

## **Minutes of the 1968 "Bissell Meeting" at the Council on Foreign Relations**

*The third meeting of the Discussion Group on Intelligence and Foreign Policy was held at the Harold Pratt House on January 8, 1968, at 5:00 p.m. Present were: Richard M. Bissell, Jr., Discussion Leader; Douglas Dillon, Chairman; William J. Barnds, Secretary; William R. Harris, Rapporteur; George Agree, Frank Altschul, Robert Amory, Jr., Meyer Bernstein, Col. Sidney B. Berry, Jr., Allen W. Dulles, George S. Franklin, Jr., Eugene Fubini, Julius C. Holmes, Thomas L. Hughes, Joseph Kraft, David W. MacEachron, Philip W. Quigg, Harry Howe Ransom, Theodore C. Sorensen, David B. Truman.*

The Chairman, Mr. Dillon, opened the meeting, noting that although this entire series of discussion was "off-the-record," the subject of discussion for this particular meeting was especially sensitive and subject to the previously announced restrictions.

Mr. Dillon noted that problems involving CIA's relationships with private institutions would be examined at a later meeting, though neither Mr. Bissell nor others should feel restricted in discussion of such problems this evening.

As the session's discussion leader, Mr. Bissell offered a review and appraisal of covert operations in U.S. foreign policy.

Touching briefly upon the question of responsibility, of whether these agencies are instruments of national policy, Mr. Bissell remarked that, in such a group, he needn't elaborate on CIA's responsiveness to national policy; that we could assume that, although CIA participates in policy making (as do other "action agencies," such as AID, the military services and Departments, in addition to the Department of State), CIA was a responsible agency of national policy.

Indeed in Mr. Bissell's personal experience, CIA's role was more carefully circumscribed and the established limits observed more attentively than in ECA, where Mr. Bissell had previously worked.

The essential control of CIA rested in a Cabinet-level committee, comprising a representative of the White House staff the Under Secretary of State, Deputy Secretary of Defense, and in recent years the personal participation of the Director of Central Intelligence. Over the years this committee has become a more powerful and effective device for enforcing control. It reviews all new projects, and periodically scrutinizes ongoing projects.

As an interdepartmental committee composed of busy officials who meet only once per week, this control group is of limited effectiveness. Were it the only control instrument, Mr. Bissell would view it as inadequate, but in fact this committee is merely the summit of control, with a series of intermediate review procedures as lower levels. Projects are usually discussed in the relevant office of the Assistant Secretary of State, and, if at all related to Defense Department interests, at a similar level in DoD, frequently after consideration at lower levels in these departments. It was rare to take an issue before the Special Group prior to discussion at lower levels, and if there was objection at lower levels most issues were not proposed to the Special

Group -- excepting large projects or key issues, which would be appealed at every level, including the Special Group.

Similar procedures applied in the field. Generally, the Ambassador had a right to know of any covert operations in his jurisdiction, although in special cases (as a result of requests from the local Chief of State or the Secretary of State) the chief of station was instructed to withhold information from the Ambassador. Indeed, in one case the restriction was imposed upon the specific exhortation of the Ambassador in question, who preferred to remain ignorant of certain activities.

Of the "blown" operations, frequently among the larger ones, most are known to have been approved by the President himself. The U-2 project, for example, was an offshoot of the Land (intelligence) Committee of the Killian panel on surprise attack; it was proposed as a Killian panel recommendation to the President, supported by USIB; its procurement, in utmost secrecy, was authorized by the President, and, with the exception of the first few flights (the initial authorization being to operate for a period of ten days, "weather permitting"), each individual flight was authorized by the President, with participation by the Secretary of State and Secretary of Defense.

Covert operations should, for some purposes, be divided into two classifications: ( 1) *Intelligence collection*, primarily espionage, or the obtaining of intelligence by covert means; and (2) *Covert action*, attempting to influence the internal affairs of other nations -- sometimes called "intervention" -- by covert means.

