during the Korean War, came from CIA to CINCPAC but, by the time it was disseminated in final form, the origin was lost. Admiral Conolly stated that before he left this country he had been led to believe that USAREUR was getting no order of battle information at all from CIA but, after visiting Colonel Critchfield's headquarters and talking to the USAREUR liaison officer, he had found 75 to 80% of the order of battle information was coming from Critchfield's work with the Ghelen organization. This led to some discussion of G-2's tendency to discard any information on which they were given no background of the sub-source. General Cabell pointed out that G-2 placed its chief reliance on order of battle in communications intelligence.

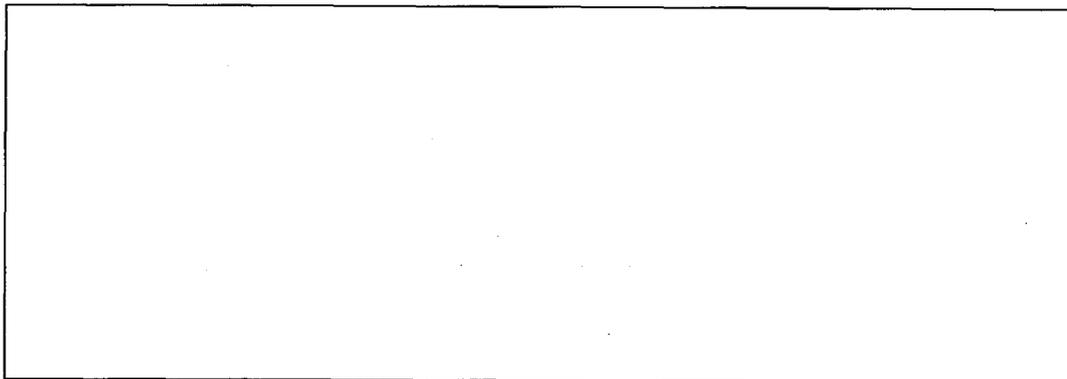
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14. During Mr. Helms discussion, which went into some detail on penetration of Communist Embassies worldwide, General Clark asked whether we covered the Embassies in this country. Mr. Helms stated that we did not that this was an FBI function. General Clark then asked whether there was any contribution to CIA from the FBI as a result of this coverage. Mr. Helms stated that he assumed so. The Director stated that yes there was definitely a contribution.

15. General Clark asked whether the restriction of employment of military personnel in CIA to 15 was too low. The Director stated that he would prefer to have 25 to 30.

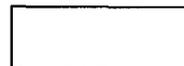
16. Mr. Kearns asked whether CIA aspired to be a Fourth Force in the event of war. General Cabell answered "No" that all of this is now provided for by a National Security Council directive.

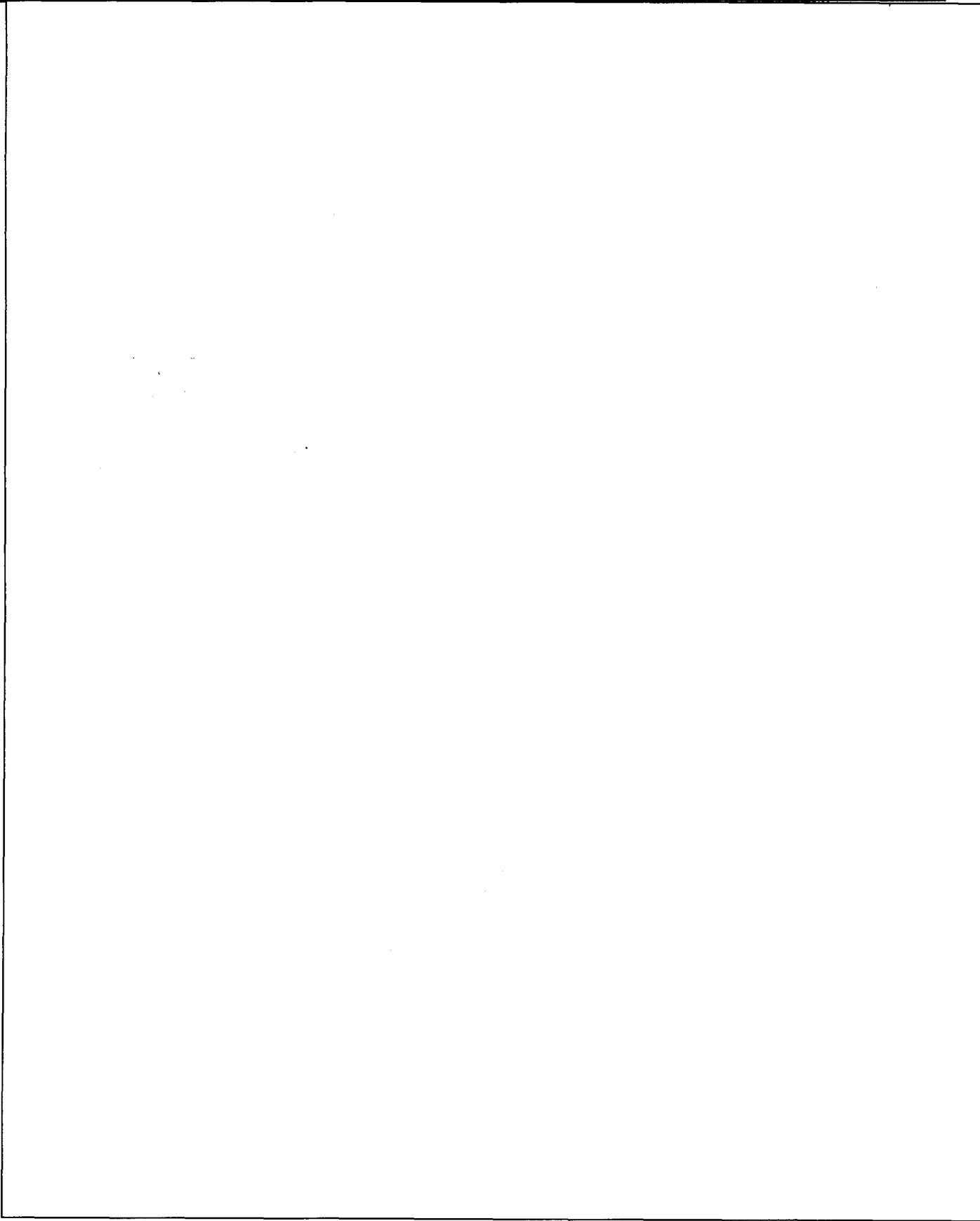


21. The Director discussed at some length his conversations with Senator Russell regarding the Subcommittee of the Armed Services Committee which would be responsible to the Senate for CIA operations and also said that he was going to discuss with Vinson the possibility of a House of Representatives group. I think General Clark said that he thought a standard watchdog committee, part Representatives and part Senators, would be the most desirable. *Both groups in Valley, Armed and Upper Committee*

22. As the briefing had to be terminated with only fourteen of the questions on the agenda discussed, General Clark stated that he would let us know by tomorrow afternoon when he could get his Committee together to be briefed on the remaining seven questions as well as others which undoubtedly will come to mind in the interim.

GEORGE G. CAREY  
Assistant Director for Operations

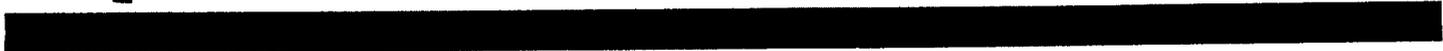






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26 February 1955

MEMORANDUM FOR THE RECORD

General Mark Clark called to see me by appointment at 4 P. M. on 17 February 1955 and we had a talk slightly over an hour and a half. General Cabell, Frank Wisner and Kermit Roosevelt joined us for the last half hour of the conversation.

