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By CJA NLDDE Date 07/31/12

Brief for Discussion
With the President

ARA:krq
10/14/60

SUBJECT: Seventh Report to the President
by the President's Board of
Consultants on Foreign Intelligence
Activities, dated October 4, 1960

1. At the direction of the President the subject report (attached) has been referred through General Goodpaster for further appropriate action by Mr. Gray.

2. This report of the Hull Board, after summarizing the Board's activities since its last report, sets forth five recommendations. The background and text of these recommendations are as follows:

First Recommendation: (Co-ordination of Foreign Intelligence Activities). The Board does not believe that integration, co-ordination and strong centralized direction of U.S. foreign intelligence activities have been achieved in the measure authorized by the National Security Act and required by NSC Intelligence Directives and has serious reservations whether these objectives will be obtained so long as the authority of the DCI to co-ordinate U.S. foreign intelligence activities is interpreted as permissive rather than mandatory. Accordingly, the Board makes the following recommendation:

"We suggest that the Director of Central Intelligence be requested to provide you and the Board with his views and recommendations as to: (a) the measures (legislative and/or executive) which would be required to insure strong centralized direction, co-ordination and integration of all U.S. foreign intelligence activities; (b) whether long-term, national security interests will best be served by continuing to vest in one official responsibility for co-ordinating all member agencies of the Intelligence Community together with responsibility for administering an operating agency which is a component and competing element of that Community".



Comment: The President has previously approved earlier recommendations of the Hull Board which have a relationship to the objectives of the present recommendation, as follows: (1) In its first report, in 1956, the Board recommended that the DCI be "encouraged" to exercise a more comprehensive and positive coordinating responsibility in directing the integration of the national intelligence effort, (2) In that same report, the Board recommended that the DCI be provided with a "Chief of Staff", or "Executive Director", thus relieving the DCI of some of his responsibilities as head of CIA, and enabling him to direct more efforts toward coordination, integration, and reduction of duplication among the agencies making up the intelligence community, and (3) in 1958, the Board

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noted that the DCI had been provided with a "Deputy Director for Coordination", but the Board felt that this did not meet the need, and it reiterated its previous recommendation and suggested that more responsibilities be given to CIA's Inspector General. In response to these three recommendations, the DCI has reported to the President that (1) the Office of Deputy Director for Coordination had been established, and the CIA Inspector General has been given more responsibility (2) the revision of NSCID's, in 1958, and the issuance of related DCID's, have clarified in more positive terms the DCI's coordinating authority and responsibility, and (3) as an example of his coordinating efforts the DCI referred to his suggestion in 1958 to the Secretary of Defense as to certain ways in which the military attache system could be strengthened to improve its participation in the over-all intelligence effort.

In making its present recommendation, the Board noted what has been done toward achieving the objective, but feels that the objective cannot be met so long as the DCI's coordinating responsibility is interpreted as being permissive rather than mandatory.

It appears that the nature of this recommendation is such that it can now be referred to the DCI for attention. Accordingly, it is suggested that the President approve the following action:

"Noted the subject recommendation by the President's Board of Consultants on Foreign Intelligence Activities regarding Co-ordination of Foreign Intelligence Activities in its report of October 4, 1960, and requested that the Director of Central Intelligence furnish to the President and to the Board his views and recommendations in accordance with the Board's recommendation by December 1, 1960.



Second Recommendation: (Duplication (Publications)). An USIB study confirmed the Board's expressed concern that (a) the Intelligence Community is producing an excessive number of duplicating and proliferating intelligence issuances; (b) the multiplicity of these duplicating issuances threatens the security of the sensitive data contained therein; and (c) an inordinately large amount of money and personnel are expended annually in this area. The Board noted with approval that USIB is exploring the feasibility of establishing one joint intelligence daily to supplant the thirteen dailies now produced independently. Regardless of the outcome of the USIB study, the Board makes the following recommendation:

"We recommend that you direct the heads of the Departments and Agencies concerned to initiate immediate action to eliminate: (a) unnecessary intelligence publications; (b) undesirable duplication in the publications which are retained; and (c) unnecessary use of personnel and funds in preparing, printing, reproducing and distributing foreign intelligence publications and related issuances".

Comment: This recommendation is concerned with the elimination of unnecessary publication and undesirable duplication of intelligence publications issued by agencies of the intelligence community. As acknowledged by the Board in making this recommendation, the USIB is already looking into the feasibility of replacing 13 present intelligence dailies with a single, joint daily publication. Furthermore, a previous Hull Board recommendation, in its Sixth Report dated 5/24/60, called for steps to eliminate unnecessary duplication of effort in the broad field of intelligence activity (collection, analysis, interpretation, production, and including publication). After obtaining reports from the DCI and Defense on the status of present efforts by the intelligence community to reduce duplication in these areas (including the area of intelligence publications), the President stated that more rapid progress should be achieved and that he is looking to continuing interest by the Hull Board, and to the results of the current work of the DCI's Joint Study Group as a major instrument in achieving the desired objectives (see memorandum to Hull Board from Mr. Gordon Gray, 10/6/60, with copies to Sec/Def and DCI). Against that background, the Hull Board is now recommending that, regardless of the outcome of the pending USIB study, the President direct that the heads of the intelligence agencies concerned take immediate action to carry out the objectives of this recommendation (i.e., to eliminate unnecessary intelligence publications, to eliminate duplication of those that are necessary, and thereby eliminate the unnecessary use of funds and personnel).