Although these two categories of activity can be separated in theory, intelligence collection and covert action interact and overlap. Efforts have been made historically to separate the two functions but the result has usually been regarded as "a total disaster organizationally." One such attempt was the establishment in the early days of CIA (1948) of the OPC under Frank G. Wisner as a separate organ for covert action. Although supported and given cover by the CIA, this organization was independent and Wisner reported directly to the Secretaries of State and Defense. "Beedle" Smith decided when he became Director of Central Intelligence that, if he were responsible for OPC, he was going to run it and it was merged with the clandestine intelligence organization in such a way that within the combined Clandestine Service there was a complete integration of intelligence collection and covert action functions in each area division.

In addition to our experience with OPC, the Germans and the British for a time during the war had organizations for covert special operations separate from, and inevitably in competition with, their espionage services. In every case the experience has been unfortunate. Although there are many disagreements within CIA on matters of doctrine, the view is unanimous that the splitting of intelligence and covert action services would be disastrous, with resulting competition for recruitment of agents, multiple recruitment of the same agents, additional security risks, and dissipation of effort.

Concerning the first category, *intelligence collection*, we should ask: (a) What is the scope of "covert intelligence collection"? (b) What intelligence collection functions can best be performed covertly?

The scope of covert intelligence collection includes: (1) reconnaissance; (2) communications and electronic intelligence, primarily undertaken by NSA; and (3) classical espionage, by agents. In gauging their utility, Mr. Bissell ranked (1) the most important, (2) slightly below, and (3) considerably below both (1) and (2).

Although it is less effective, classical espionage is "much the least costly," with the hardware components of recon and NSA activities raising their costs considerably.

(In the after-dinner discussion, an authority on communications-electronics expressed his concurrence in Mr. Bissell's relative rankings. Notwithstanding technological advances in cryptology, the increased sophistication in most cryptosystems assured that (1) (reconnaissance) outranked (2). Another observer noted that the budgets correlated in similar manner, the former speaker concurring and noting that, however surprising, the budgets approximated maximum utility according to cost-effectiveness criteria.)

Postwar U.S. reconnaissance operations began, historically, as "covert" operations, primarily a series of clandestine overflights of Communist territory in Eastern Europe, inaugurated in the early 1950s. These early efforts were followed by the U-2 project, which provided limited coverage but dramatic results.

Now we have reconnaissance satellites. Overhead reconnaissance is one of the most open of "secrets" in international affairs; it is no longer really a "covert activity," and bureaucratic responsibility for it now resides in the Pentagon. Classical espionage, in the early postwar years, was conducted with special intensity in West Germany, and before the Berlin wall, in that city, which was ideal for the moving of agents in both directions, providing a sizable flow of political and economic intelligence (especially from East Germany).

Throughout the period since the early fifties, of course, the Communist bloc, and more especially the U.S.S.R. itself, has been recognized as the primary target for espionage activities. Circumstances have greatly limited the scale of operations that could be undertaken within the bloc so much of the effort has been directed at bloc nationals stationed in neutral or friendly areas, and at "third country" operations that seek to use the nationals of other non-Communist countries as sources of information on the Soviet bloc.

More recently there has been a shift in priorities for classical espionage toward targets in the underdeveloped world. Partly as a result of this change in priorities and partly because of other developments, the scale of the classical espionage effort mounted in Europe has considerably diminished. The U.S.S.R. remains a prime target but Communist China would today be given the same priority.

As to the kinds of information that could be obtained, espionage has been of declining relative importance as a means of learning about observable developments, such as new construction, the characteristics of transportation systems, the strength and deployment of military forces and the like because reconnaissance has become a far more effective collection technique and (except in China) travel is freer and far more extensive than some years ago. It had been hoped that espionage would contribute to the collection of intelligence on Soviet and East European

technology, since this is a body of information not readily observable (until embodied in operational systems). Another type of intelligence for which espionage would seem to be the only available technique is that concerning enemy intentions. In practice however espionage has been disappointing with respect to both these types of intelligence. They are for obvious reasons closely guarded and the task is just too difficult to permit results to be obtained with any dependability or regularity. With respect to the former category -- technology -- the published literature and direct professional contacts with the scientific community have been far richer sources.

(A communications-electronics expert interjected the observation that the same reasoning applied to inadequacies in S&T intelligence collection; technology is just too difficult for agents, who are insufficiently trained to comprehend what they observe as the technologies become increasingly complicated.)

As to friendly neutrals and allies, it is usually easier to learn what one wishes by overt contacts, human contact of overt members of the U.S. mission or private citizens. We don't need espionage to learn British, or even French intentions.