General Clark stated that he wished to arrange a general briefing for the entire Task Force covering our operations sometime toward the end of March and he would shortly suggest a definite date for it. This would, of course, be after the return of all those who had gone to the field to look at operations there. He suggested that among the types of items he would like to have covered, would be some of the following:

- 1) What do we know of Soviet intentions; ✓
- 2) What particular intelligence successes have we had; ✓
- 3) The work of the Watch Committee and its reports; ✓
- 4) What intelligence do we give to the President and high policy officials; ✓
- 5) How do we influence policy; ✓
- 6) Our National Estimates. ✓

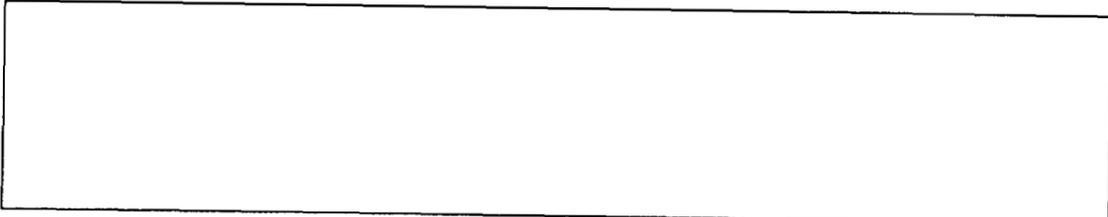
In addition, I asked whether he would like to have some information on certain operations and mentioned Guatemala, Iran and the development of Magsaysay, etc. He felt this would be useful.

I said that we would coordinate with General Christiansen and draw up an agenda for the briefing which we would submit to him for approval. (At this stage I did not raise the question of clearances of all of the Task Force for all of our operations, but believe this is a matter which should be cleared at the highest level.)

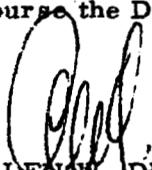
General Clark referred to my communications to him about the McCarthy material. He said that he had looked it over and indicated that he did not consider it of any great significance. He said, however, that McCarthy had promised to look through his papers and that he had quite a lot more he would want to give to the Clark Committee. General Clark added that nothing further had come recently. I clearly gained the impression that General Clark did not feel that anything was disclosed in the papers which required immediate action by CIA. I made it entirely clear to him that if such was the case, I would want to investigate it immediately.

I also took up with General Clark the necessity for insuring that highly classified documents were not included in any reports which were given any circulation, and naturally not in reports which would get publicity through being submitted to the entire Hoover Committee with its large representation from the Congress. The General indicated that he was fully aware of the problem and would see that any classified material was properly handled.

The balance of the conversation was a rather desultory discussion of intelligence problems. I mentioned to him certain signal successes and showed him some of the material recently obtained, i. e., the Manual. He did not seem much impressed with this and said that from the table of content, it looked like the same sort of thing which our Army produced and which was practically unclassified. I pointed out that the Manual was "Secret."



The meeting was friendly enough, but rather fruitless and inconclusive. The General remarked during the course of the conversation, in reply to my offer whether he wished to read the Doolittle Report, that he had read it, but would probably wish to look at it again when their own report was further along. I got the impression that he did not wish to be "influenced" by the report. The statement that he had read the Doolittle Report is not accurate as he only had the document in his hands for some 20 minutes and then together with certain other documents, which I believe he gave higher priority and indicated that he had also read. Of course the Doolittle Report could not be read in 20 minutes.

  
ALLEN W. DULLES  
Director



7 March 55

MEMO FOR GENERAL CABELL

You will remember that the other day when you told us of General Bullock's trip to the Far East, I raised a question about him and asked for time to assemble the facts in the case. They are shown in the attached memo.

I have shown this to the Director, who asked that it be passed to you. It would be my suggestion that we do nothing about this action on the part of General Bullock's office, but rather arrange for him to see certain of our Station Chiefs, as requested, picking carefully those who will handle themselves properly and not be too revealing in what they have to say to him. I see no useful purpose being served in denying him access to our people as long as we are able to give them guidance beforehand as to how they should conduct themselves.

Would you please be kind enough to return the attached memo to me or to Col. Edwards, the point being that the Director wants such material held in a readily available place in the event he desires to make use of it in connection with the Clark Committee.

Mr. Helms

Dictated but not read - RH/km.

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[redacted] 4 March 1955

MEMORANDUM FOR: Director of Central Intelligence

SUBJECT : General William C. Bullock

1. This memorandum is for the purposes of setting forth contacts made by Colonel Robert H. McDowell, of the Army Psychological Warfare Division, with two CIA employees, [redacted] and [redacted]. These contacts were made in an attempt to get [redacted] and [redacted] to furnish unfavorable information to the Clark Committee about CIA, and were made by McDowell on behalf of General William C. Bullock, Chief of the Army Psychological Warfare Division, who is an old friend of General Mark Clark. McDowell, [redacted] and [redacted] formerly worked together in OSS and have periodically seen each other socially since OSS days.

2. The history of these contacts is as follows:

(1) On 24 January 1955, McDowell and [redacted] had luncheon together in the Executive Dining Room at the Pentagon. During the luncheon, McDowell made an approach to [redacted] to see if he would be willing to testify to the Clark Committee about CIA. McDowell said that his own chief, General Bullock, is an old friend of General Mark Clark, and had inquired of McDowell if he knew of anyone in CIA who would be willing to testify before the Clark Committee. McDowell said that Bullock felt that CIA would not "come clean with the Committee" and had inquired of McDowell who his acquaintances were in this Agency. [redacted] stated that he, himself, cut McDowell off at the beginning of his approach, and told him he was happy with CIA, liked the way things were being operated, and that he would have no part in any such doings.

(2) On 3 February 1955, McDowell visited [redacted] at [redacted] home on a social visit. At this time no mention was made by either of the matter brought up by McDowell on 24 January 1955.

(3) On 4 February 1955, at the invitation of McDowell, [redacted] had lunch in the Executive Dining Room at the Pentagon with McDowell. At this time McDowell said that at the request of his chief, General Bullock, who was trying to

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(39)

~~SECRET~~

[redacted]

assist the Clark Committee, McDowell was attempting to find someone within CIA who would furnish information to the Clark Committee regarding the Agency which would enable them to assemble their facts and evaluate them concerning the Agency. McDowell said that the Committee was going to streamline the organization, eliminate waste, that they were trying to do an honest and sincere job, and that General Bullock wanted to help. McDowell then added, without waiting for comment from [redacted], that as far as he was concerned, the matter was closed, that he realized the severity of the request and the fact that [redacted] was trying to earn a living. McDowell went on to indicate that he was only doing as Bullock had requested, and would consider the matter closed once he had made the approach to [redacted]. At that point, [redacted] told McDowell that he was talking to the wrong individual and that he knew of nothing which would be of interest to the Committee.

3. Both [redacted] and [redacted] received the distinct impression that the above contacts were the result of a personal operation of General Bullock's, and were not made at the request of the Clark Committee to General Bullock, although they had no proof. Both indicated a disappointment with McDowell in that he would attempt to approach them and use their friendship in this way. Neither has reported any contact by McDowell with them since the above dates.

4. Both [redacted] and [redacted] have been cautioned to discuss this matter with no one else.

[redacted]  
Sherrill Edwards  
Director of Security

~~SECRET~~

~~SECRET~~

19 April 1955

Memorandum for: Director of Central Intelligence

Subject : Clark Committee  
Affidavits By Two Employees

1. There are attached hereto affidavits executed by [redacted] and [redacted] with reference to a request made to these two employees by Robert H. McDowell, Psychological Warfare Division, Pentagon, at the request of General Bullock. The affidavits are forwarded in accordance with your instructions.

[redacted]  
Sheffield Edwards  
Director of Security

Attachments:  
2 Affidavits

ca-657  
~~SECRET~~

AFFIDAVIT

District of Columbia )  
                          ) ss:  
City of Washington )

I, [redacted] Arlington, Virginia,

being first duly sworn, do depose and say:

A few days prior to about 27 January 1955 Robert H. McDowell of the Army Psychological Warfare Division, Pentagon, whom I had known since OSS days when we worked together, tried several times to contact me by telephone at home and at the office. I was out of town at the time and was unable to return his telephone calls. However, on or about 27 January 1955 McDowell telephoned me at my office and stated that he wanted to talk to me about a matter which was of urgent importance to his General. He further stated that the nature of his business could not be discussed over the telephone. Sensing something peculiar and patently unusual concerning McDowell's request I assured him that I would join him for luncheon as soon as circumstances would permit.