It would appear that, as recommended by the Board, the problem of duplication in the publications field is susceptible to being singled out for immediate corrective action, without waiting for the results of efforts to correct duplication in the other areas of intelligence activity. Accordingly, it appears appropriate to suggest to the President that he approve the following action:

"Approved the subject recommendation by the President's Board of Consultants on Foreign Intelligence Activities regarding Duplication (Publications) and requested that the Director of Central Intelligence (a) refer the recommendation for implementation by the departments and agencies concerned, and (b) submit a report to the President by January 6, 1961, concerning the implementing action taken thereon."



Third Recommendation: (ELINT Ferret Missions). The Board has reviewed SAC's ELINT Ferret activities and the use made of the "take" from these RB-47 operations in light of the July 1, Soviet shoot-down of an RB-47 over the Barents Sea. The Board is convinced that these flights provide vital information, not otherwise obtainable, which is essential to maintaining in current status the bombing corridors, bombing targets and related elements of SAC's war plans. Accordingly, the Board makes the following recommendation:

"We endorse the peripheral ELINT Ferret operations of SAC and we recommend their renewal and continuation under the careful safeguards which have characterized the conduct of this program over the years".

Comment: It appears that prior to action on this recommendation the President would desire the views and comments of the Secretary of Defense and it therefore suggested that he approve the following action:

"Noted the subject recommendation by the President's Board of Consultants on Foreign Intelligence Activities, in its report dated October 4, 1960, regarding the renewal of the peripheral ELINT Ferret operations of SAC and requested that the Secretary of Defense furnish views and comments thereon to the President at the earliest practicable date.

Fourth and Fifth Recommendations: (Compromise of the National Security Agency's Intelligence and Techniques). Based on the Board's review of the circumstances surrounding the employment and subsequent defection of Martin and Mitchell the Board has made two separate and distinct recommendations to assure more effective and secure operation of the National Security Agency as follows:

a) Fourth Recommendation:

"We recommend that an agency outside the Department of Defense be brought in to investigate and report to you on all aspects of the defection including any which may involve espionage or other subversive activities of individuals, either in NSA or elsewhere, who may have been associated in any manner with the very serious compromise to our national security which is implicit in their defection. We believe the FBI is the agency most eminently qualified to undertake this responsibility."



Comment: Because of the possible espionage aspects involved, the action called for in this recommendation would appear to be appropriate irrespective of any administrative inquiries which may be under way or contemplated. Therefore, the President may wish to approve the recommendation without considering it necessary to first obtain the views and comments of the agencies involved. Accordingly, it is suggested that the President approve the following action:

"Noted the subject recommendation by the President's Board of Consultants on Foreign Intelligence, in its report dated October 4, 1960 and requested that: (a) the Attorney General cause an investigation to be made by the FBI along the lines set out in the Board's recommendations; (b) that a report be submitted to the President at the earliest practicable date and; (c) that the Secretary of Defense be made cognizant of this request."

b) Fifth Recommendation:

"We recommend that the Secretary of Defense be requested to submit to you his views and recommendations as to the best means of achieving the following objectives, which we deem essential to the efficient and secure conduct

of NSA's functions: (1) authority to assure that no individual shall be employed or retained in employment by NSA unless it has been established by the Secretary of Defense or his designee that such employment is clearly consistent with the national security; (2) the grant of authority to the Secretary of Defense or his designee to appoint and terminate employees whenever in his discretion such actions are deemed necessary or advisable in the national interest; and (3) authority to exempt the NSA from Civil Service requirements which tend to adversely effect accomplishment of its sensitive and vital missions. It will be recalled that authority similiar to that outlined above is presently provided to the Director of the Central Intelligence Agency. In the event the objectives outlined above cannot be accomplished under existing legislation, we suggest that the Secretary of Defense submit his views and recommendations on the question of seeking legislation essential to their accomplishment."



Comment: It would appear that the nature of this recommendation is such that it may be referred now to the Secretary of Defense for attention. Accordingly, it is recommended that the President approve the following action:

"Noted the subject recommendation by the President's Board of Consultants on Foreign Intelligence in its report of August 4, 1960, regarding means of achieving objectives essential to the efficient and secure conduct of NSA functions and requested that the Secretary of Defense furnish to the President the desired views and recommendations thereon by December 1, 1960.

(NOTE: In its concluding paragraph the Board's report states that the Board had reviewed a number of major covert action programs in CIA but because of their sensitivity this review would be reported orally to the President or his representative. The Board makes no recommendation regarding these programs.)