(The speaker was questioned as to whether the other side's espionage was of similarly limited utility, or whether -- with their Philbys -- they were more successful?)

Mr. Bissell remarked that Soviet Union successes were primarily in counterintelligence, though going back away, the Soviet Union had been more successful in recruiting U.S. scientists.

(The question was raised as to whether Burgess and MacLean constituted merely C.I. successes.)

Mr. Bissell thought so.

(In another's recollection, Soviet atomic intelligence efforts had been of substantial assistance in facilitating the Soviet nuclear weapons program. Although it is not possible to estimate with precision the effects of this intelligence, it was Lewis Strauss's guess that atomic intelligence successes allowed the Soviets to detonate their first device at least one and one-half and perhaps as much as two and one-half years before such a test would have been possible with purely indigenous efforts.)

The general conclusion is that against the Soviet bloc or other sophisticated societies, espionage is not a primary source of intelligence, although it has had occasional brilliant successes (like the Berlin Tunnel and several of the high level defectors). A basic reason is that espionage operates mainly through the recruitment of agents and it is enormously difficult to recruit high level agents. A low level agent, even assuming that he remained loyal and that there is some means of communicating with him[,] simply cannot tell you much of what you want to know. The secrets we cannot find out by reconnaissance or from open sources are in the minds of scientists and senior policy makers and are not accessible to an ordinary citizen even of middle rank.

In contrast, the underdeveloped world presents greater opportunities for covert intelligence collection, simply because governments are much less highly oriented; there is less security consciousness; and there is apt to be more actual or potential diffusion of power among parties, localities, organizations, and individuals outside of the central governments. The primary purpose of espionage in these areas is to provide Washington with timely knowledge of the internal power balance, a form of intelligence that is primarily of tactical significance.

Why is this relevant?

Changes in the balance of power are extremely difficult to discern except through frequent contact with power elements. Again and again we have been surprised at *coups* within the military; often, we have failed to talk to the junior officers or non-coms who are involved in the *coups*. The same problem applies to labor leaders, and others. Frequently we don't know of power relationships, because power balances are murky and sometimes not well known even to the principal actors. Only by knowing the principal players well do you have a chance of careful prediction. There is real scope for action in this area; the technique is essentially that of "penetration," including "penetrations" of the sort which horrify classicists of covert operations, with a disregard for the "standards" and "agent recruitment rules." Many of the "penetrations" don't take the form of "hiring" but of establishing a close or friendly relationship (which may or may not be furthered by the provision of money from time to time).

In some countries the CIA representative has served as a close counselor (and in at least one case a drinking companion) of the chief of state. These are situations of course in which the tasks of intelligence collection and political action overlap to the point of being almost indistinguishable. (The question was raised as to why ordinary diplomats couldn't maintain these relationships.)

Mr. Bissell observed that often they could. There were special cases, however, such as in one Republic where the chief of state had a "special relationship" with the senior CIA officers without the knowledge of the U.S. Ambassador because the President of the Republic had so requested it. The CIA man sent reports by CIA channels back to the Secretary of State, but the Ambassador in the field, as agreed by the Secretary of State, wasn't to be informed. In this case, a problem arose when the relevant Assistant Secretary of State (who had received cables from the CIA man) became the new Ambassador, but the President of the Republic liked the new Ambassador and asked that a "special relationship" be established with him too.

Aside from this unique case, it seems to have been true generally that the Ambassador has to be a formal representative of the United States most of whose relations with the government to which he is accredited are through or with the knowledge of its foreign office. On the other hand, the CIA representative can maintain a more intimate and informal relationship the privacy of which can be better preserved both within the government of the country in question and within the United States government. Moreover, if a chief of state leaves the scene or changes his mind, you can quietly move a station chief, but it could be embarrassing if it were necessary suddenly to recall the U.S. Ambassador.

(Was the previously described relationship really a "covert operation"?)

The "cover" may be to shield visibility from some junior officials or, in the case of a "private adviser" to a chief of state, to shield this fact from politicians of the local government. (Another observation was that the method of reporting, through CIA channels, constituted one difference and had some influence. A chief of state who knew that CIA's reports would be handed in a smaller circle, with less attendant publicity, might prefer these channels for some communications.)