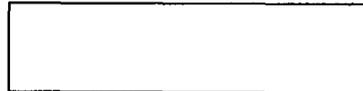
I then telephoned [redacted] whom I knew had an acquaintance with McDowell from prior OSS service together, and asked [redacted] if he had any possible inkling what McDowell's <sup>present</sup> interest to see me was about. [redacted] invited me to his office to discuss the matter and there told me about a luncheon he had at McDowell's invitation a few days before at which time McDowell approached him about testifying before the Clark Committee regarding CIA operations and activities.

A few days later McDowell by telephone invited me to lunch with him at the Pentagon which I did on 4 February 1955. At this point I was still unaware of what McDowell's exact interest was in me. During the course of the luncheon on 4 February 1955 the following occurred. McDowell said that his General, General Bullock, was interested in assisting the Clark Committee in its current investigation of CIA; and that in compliance with General Bullock's personal request to him, he, McDowell contacted me to determine if I knew anybody in CIA who would be willing to testify, on the basis of a confidential arrangement, before the Clark Committee in an effort to enable them to compile

information, assemble facts, and evaluate them concerning CIA. McDowell said that in effect that the Committee wanted to streamline the organization, eliminate waste, duplication and incompetency, and to scrutinize Agency operations. McDowell said he believed that the Clark Committee was trying to do an honest and ~~severe~~ <sup>careful</sup> job and that General Bullock, who was Clark's close personal friend, wanted to assist.

McDowell at this point then added, without waiting for comment from me, that he had now fulfilled the request of General Bullock, that he did not want to do anything which would compromise me in any way, that he understood I had to work for a living and that as far as he was concerned, he, McDowell, now considered the matter closed. McDowell was then told by me that he had hit upon the wrong person since I did not know of anything which would be of interest to the Committee. The conversation was terminated on this subject at this point and was not raised again during the course of the luncheon.

The above two-page statement is true and correct to the best of my knowledge and belief.



Subscribed and sworn to before me this 30th day of March, 1955.

*Erwin W. Schmidt*  
Notary Public in and for  
Washington, District of Columbia  
My Commission Expires 14 January 1968

AFFIDAVIT

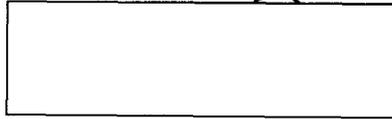
District of Columbia )  
City of Washington ) ss:

I,  Kensington, Maryland, being first duly sworn, do depose and say:

On 24 January 1955 Robert H. McDowell of Psychological Warfare (Pentagon) asked me to have lunch with him at the Pentagon. For background information we were and have been close friends since World War II when we were operating in Yugoslavia; at that time he was my Commanding Officer; also I have and hold in high regard for his ability and intelligence.

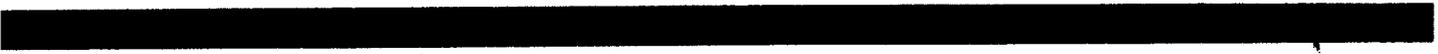
On said date I met him in his office having the idea that this was strictly a social luncheon for old times' sake and on the way to the lunch room he mentioned that he had a matter of importance to bring up with me. He mentioned that his boss, General Bullock was interested in helping Gen. Clark in his investigation of CIA and that he (McDowell) was asked by his boss (General Bullock) if McDowell had any acquaintances with CIA who might volunteer information on CIA or rather be voluntary witnesses should they be called for appearance before the Clark Committee. McDowell stated that he told Gen. Bullock that he had a few friends whom he had worked with during OSS days whom he might approach. McDowell's low tone was not too audible at the luncheon table due to noises but I gathered that he did not demand (for old times' sake) that I volunteer. However, assuming that this was an indication of a pitch for me to volunteer myself for such a task I remarked that as far as I know CIA has been very honest with me, that I would not do anything that would bring embarrassment of any kind to the Agency or myself, that I didn't want any part of anything like that. I stated emphatically that I thought the Agency was doing a good job. The discussion ended almost immediately after my remarks and we returned to other subjects. However, the idea of such an approach did leave me with an impression that it was or could be serious. On the Sunday following 29 January 1955 McDowell and wife visited my family and me at our home socially but the above subject was not brought up. Since that time I have had no contact with him.

The above two-page statement is true and correct to the best of my knowledge and belief.



Subscribed and sworn to before me this 25th day of March 1955.

*Ervin W. Schmidt*  
Notary Public in and for  
Washington, District of Columbia  
My Commission Expires 16 January 1956



11



8 December 1954

**MEMORANDUM OF CONVERSATION WITH GENERAL CLARK**

General Clark called to see me this morning and we had a half hour's conversation covering the progress of his committee. In reply to my inquiry, he indicated that his people were entirely satisfied with the cooperation they were receiving here. I told him that I was in constant touch with General Christiansen, as well as with various members of his working group. I had impressed upon General Christiansen that I wished to be informed directly if his people ran into any roadblocks. General Clark indicated that he had heard of nothing of that nature. He indicated that he had been in touch with Colonel Lane on the covert side and was to be kept currently informed by Colonel Lane of what the latter was doing.

General Clark said that he expected to send representatives to both the European and Far Eastern theaters to have a look at the overseas intelligence setup. Admiral Conolly, he said, would be in charge of one of these groups. Consequently he said it was important to arrange that Conolly might have such access to the covert side as was necessary for him to do his work effectively on the overt side, and also to make this trip abroad. He said that he supposed this would require the approval of the President. I told the General I thought this request was reasonable; that I had the greatest confidence in Admiral Conolly, and that if he preferred I would be glad to take it up myself with Sherman Adams.

General Clark remarked that he felt that our National Estimates, as being the end product of all our intelligence work here, were of great importance and that key members of the Task Force should see certain of these Estimates of recent date. I told him there was no objection to this and that I would lay before him all of the Estimates which the intelligence community (IAC) had produced during 1954 and he could select from this list those that he would like to see.

I assumed that the number of persons seeing the Estimates would be carefully limited. I pointed out that in addition to the Estimates there was a great deal of intelligence work done which was reflected in the Estimates but which was also of great value to the policy makers and to our other intelligence agencies. I felt that he should also have a look at specimens of this type of intelligence as well as the Estimates.

General Clark asked whether we had a general charter for work in the cold war field, and inquired whether the direction we received from the National Security Council was adequate. I told him we had such a charter, namely NSC 5412, which I would give him to read on an eyes only basis as I did not feel that anyone, rpt. anyone, else on his committee should see this. I said it was one of the most carefully guarded papers in the entire government. I told him that we received from the National Security Council general policy guidance but that specific operations of a major character in the cold war field were cleared through the OCB, and I explained the general workings of the OCB. I said I thought that in general there was adequate machinery to give us both the policy guidance and the operation approvals needed.

General Clark said that he expected to talk with a number of people who wished to see him and mentioned specifically General Willoughby. I told him that I welcomed this as I realized he would see a certain number of disgruntled people whom we had dismissed as well as some crackpots. He said he realized this and thought he could handle this situation. I asked him whether the Kellis report had come to his attention and he said he thought it had not. I said that I would wish this report to be seen by someone on his committee as it had been circulated by Kellis in high quarters of the government and I thought it was quite likely that it was in McCarthy's hands.

I asked General Clark whether McCarthy had turned over any of his papers to him. He indicated he had not and said that he had not yet seen McCarthy. He had planned to see him on this trip to Washington but for reasons that were quite understood, he had cancelled out these plans and expected to see him quite a bit later.

I said that he would find a certain number of critics who objected to the idea of having the analysis and production of intelligence in the same organization as the collection of covert intelligence, and others who would object to having operations associated in any way with an intelligence organization. I told him that I had given a good deal of thought to this problem and would like an opportunity to discuss it with him thoroughly before he submitted his report. The General replied that he was aware of this problem and that his thinking as of the moment was that there was no serious objection to the combination of these different functions as he was opposed to having too many separate organizations working in this delicate field. He indicated he would give me a full opportunity to go into this with him at a later date. I did, however, refer to my Swiss experience and the value, as I saw it, of having an overt intelligence umbrella to cover covert intelligence and covert operations.

General Clark adverted to the fact that he could not understand why the United States gave out so much information about what we were doing and pointed to the front page of the Washington Post (December 8) giving a first photo of our Washington Nike protection. I told him that this was a hobby of mine and I had done everything I could to stir up this issue publicly and in the intelligence community. I thought we were making it far too easy for the Russians and seriously harming ourselves. I suggested that the answer to this might lie in the field of public opinion. If the public got stirred up about it they would bring pressure on the press to stop printing things which affected American security. I showed him a copy of my article in US News and World Report on "We Tell Russia Too Much," and in passing adverted to the fact that the publicity problem as regards CIA was a difficult one and that I regretted the nature of publicity received through the recent Saturday Evening Post articles.

General Clark then withdrew and spent about twenty minutes reading over NSC 5412 and the conclusions of the Doolittle report. He indicated a desire at a later date to read the full report. I said I would make it available to him at any time and added that the President had indicated that he was willing that the report be read by ex-President Hoover if the latter wished to see it. General Clark agreed to pass this message on to Mr. Hoover.

In conclusion General Clark said he had three requests. He would like at some time to get together his Task Force together with General Christiansen and let the Task Force put to me any questions they might have. If the questions got into highly classified matters, he would quite understand if they were handled without disclosing information that the full Task Force should not have.

Second, he wanted to be in as good a position as possible to answer any charges as to Communist infiltration into the CIA and asked for suggestions as to how we could satisfy him on that point. I told him that his people would have a chance for a thorough look over our security organization and to study the protections we set up against Communist infiltration. I told him that obviously with an organization as large as ours and working in such a sensitive field, it was inevitable that the Communists would try to infiltrate it and we believed that we had caught up with at least two such efforts. We had to be continually on our guard. After checking Mr. Kirkpatrick, I told him that both Lane and Miller were going through the security office early in January. If after they had completed this survey, he or they had any questions, I should be glad to try to answer them.

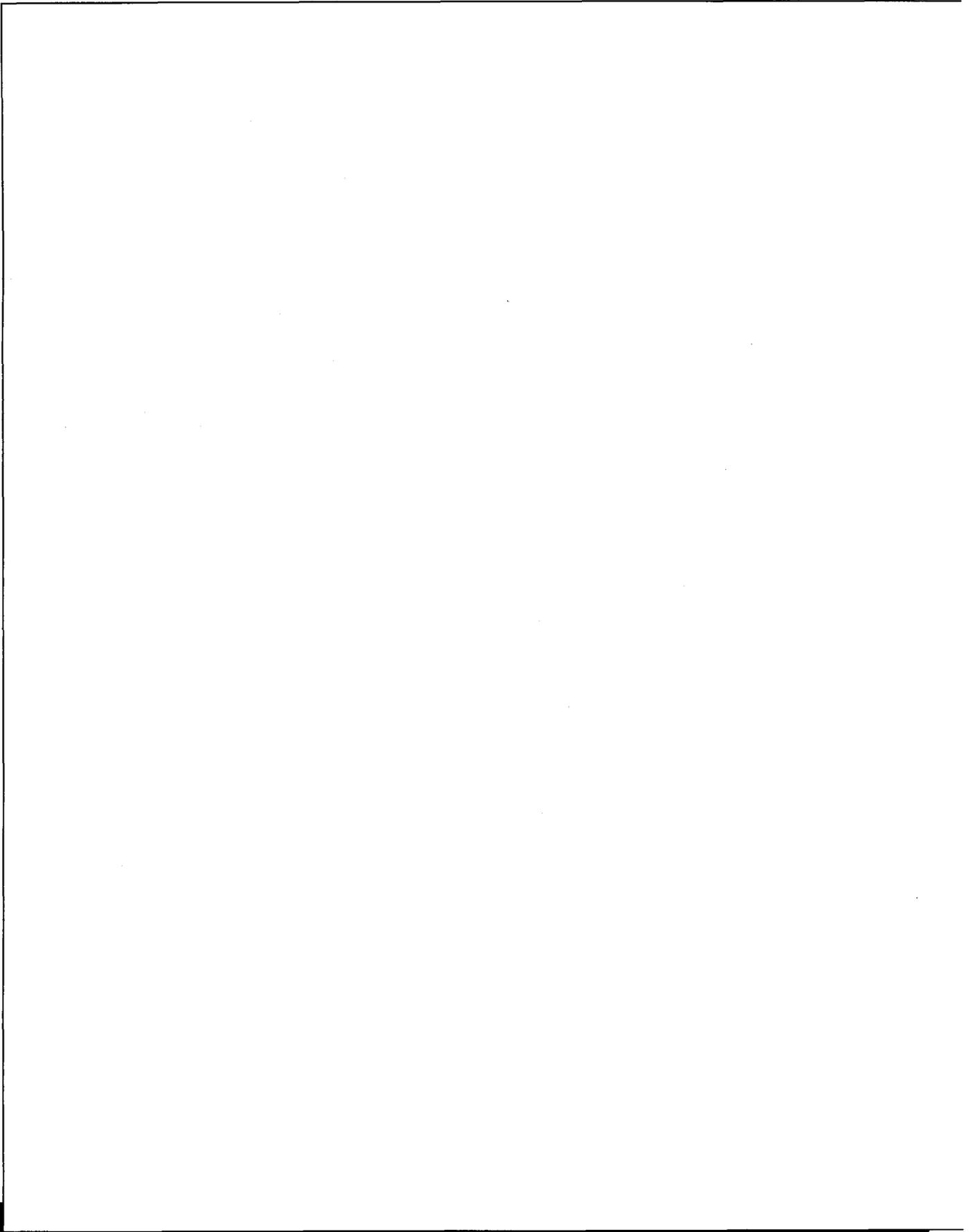
Third, he said he had run across from time to time persons who claimed some affiliation with us and who, after the announcement of the functions of his Task Force, had come up to him and told him of their CIA affiliations. He said he thought this was unfortunate to which I fully agreed and said it was unauthorized but possibly human.

I told him about our general system of outside consultants incident to the responsibilities we had in running certain cover organizations and in dealing with the scientific and technical field. I said we would be glad to go over with him our whole procedure, including security measures in the consultant field, and he indicated that he would like to do this personally.

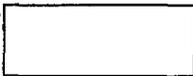
The conversation was cordial and friendly. General Clark indicated a desire to be constructive. I handed him a copy of my letter dated 8 December 1954, containing suggestions in the field of legislation which I thought his Task Force might wish to consider. I said that there would be further memoranda of this nature that we would give him from time to time, and I had a brief discussion with him on the "Watch-dog Committee" proposals.

I also mentioned the urgent need for legislation to give further fringe benefits to our overseas personnel, and the need for a new building.

ALLEN W. DULLES  
Director







I. Authority and Organization of the Investigative Body

A. Commission on Organization of the Executive Branch of the Government

1. The Commission on Organization of the Executive Branch of the Government (Hoover Commission) conducted its investigation of CIA under the authority of Public Law 108, dated 10 July 1953. Under this Law, the Hoover Commission is authorized to examine the departments and agencies of the Executive Branch for the purpose of:

- a. recommending methods and procedures for reducing expenditures to the lowest amount consistent with the efficient performance of essential services, activities, and functions;
- b. eliminating duplication and overlapping of services, activities, and functions;
- c. consolidating services, activities, and functions of a similar nature;
- d. abolishing services, activities, and functions not necessary to the efficient conduct of government;
- e. eliminating nonessential services, functions, and activities which are competitive with private enterprise;
- f. defining responsibilities of officials; and
- g. relocating agencies now responsible directly to the President in departments or other agencies.

2. No specific authority or approval of Congress was required to enable the Hoover Commission to investigate CIA but Congress gave tacit approval to the action when it appropriated the sum of \$200,000 to provide funds for that specific purpose. Initially, it was intended to investigate only CIA but before the Task Force was organized the scope of its investigation was broadened to include the major intelligence activities of all government agencies. Mr. Herbert Hoover, Sr.,

Chairman of the Commission, announced the appointment of General Mark W. Clark as head of the Task Force on Intelligence Activities on 5 July 1954.