Concerning the second category, *covert action*:

The scope of covert action could include: (1) political advice and counsel; (2) subsidies to an individual; (3) financial support and "technical assistance" to political parties; (4) support of private organizations, including labor unions, business firms, cooperatives, etc.; (5) covert propaganda; (6) "private" training of individuals and exchange of persons; (7) economic operations; and (8) paramilitary [or] political action operations designed to overthrow or to support a regime (like the Bay of Pigs and the programs in Laos). These operations can be classified in various ways: by the degree and type of secrecy required [,] by their legality, and, perhaps, by their benign or hostile character.

From whom is the activity to be kept secret? After five days, for example, the U-2 flights were not secret from the Russians but these operations remained highly secret in the United States, and with good reason. If these overflights had "leaked" to the American press, the U.S.S.R. would have had been forced to take action. On a less severe level the same problem applies to satellite reconnaissance. These are examples of two hostile governments collaborating to keep operations secret from the general public of both sides. "Unfortunately, there aren't enough of these situations." (The remark was interjected that there was another reason for secrecy; if one had to admit to the activity, one would have to show the results, and exactly how good or bad they were.)

Covert operations could be classified by their legality or illegality. Many of them are legal.

They can also be classified as "benign" or "hostile." Most operations in Western Europe have been "benign," though involving the gravest improprieties, and in some cases clearly illegal action. (E.g., covert support of political parties.)

In the case of a large underdeveloped country, for example, money was put into a party's funds without the knowledge of that party. The relatively few economic operations that have been undertaken have been both benign and legal. One of these involved the provision by CIA of interim ostensibly private financing of an overt project pending an overt and official loan by AID. Its purpose was to give AID time for some hard bargaining without causing a complete failure of the transaction. The stereotype, of course, is that all covert operations are illegal and hostile, but this is not really the case.

The role of covert intervention can best be understood by contrast with the overt activities of the United States government. Diplomacy seeks results by bargaining on a government-to-government basis, sometimes openly -- sometimes privately. Foreign economic policy and cultural programs seek to modify benignly the economies of other countries and the climate of

opinion within them. Covert intervention is usually designed to operate on the internal power balance, often with fairly short-term objectives in view. An effort to build up the economy of an underdeveloped country must be subtle, long continued, probably quite costly, and must openly enlist the cooperation of major groups within the country if it is to have much influence. On the other hand an effort to weaken the local Communist party or to win an election, and to achieve results within at most two or three years, must obviously be covert, it must pragmatically use the people and the instrumentalities that are available and the methods that seem likely to work. It is not surprising that the practitioners within the United States government of these two types of intervention differ temperamentally and in their preferences for methods, friends, and ideologies.

The essence of such intervention in the internal power balance is the identification of allies who can be rendered more effective, more powerful, and perhaps wiser through covert assistance. Typically these local allies know the source of the assistance but neither they nor the United States could afford to admit to its existence. Agents for fairly minor and low sensitivity interventions, for instance some covert propaganda and certain economic activities, can be recruited simply with money. But for the larger and more sensitive interventions, the allies must have their own motivation. On the whole the Agency has been remarkably successful in finding individuals and instrumentalities with which and through which it could work in this fashion. Implied in the requirement for a pre-existing motivation is the corollary that an attempt to induce the local ally to follow a course he does not believe in will at least reduce his effectiveness and may destroy the whole operation. It is notably true of the subsidies to student, labor, and cultural groups that have recently been publicized that the Agency's objective was never to control their activities, only occasionally to point them in a particular direction, but primarily to enlarge them and render them more effective.

Turning to relations with other agencies. Mr. Bissell was impressed by the degree of improvement in relations with the State Department. Seen from the Washington end, there has been an increase in consultation at the country-desk level, more often at the Bureau level or the Assistant Secretary of State level as the operation shapes up. The main problem some five to six years ago was not one of responsibility or authority but of cover arrangements.

Mr. Bissell provided a brief critique of covert operations, along the following lines:

That aspect of the Agency's operations most in need of change is the Agency's use and abuse of "cover." In this regard, the "background paper" for this session raised many cover-oriented questions.

On disclosure of private institutional support of late, it is very clear that we should have had greater compartmenting of operations.