B. Task Force on Intelligence Activities

1. Although General Clark was appointed Chief of the Task Force early in July it was not until 30 September 1954 that the Hoover Commission announced the appointment to the Task Force of Captain Eddie Rickenbacker, Admiral Richard L. Conolly, Dr. Donald S. Russell and Ernest F. Hollings. The Task Force did not meet until about 1 November 1954 at which time a sixth member, Henry Kearns, was added. It was reported that Mr. Kearns, a Californian, received his appointment at the request of Vice President Nixon in order to provide Western representation on a committee otherwise composed of Easterners.

2. The competence of the members of the Task Force to conduct an investigation of CIA is open to question. Certainly none of them had extensive experience in either intelligence activities or government organization. General Clark and Admiral Conolly had long careers in military service but neither was prominently identified with the intelligence divisions of their military departments. Captain Rickenbacker is a popular hero of both World Wars and the chief executive of a successful airline but has had no experience in intelligence or government. Dr. Russell, a university president, had a brief term of service with the State Department. Mr. Hollings is a young South Carolina politician and professional veteran, and Mr. Kearns is a California automobile dealer and an avid Chamber of Commerce supporter.

3. It was not intended that the Task Force would engage in the active investigation and for that purpose a Staff was employed. The Task Force met infrequently to consider the progress of the investigation and to provide guidance and support. Individual members of the Task Force did participate in the inspection of overseas installations. General Clark met a number of Agency field personnel

while on a trip through Latin America in July 1954 before the active investigation began. Admiral Conolly and Captain Rickenbacker accompanied the group which toured Europe and Mr. Kearns visited stations in the Far East. In general, however, the Task Force had to rely on information developed by the Task Force Staff.

C. The Task Force Staff

1. Formation of the full-time staff began in August 1954 with the appointment of Major General James G. Christiansen, USA, Ret., as Staff Director. General Christiansen engaged Colonel John Dubbelde as Staff Executive Officer and the first staff members to be employed were Colonel Herman O. Lane and Colonel Eugene Miller. These three Colonels were Army officers retired under the provisions of the Army Career Management program after 30 years of service.

2. Other members were added to the Staff during October and November. Among them were two civilians, John McGruder whose principal interest was personnel management, and Robert J. Foley who had eight years experience in government work of which four were with ONI. The competence of the individual members of the Staff to conduct an investigation of CIA is difficult to assess. General Christiansen was an Army Engineers Officer and apparently an able administrator. Before retirement he had filled responsible assignments both in staff and command but none in G-2. Colonels Lane and Miller had served in the Office of the Inspector General and acquired experience in the investigative field. Mr. McGruder had no special qualifications for the job other than his training in personnel management. Mr. Foley was the only member who had experience in intelligence work in the post-war years.

3. The Staff was charged with the responsibility of conducting on-the-spot investigations of the major intelligence agencies of the government including CIA, Army, Navy, Air Force, State Department, and NSA. Members of the Staff were assigned to each agency but the major emphasis was placed on CIA. Colonels Lane

and Miller and Mr. McGruder devoted their entire time to the inspection of the Agency. Mr. Foley joined the team in November but after about a week was reassigned to the NSA team. General Christiansen participated in some of the CIA briefings and Colonel Richard A. Ericson and Brigadier General Terence J. Tully made special studies. As Staff Executive Officer, Colonel Dubbelde handled the administrative affairs of the Staff which brought him into close contact with members of the Agency during the entire period of the investigation.

4. Security clearances were provided for all members of the Task Force and for those members of the Staff who had access to CIA classified material. A total of 17 persons were cleared by CIA including three Staff secretaries. In addition to Agency clearances the six members of the Task Force and two members of the Staff received special White House clearances for access to information on CIA covert activities.

## II. The Active Investigation

### A. Investigation of CIA Headquarters

1. Active investigation of CIA Headquarters began on 3 November 1954 with an extensive briefing of the six members of the Task Force and three members of the Staff. The briefing was held in the Director's Conference Room, Admin. Building, and was presented by senior officials of the Agency. The program began at 1400 hours and the speakers were Messrs. Dulles, Kirkpatrick, Amory, Kent, and General Cabell. The briefing continued the following day with presentations by Messrs. Carey, Sheldon, Reynolds, Wisner, Helms, Edwards, Bannerman, and Scott. This briefing had been scheduled to take place on 18 October but was postponed because of the inability of all members of the Task Force to convene on that date.

2. Prior to the briefing, a meeting between representatives of the Agency and members of the Task Force Staff had taken place at the GAO Building on 4 October 1954. Administrative matters were discussed and arrangements made

to provide the Staff with space, material and supplies and secretarial assistance in the Agency's Headquarters area. General Christiansen, Colonels Dubbelde, Lane, and Miller were invited to attend the Agency Orientation Course which started the following day. All four attended the sessions although not all of them were present each day.

3. Three rooms were provided in [ ] for the use of the Staff. Safes, furniture and office equipment were supplied and [ ] was assigned to full-time duty as Administrative Officer and secretary. Security briefings were given by Colonel Edwards and [ ] and Top Secret controls were established. Arrangements were made to provide transportation for the Staff members, courier service was made available, and new telephone connections installed. In short, the Agency made every effort to cooperate with the Staff to the fullest extent.

4. After the initial briefing of the Task Force, the Staff settled down to the active inspection of the headquarters components of the Agency. General Clark agreed that, in order to protect the security of sensitive clandestine operations, he and Admiral Conolly would be the only Task Force members to have access to information about Agency covert activities and that General Christiansen and Colonel Lane would be the only Staff members to inspect components of the DD/P area. Accordingly Colonel Lane started his activities with a briefing on the Clandestine Services by DD/P on 15 November 1954.

5. In the meantime, Colonel Miller and Mr. McGruder had already started their inspection of the DD/I area. They were given a briefing by the DD/I on 5 November and on 9 November they turned their attention to the Office of Operations, the first of the components to be inspected. Miller and McGruder completed their examination of the DD/I Offices in Headquarters by the end of December. In addition, the [ ] were visited by Miller

and the [redacted] by McGruder. [redacted]

[redacted] A total of approximately 27 working days were devoted to this part of their investigation.

6. During this period, Mr. Foley joined the Staff on 26 November and participated in the inspection of OCI. Immediately thereafter he was assigned to the investigation of NSA and did not return to the CIA team. General Christiansen attended the briefings in OCI and ONE and the latter briefing was also attended by Admiral Conolly.

7. By the end of December, Colonel Lane completed his inspection of all of the headquarters components of the DD/P area. He, too, visited [redacted] and [redacted] and participated in the briefing at the Office of Communications. General Christiansen also was present at the Commo briefing. Colonel Lane spent approximately 27 working days on this part of his investigation.

8. Beginning on 3 January 1955, Lane joined forces with Miller and McGruder to carry on the inspection of the components of the DD/S area. Lane did not complete the examination of all of these offices but left the team toward the end of January to prepare for his European trip. Miller and McGruder completed the job after which McGruder left for the Far East and Miller remained behind to finish the active investigation of Headquarters by an examination of the Director's Staff, SA/PC, IG and Cable Secretariat. A total of about 23 working days were devoted to the DD/S area and the Director's Staff.

9. During the period 10 to 23 February, Colonel Ericson interviewed several people in Headquarters, particularly in the Personnel Office. He appeared to be interested only in the need for better public relations in CIA. General Tully also spent several days here inquiring into the Agency's communications

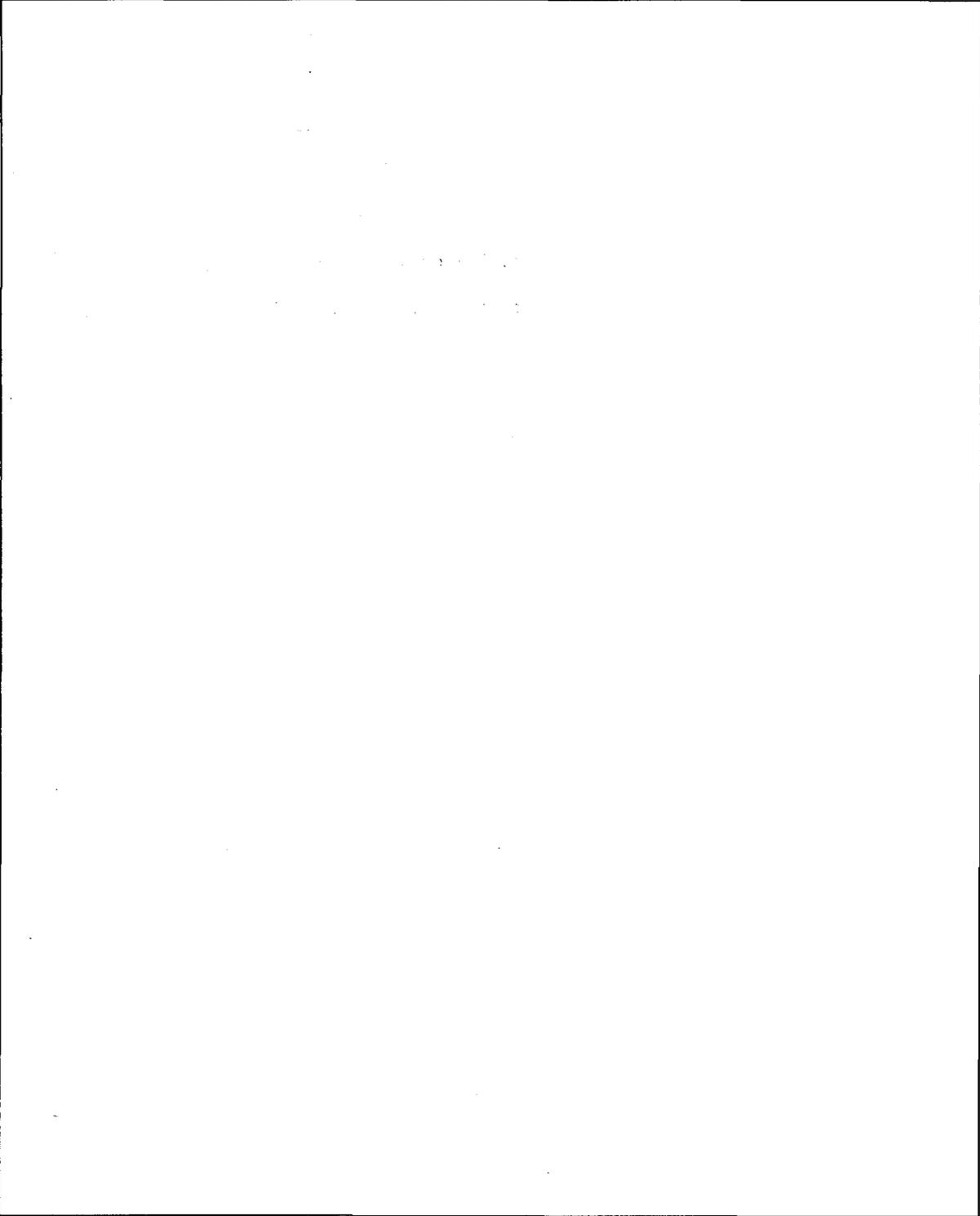
facilities. No accurate record was kept of the amount of time spent in the Agency by Ericson and Tully but it did not exceed eight working days.

10. During the course of the investigation every component of Agency Headquarters was inspected. Extensive briefings on the activities of each unit were given by senior officers followed by a guided tour of the establishment. The inspection teams held conversations with office personnel at random, asked many and varied questions, and examined files and records. Small units were covered in a few hours and as much as five days were devoted to the largest Offices such as ORR. Considering the time allotted for the purpose, it is the consensus that <sup>a</sup> fairly thorough job was done.

B. Field Investigation

1. Several domestic field stations were inspected by various members of the Task Force and Staff. Colonel Miller visited the [redacted] offices of OO/C, Station 1 at [redacted] and the FBID station at [redacted]. Mr. McGruder visited [redacted] while on vacation in Florida and while on his Far East trip stopped at [redacted] and inspected OO/C offices there. He also went to [redacted] and to the FBID station in [redacted]. Mr. Kearns visited [redacted] and General Christiansen also stopped at [redacted]. The inspections were necessarily brief since time did not permit detailed examination.

2. Mr. Kearns, General Christiansen, <sup>and</sup> Mr. McGruder ~~and Colonel Blakeney~~ (another Staff member) made the inspection trip of selected facilities in the Far East. They assembled in San Francisco and proceeded to Honolulu on 5 February 1955. There they inspected [redacted] and spent two days in conference with Pacific Fleet and Air Commands. [redacted]



III. Opinions Expressed by Members of the Inspection Teams

A. DD/I and DD/S Areas

1. Colonel Miller and Mr. McGruder in general expressed a very favorable attitude toward CIA. Colonel Miller is a strong supporter of the IAC as a coordinating mechanism in the intelligence community. He believes that it should be

supported actively by each of the member agencies and has stated that each member should constantly keep in mind the fact that he sits on the committee as a representative of national interests and not as an advocate and defender of his own department's views. He believes that IAC members should never abstain from consideration of any referred subject to the committee.

2. Although he did not participate in the investigation of clandestine activities, Colonel Miller is opposed to what he terms CIA's cold war functions. He thinks that there is no proper statutory authority for the performance by CIA of these functions. He believes that these functions tend to establish CIA as a "fourth force" which reduces it to a position of parity with the three military services. He believes also that the Agency will be accused of producing intelligence slanted to meet the needs of its clandestine operations. It is his opinion that DD/P should be made wholly self-sufficient and that it should be transferred as a unit to the Department of Defense.

3. With reference to the DCI, Miller thinks that he is engaged in too many activities. He believes the Director should be replaced by the DD/P on the Operations Coordinating Board. He has stated that the Director devotes too much time and effort to clandestine operations and that as a result he is not carrying out his intelligence producing functions in a satisfactory manner and that the intelligence community as a whole is not producing an adequate quality of coordinated national intelligence in support of the NSC. In Miller's opinion the Agency is being loosely administered and that the Director should establish a single coordinating authority within CIA which will relieve him of many administrative, logistical, and operational problems.

4. In his examination of the DD/I offices, Colonel Miller stated that OCD should be authorized to provide central reference facilities for the intelligence community as a service of common concern. He expressed enthusiasm over

the activities of OO and believes that all three of its divisions should increase their efforts and the organizations should be built up to provide the necessary manpower. He thinks that greater effort should be directed to the production of scientific intelligence and that State Department's scientific collection responsibilities should be transferred to CIA. He would also like to see the Scientific Estimates Committee abolished and reconstituted as a strengthened Scientific Intelligence Committee. Miller is a staunch supporter of the NIS Program and believes that this represents the ultimate in intelligence production. He thinks that the Basic Intelligence Division of ORR should be enlarged and established as an Office of Basic Intelligence. His criticism of OCI is that it is engaged in too many activities and produces too many publications. In his opinion National Estimates are not adequate because of the large gaps in intelligence. However, he appeared to be favorably impressed with ONE and with the means of producing National Estimates. He has been highly critical of the methods of handling requirements and thinks that the DD/I should establish a separate staff to coordinate requirements within CIA and that there should be established a subcommittee of the IAC to coordinate requirements on a community-wide basis.

5. In the course of his examination of the DD/S offices Miller expressed his disapproval of the consolidation which took place in February. He reiterated his firm opinion that all of the DD/S functions in support of DD/P activities should be separated and that the DD/S offices should concern themselves only with the rest of the Agency. He has stated that the entire performance of the DD/S functions is inefficient and that the whole organization should be surveyed. He apparently thinks that the Office of Communications, Comptroller, Logistics, and Training are operating competently but that Personnel Office is not handling

its recruiting program effectively. He thinks that the Career Service Program is excellent in theory but that it has made little or no progress in practice. Miller had no adverse comments to make about the Security Office.

6. In the matter of needed legislation in support of CIA activities, Miller has expressed the opinion that the present ceiling on retired military personnel as provided by Public Law 53 should be removed. He thinks that retired military officers can make a great contribution to the national security effort, particularly in the intelligence field. He favors improvement in the Career Service Program by added inducements for overseas service including such benefits as are now enjoyed by State Department Foreign Service. He thinks that pay for the DCI and DDCI should be increased to the level of Secretary and Undersecretary of other government departments. He also favors legislation to provide for the construction of a new building for CIA.