If the Agency is to be effective, it will have to make use of private institutions on an expanding scale, though those relations which have "blown" cannot be resurrected.

We need to operate under deeper cover, with increased attention to the use of "cut-outs." CIA's interface with the rest of the world needs to be better protected.

If various groups hadn't been aware of the source of their funding, the damage subsequent to disclosure might have been far less than occurred.

The CIA interface with various private groups, including business and student groups, must be remedied.

The problem of Agency operations overseas is frequently a problem for the State Department. It tends to be true that local allies ' find themselves dealing always with an American and an official American-since the cover is almost invariably as a U.S. government employee. There are powerful reasons for this practice, and it will always be desirable to have some CIA personnel housed in the Embassy compound, if only for local "command post" and communications requirements.

Nonetheless, it is possible and desirable, although difficult and time-consuming, to build overseas an apparatus of unofficial cover. This would. require the use or creation of private organizations, many of the personnel of which would be non-U.S. nationals, with freer entry into the local society and less implication for the official U.S. posture.

The United States should make increasing use of non-nationals, who, with effort at indoctrination and training, should be encouraged to develop a second loyalty, more or less comparable to that of the American staff. As we shift our attention to Latin America, Asia, and Africa, the conduct of U.S. nationals is likely to be increasingly circumscribed. The primary change recommended would be to build up a system of unofficial cover; to see how far we can go with non-U.S. nationals, especially in the field. The CIA might be able to make increasing use of non-nationals as "career agents" that is with a status midway between that of the classical agent used in a single compartmented operation perhaps for a limited period of time and that of a staff member involved through his career in many operations and well informed of the Agency's capabilities. Such career agents should be encouraged with an effort at indoctrination and training and with a prospect of long-term employment to develop a second loyalty and they could of course never be employed in ways that would conflict with their primary loyalties toward their own countries. This still leaves open, however, a wide range of potential uses. The desirability of more effective use of foreign nationals increases as we shift our attention to Latin America, Asia, and Africa where the conduct of United States nationals is easily subject to scrutiny and is likely to be increasingly circumscribed.

These suggestions about unofficial cover and career agents illustrate and emphasize the need for continuing efforts to develop covert action capabilities even where there is no immediate need to employ them. The central task is that of identifying potential indigenous allies-both individuals and organizations-making contact with them, and establishing the fact of a community of interest. There is some room for improvement, Mr. Bissell thought, in the planning of covert action country by country. Covert intervention is probably most effective in situations where a comprehensive effort is undertaken with a number of separate operations designed to support and complement one another and to have a cumulatively significant effect. The Agency probably finds itself involved in too many small covert action operations having no particular relationship with one another and having little cumulative impact.



There is no doubt that some covertly funded programs could be undertaken overtly, Mr. Bissell thought. Often activities have been initiated through CIA channels because they could be started more quickly and informally but do not inherently need to be secret. An example might be certain exchange of persons programs designed to identify potential political leaders and give them some exposure to the United States. It should be noted, however, that many such innocent programs are more effective if carried out by private auspices than if supported officially by the United States government. They do not need to be covert but if legitimate private entities such as the foundations do not initiate them, there may be no way to get them done except by covert support to "front" organizations.

Many propaganda operations are of declining effectiveness. Some can be continued at slight cost, but some of the larger ones (radio, etc.) are pretty well "blown" and not inexpensive. USIA doesn't like them, and although they did have a real justification some ten to fifteen years ago as the voice of refugees and emigres, groups which also have declined in value, and in the view of some professionals are likely to continue declining in value.

In his last two years in the Agency, Mr. Bissell felt that the Clandestine Services could have been smaller.

Indeed, steps were taken to reduce their size. It is impossible to separate the issue of size from personnel and cover problems. It was Mr. Bissell's impression that the Clandestine Services were becoming increasingly a career service, too much like the Foreign Service (personnel looking to a succession of overt posts in a safe career) . One result was the circumscription of local contacts. There was a subtle change taking place, which threatened to degrade some of CIA's former capabilities. Formally, the CIA had a staff with a wide variety of backgrounds, experiences, and capabilities. Its members were recruited from every sort of public and private occupation. If this diversity and variety is lost through the process of recruiting staff members from college, training them in a fairly standard pattern, and carrying them through orderly planned careers in the Agency, one of the organization's most valuable attributes will disappear.