B. DD/P Area

1. Colonel Lane who conducted the investigation of the DD/P area, demonstrated a higher degree of competence than his associates. Comments of Agency personnel with whom he came in contact indicate that he is a keen observer, quick to grasp the significance of major problems and capable of asking very pertinent questions. He was less outspoken than Colonel Miller and much more adroit at concealing his views and opinions. His attitude toward CIA appeared to be generally favorable.

2. Colonel Lane apparently concurs with Colonel Miller's views on the loose organization of CIA and believes that the Director is not able to provide adequate

supervision over the daily operations of the Agency. He thinks that the decentralization of management has resulted in the creation of a group of semi-autonomous offices whose activities lack the necessary central control. He will probably recommend the establishment of a position of Executive Director ~~under the DCI and DDCI with an adequate staff~~ who will be responsible for the direct management of the Agency.

3 \* Colonel Lane is also disturbed to find that DD/P is not a self-contained, self-sufficient component. He has stated that the President believes the Clandestine Services to be a completely separate unit of CIA and "would be shocked to find that the DD/P area is unable to move, unable to operate, unable to administer itself, unable to communicate with its own people and even unable to hold the personnel records of staff people or agents inside its own area." He will probably join Colonel Miller in a recommendation to establish DD/P as a self-supporting unit but is not likely to advocate its transfer to the Department of Defense. He thinks that the DCI is deeply involved in the direct supervision of covert operations and that the DD/P is not being permitted to function as the authoritative head of his area of responsibility. In his opinion the separated clandestine organization should be reconstituted as <sup>a</sup> ~~the~~ Special Operations area and the DD/P should be designated Director of Special Operations.

4. General Christiansen appears to be prejudiced against CIA. It has been reported that he harshly criticized Colonel Lane for what he considered to be a soft attitude toward the Agency and stated that Lane "had been taken in by CIA." In a private conversation with a member of the Agency, Colonel Lane said that General Christiansen was displeased with favorable comments contained in Lane's report and requested that they be omitted. He also said that General Christiansen prevented him from discussing his findings with the DD/P and the DD/I. He has indicated that he would take his report direct to Admiral Conolly if it

is altered by General Christiansen without his concurrence.

#### IV. Cost of the Investigation

##### A. General

1. The sum of \$200,000 appropriated by Congress to provide funds to the Hoover Commission to conduct the investigation of intelligence activities of the government is only a small part of the total cost to the taxpayer. To this sum must be added the cost in time and money expended by the various departments and agencies in planning and preparing for the investigation and in support of the inspection team's efforts. No estimate can be made of time lost due to the interruption of the normal daily routine of the Offices visited by the investigators and the many interviews held by them, but within CIA a fairly accurate record has been kept of the man hours devoted to the preparation of written and graphic material, of time consumed in the presentation of briefings and the cost of logistical support.

##### B. DD/I Area

1. Each of the DD/I Offices prepared notebooks describing in detail the mission, functions and activities of their organizations including statistical data on production, budget and personnel. During the course of the investigation these notebooks were supplemented by additional material prepared at the specific request of Colonel Miller. A total of 6,240 man hours were devoted to the preparation of written material alone.

2. Briefings were presented by the senior officers of each Office and by supervisory personnel. These briefings were very extensive and designed to provide the investigators with the detailed information they needed as quickly and effectively as possible. The time spent on presentations totalled 1,320 hours.

3. In addition to the preparation of material and presentation of briefings, a full-time escort officer was provided who conducted the inspection team

throughout the area and provided them with supporting services. His time is estimated at a total of 560 hours.

4. The number of man hours consumed by the investigation of the DD/I Offices totals 8,120 and the cost calculated on the basis of the grades of personnel involved equals \$36,304. This does not include time spent by the DD/I himself or by members of his immediate staff.

C. DD/P Area

1. The various components of the DD/P area spent a total of 3,738 hours in the preparation of written and graphic material. This does not include time spent on material prepared for the Doolittle Committee much of which was used by Colonel Lane.

2. The time consumed in briefings and conferences both in Headquarters and field stations totalled 1,445 hours.

3. The amount of time spent in coordination and escorting is estimated at 1,552 hours which includes the time of a member of the PPC Staff who accompanied Colonel Lane on his overseas tour.

4. A ~~grand~~ total of 6,735 man-hours of Agency time was used in the investigation of the DD/P area at an estimated cost of \$24,700.

D. DD/S Area

1. In the DD/S area certain previously prepared materials were used for which no time record was kept. For the purposes of this investigation only a total of 4,066 man-hours were spent in the preparation of written and graphic material. The time consumed in briefings and conferences totalled 957 hours.

2. Services which the Agency was called upon to provide included a secretary for the Staff, motor transportation, guards, and foreign and domestic travel for escort officers. Some of these services are still continuing and the total expenditure of Agency funds for this purpose will exceed \$20,000.



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The Congressional Directory, February, 1954, lists:

COMMISSION ON ORGANIZATION OF THE EXECUTIVE BRANCH OF THE GOVERNMENT

Chairman.--Herbert Hoover

Commissioners:

Clarence J. Brown, the Alban Towers  
Herbert Brownell, Jr., 4355 Forest Lane  
James A. Farley, 515 Madison Avenue, New York 22, N. Y.  
\*Homer Ferguson, the Westchester Apartments  
Arthur S. Flemming, 3110 34th Street  
Chet Holifield, 2606 Cameron Mills Road, Alexandria, Va.  
Solomon C. Hollister, 417 Highland Road, Ithaca, N. Y.  
Joseph P. Kennedy, Hyannisport, Mass.  
John L. McClellan, 2100 Massachusetts Avenue.  
Sidney A. Mitchell, 184 East 64th Street, New York 21, N. Y.  
Robert G. Storey, 7040 Tokalon Drive, Dallas, Tex.

\*No longer in Washington.

Executive Director.--John B. Hollister, Metropolitan Club.

Special Assistant to Chairman Herbert Hoover.--Lawrence Richey, 1801 16th Street,  
Zone 9.

Executive Secretary.--Francis P. Brassor, 4608 Nottingham Drive, Chevy Chase, Md.

Director of Research.--Harold W. Metz, 2480 16th Street.

Congressman Clarence Brown and Jim Farley are particular friends of General Clark.

Joe Kennedy is close to Tim McInerney.

I suppose the one closest to Mr. Hoover would be Lawrence Richey.

I imagine that Sidney Mitchell is known to you.

Assuming that it would be undesirable for anyone connected with CIA to take an active part in keeping the Clark Task Force report or any part of it from becoming public, the following steps might prove prudent:

1. Attorney General Brownell might see Sherman Adams with the idea of the White House asking Mr. Hoover and General Clark to avoid all publicity, speculation, leaks, or plants of the Task Force survey. This will permit the main Hoover Commission to do its work without pressure and the only publicity would be that which the Commission gives in an unclassified status to the Congress.

2. Arthur Flemming might be informed by you of the wisdom of such action.

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3. Joe Kennedy might be informed of the necessity of such action by Tim McInerny.
4. Sidney Mitchell would be informed by you of the need of such action.
5. Lawrence Richey would be contacted by someone who knows him that well; I don't know anyone in the Agency or outside who is that close to Richey. Herbert Hoover, Jr., might be the man.

I have known Jim Farley many years and have had various contacts with him and could speak to him on such a matter. Farley, however, is very friendly with General Clark, as is Cardinal Spellman and also is Bishop Griffiths, who handles many of Cardinal Spellman's activities. I believe it might be advisable to pass up the Democratic membership unless we are certain that the individual talking to any of them knows the person well enough to handle so delicate a matter. In the case of Congressman Clarence Brown, he has been closely associated with General Clark and with General Clark's mother, particularly as a Taft Republican. Brown and the "Three-Star Extra" boys--Ray Henle, Ned Brooks, and another-- have tried to build Clark up into a national figure who may have a political potential. I would think that even though Brown is a Republican, he would not be on the CIA side if there was a close decision for him to make where Clark or his task force might be involved.