Finally, Mr. Bissell remarked on large operations. It is self-evident that if an operation is too large, it can't remain a deeply kept secret. At best, one can then hope for a successful formal disclaimer. The worst of many faults of the Bay of Pigs operation was excessive reliance on the operation's disclaimability.

It has been a wise decision that operations of that scale not be undertaken by the Agency, except in theaters such as Vietnam, where the stakes and standards are different.

Covert action operations are generally aimed at short-term goals and the justification for the control machinery is that bias of operators to the short run can be compensated for in the review process. Mr. Bissell can conceive of no other way to force greater attention to long-range costs and values. One alternative is that caution will lead to ineffectuality. "Operational types" will be risk-takers, the counterweight is, and should be, applied by the other agencies in government.

In the discussion following Mr. Bissell's talk, the issue of CIA cover was cited as among the more interesting from the perspective of a former State Department appointee. The size of covert

operations known to other governments was a continuing embarrassment, and the overseas staff maintained for these purposes and known to host governments was a similar source of embarrassment. From time to time, efforts were made to reduce overseas staff; although agreement in principle was readily forthcoming, the particulars of staff reduction were difficult to obtain.

A former member of the Special Group (who served eighteen months on that committee) agreed with Mr. Bissell's earlier remarks on control mechanisms, insofar as they applied to review of new projects. These received most careful scrutiny. Insofar as the Special Group considered ongoing projects during this eighteen-month period, it was recalled that there was not any systematic, thorough procedure for such review, the committee finding itself busy with all the new proposals. If it were true that most operations were most useful for short-term goals, then perhaps there should be greater attention to review of ongoing projects, and termination of more projects earlier than in past practice.

A continuing problem which worries one former official was that, concerning the "charter" of CIA, the public expression of which, in the National Security Act of 1947, was necessarily vague. CIA's full "charter" has been frequently revised, but it has been, and must remain[,] secret. The absence of a public charter leads people to search for the charter and to question the Agency's authority to undertake various activities. The problem of a secret "charter" remains as a curse, but the need for secrecy would appear to preclude a solution.

Another former official remarked on the inadequacy of clandestine intelligence as a means of obtaining enemy intentions. Sherman Kent (former Chairman, Board of National Estimates) distinguishes "the knowable" from "the unknowable," and we should recognize that much remains impossible to know, including, frequently, enemy intentions.

Respecting the reduction of overseas personnel and programs of declining utility, it was noted that the curtailment of over-age and unproductive personnel was a thorny issue. Recognizing the likelihood of appeal to the President and the absence of widespread participation in a manpower review, a former budget official arranged the participation of the Bureau of the Budget, CIA, FIAB, and relevant Under Secretaries in considerations of budgetary modifications. What emerged was an inertia, partly the inertia of the cold war. Parenthetically, a couple of much-criticized public media projects (cited by name) had proven of value, as the fall of Novotny in Czechoslovakia suggested, but a number of ineffective programs were retained. The problem was to free the budget, to do something new, in the place of old programs, not to reduce the budget, but unfortunately, the chiefs in CIA wanted to control their working capital. If it were only possible to tell these officials not to worry, that we were setting aside \$xxx million for CIA, and merely seeking to encourage better use of the same dollar amounts, then it would have been possible to move around some money. The big "iffy" question was a particular (named) foundation, which received a sizable allocation. Finally, everything was cleared up, and the next big review was scheduled, but never really effected as a consequence of the Cuban missile crisis. The review was geared up in 1963 once again.

Another observer, drawing upon work with the "combined cryptologic budget" and private industry, concluded that it was usually impossible to cut a budget; usually it was only possible to substitute a new project for an old one.

The Chairman suggested a number of questions: What are the effects of covert operations being blown? What can be done to improve the image of the Agency? What can be done to improve relations between the Agency and the press?

It was thought that a journalist's perspective might aid in discussing these questions, but a number of prior issues were thought to require attention:

(1) The matter of size required attention. In any government agency size can become a problem; increasingly there is a realization that the government is too big and "an ever-swelling tumor." At some point there will have to be a fairly sharp cutback in the U.S. foreign policy establishment.