John Hollister of the Metropolitan Club, the Executive Director, is the press contact, the man whom the Press calls on news of the activities. He, of course, merely makes public what he is told to do.

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OTHER AGENCY COMMENTS - Hoover Commission Report:

1. Defense - dated August 17, 1955

2. State - dated 17 May 1956



UNCLASSIFIED

MEMORANDUM FOR: The Assistant to the President

SUBJECT : Report of the Hoover Commission Task Force on  
Intelligence Activities (Chapter IV)

REFERENCE : Memorandum from Governor Adams, this subject,  
dated 2 March 1956

As requested, we are submitting herewith our comments on those recommendations of Chapter IV of the subject report which relate to matters of interest or concern to the Central Intelligence Agency. For convenience in reference we have put each recommendation together with our comment, on a separate page.

The material sent with your memorandum (copy of Chapter IV together with Department of Defense comments thereon) is returned as requested.

SIGNED

Allen W. Dulles  
Director

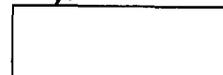
Enclosure

LBK:rm (18 April 1956)

Distribution:

- Orig & 1 - addressee
- 2 - signing official (without attachments)
- 2 - IG, official file (with attachments and basic) —

# 5



Recommendation No. 3, page no. 137.

That the National Security Council revise NSCID No. 5 to provide for clandestine intelligence activity on the part of the military services consistent with their capabilities and statutory responsibilities under the National Security Act of 1947.

Comment

Repeated efforts have been made to reach an agreement in the intelligence community on clandestine intelligence activity on the part of the military services. In 1951, NSCID-5 was modified to make it clear that the military services could participate in clandestine collection provided that such activities were coordinated with CIA. In 1952, there were further discussions between G-2 and CIA on this subject. In 1953 and 1954, the so-called "agreed activities" papers were discussed at length with the issuance of DCID-5/1 as a result. DCID-5/1 was approved by all the military intelligence agencies.

The CIA has always taken the position that there is more than enough in the intelligence collection field for all of the agencies combined. It has, however, always maintained that clandestine collection activities should be coordinated and that this should be done by CIA which by law has the primary responsibility in this field. We believe that the military services have ample latitude at present under NSCID-5 and DCID-5/1 for any clandestine intelligence activity in which they wish to engage, provided it is properly coordinated. It would not appear to be in the national interest to have unilateral, uncoordinated clandestine intelligence collection activities on the part of the several intelligence agencies.

[Redacted]

Recommendation No. 4, page no. 137.

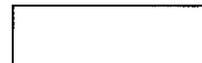
That the implementation of NSCID No. 13 be extended to permit participation in the Soviet and Satellite defector inducement program by the military services and CIA in direct proportion to the capabilities of each.

Comment

As a matter of actual practice it should be noted that representatives of the military services are overt and in good position for defector inducement. In fact, on 9 November 1973, the Department of the Army published a Top Secret command letter, subject: "Defector Inducement Program" which had as its purpose the establishment of a coordinated Department of the Army program for the inducement of defectors. This document was presented to CIA unofficially for concurrence prior to publication and met with our approval.

As with clandestine collection activities we believe defector inducement should be coordinated as it would be chaotic if all agencies were unilaterally attempting to defect Soviet and Satellite officials. However, on a coordinated basis we believe the services should participate to the extent of their capabilities. We know of no limitation to such participation.

It is rather interesting to note that page 79 of Appendix II of the Gluck Report contains a completely contradictory recommendation: "That the inducement phase of the Defector Program, as applicable to active participation by diplomatic and military representatives serving overtly abroad, be discontinued."



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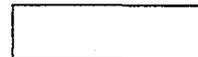
Recommendation No. 1, page no. 204.

That under the terms of the "Agreed Activities" paper, the services expand their clandestine collection efforts with primary emphasis focused on targets in the Soviet Union and Communist China. Personnel and funds to accomplish this objective should be made available to the military intelligence services.

Comment

This matter is rather fully covered in the comments on recommendation 3. It is believed that the allocation of intelligence funds and personnel within the military services should be their decision, as long as they fulfill their responsibilities to the intelligence community.

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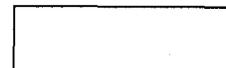
Recommendation No. 3, page no. 204.

That the Defector Program, including inducement policies, early access to the defector and prompt determination of the use to which he is to be put, be improved, with the objectives of making defection more attractive and of deriving greater benefit for the entire intelligence community.

Comment

Constant efforts are being made to improve the Defector Program. The mechanics of this program are now in good shape. An inter-Agency Defector Committee assures that the interests of all agencies are served. The reception, establishment of bona fides, interrogation, surfacing and resettlement problems are being met. But it should be understood that "making defection more attractive" is an objective well beyond the limited purview of the intelligence community and in effect covers most aspects of international relations.

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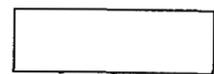


Recommendation No. 1, page 205.

That the military services be permitted greater latitude in offering inducements to potential defectors.

Comment

CIA imposes no limitation on the inducements offered by the military services to potential defectors. This then would seem to be a matter to be handled within the Department of Defense.



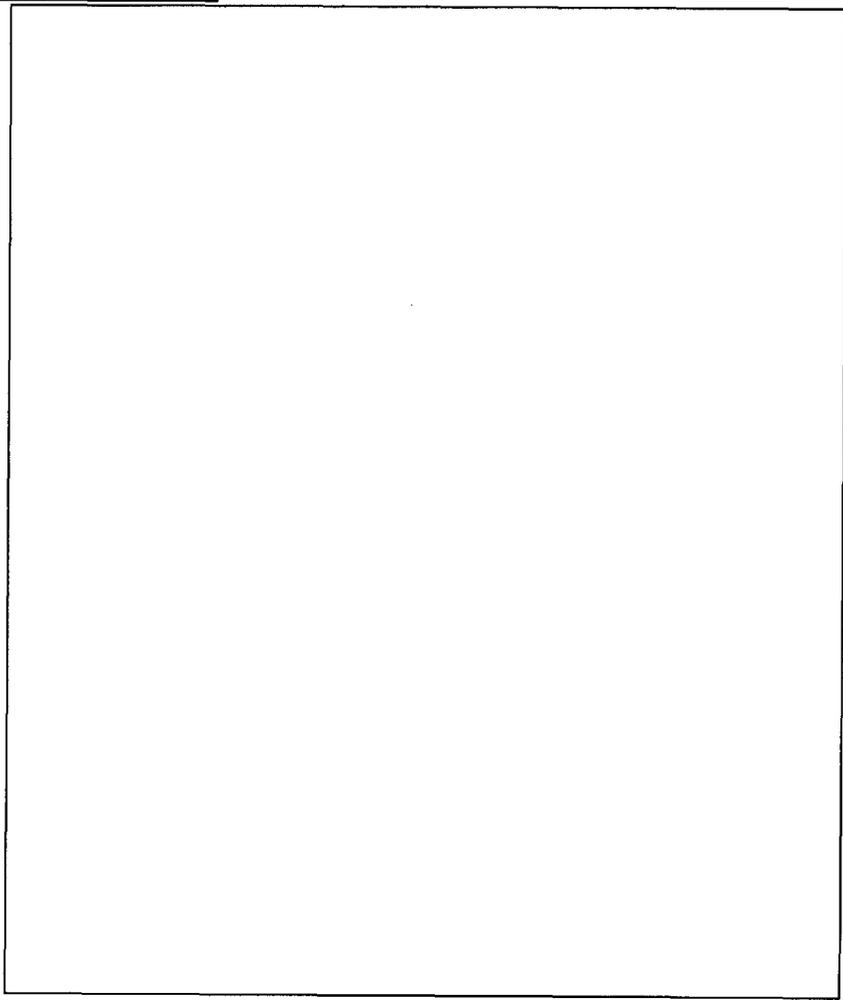
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Recommendation No. 2, page 205.

That prompt action be undertaken to provide cover, [redacted]  
[redacted] for CIA operations.

Comment

Continuing progress is being made in achieving a more satisfactory balance in the use of both official and unofficial cover for clandestine operations. It must be recognized that official cover, [redacted] will continue to be needed [redacted]



~~SECRET~~

[redacted]