(2) One was not overly impressed by the use of CIA in the developing world; in any case, we could have increased confidence in the range of choice in most developing areas. Conversely, it might not be as easy, as Mr. Bissell suggested to know the power structure in more developed areas, in Western Europe and Japan.

(A query was interjected: Why should we have increasing confidence in the range of choice in developing areas? Perhaps there are less variations than we earlier thought. "Things are evening out and we can live more comfortably.")

(3) Where do you bury the body? One is not completely convinced by citation of the experience with Frank Wisner's OPC. We could get around the responsibility issue raised by "Beedle" Smith; we could get around conflicting chains of command.

(4) Related to (3). Maybe there is a cost to be paid for having covert operations under CIA. Perhaps we could have intelligence collection under State and covert operations under the Special Assistant to the President for National Security Affairs.

In response to items (3) and (4) some earlier remarks were clarified: one would not claim that the operational side of CIA need be where it is. Rather, one would inveigh against the splitting of covert intelligence collection and covert operations. One could, however, split the operational side from the analytic side. This is a plausible case, a solution for which could be worked out (though, on balance, the speaker was against it). But to split the operational side-as the German case, the British case for a time, and our own for a time suggested-would be disastrous.

Remarking on labor activities, one participant stated that before May 1967 it was common knowledge that there had been some CIA support for labor programs, but first Ramparts and then Tom Braden spelled out this support in public. Those in international labor affairs were dismayed, and certain newspapermen compounded their difficulties by confusing AID with CIA, and claiming that the AFL-CIO's Free Labor Development program was tainted.

Since these disclosures, the turn of events has been unexpected. First, there hasn't been any real trouble with international labor programs. Indeed, there has been an increase in demand for U.S. labor programs and the strain on our capacity has been embarrassing. Formerly, these foreign labor unions knew we were short of funds, but now they all assume we have secret CIA money, and they ask for more help.

Worse yet, Vic Reuther, who had been alleging that others were receiving CIA money, and whose brother's receipt of \$50,000 from CIA in old bills was subsequently disclosed by Tom Braden, still goes on with his charges that the AFL-CIO has taken CIA money. Here again, no one seems to listen. "The net result has been as close to zero as possible. We've come to accept CIA, like sin." So, for example, British Guiana's labor unions were supported through CIA conduits, but now they ask for more assistance than before. So, our expectations to the contrary, there has been almost no damage.

A former State Department official offered some remarks on intelligence operations as seen from the field. He concurred in Mr. Bissell's remarks on "cover." The initial agreement between the Agency and State was intended to be "temporary," but "nothing endures like the ephemeral."

How are Agency officials under "official cover" specially equipped to handle covert operations? If the Agency station chief has a "special relationship" with the chief of state, one would submit that it was because the Ambassador wasn't worth a damn. Moreover, such a "special relationship" created the risk that the chief of state, seeing two channels to Washington, could play one off against another. Some foreign statesmen are convinced that an "invisible government" really exists, and this impression shouldn't be allowed,

Also, prejudice in favor of covertly obtained intelligence is a troublesome thing.

One way to overcome the misconceptions is to make CIA a truly secret service, and not merely an agency duplicating the Foreign Service. With money shortages CIA has often filled a vacuum, but this does not make it right.

Another questioned the discussion leader's proposal for greater utilization of non-U.S. nationals. How could you get non-nationals to do the job and to develop loyalty to the United States?

One was not sure that it was doable, but it was worth trying. It would be more prone to work if you used a national of Country B to work in Country C, if what you are asking is neither (1) against the interest of Country B, nor (2) nefarious. You do need some cover, and the natural vehicle is an organization with non-American nationals.

Another observer was struck by the lack of interest in the "blowing" of covertly sponsored radio activities. Why has there been so little interest in these activities, in contrast to the immense concern over the CIA-NSA relationship? One might conclude that the public is not likely to be concerned by the penetration of overseas institutions, at least not nearly so much as by penetration of U.S. institutions. "The public doesn't think it's right: they don't know where it ends; they take a look at their neighbors." Does this suggested expansion in use of private institutions include those in the United States, or U.S. institutions operating overseas?

In response, attention was drawn to the clear jurisdictional boundaries between CIA and the FBI, CIA being proscribed from "internal security functions." CIA was averse to surveillance of U.S. citizens overseas (even when specifically requested), and averse to operating in the United States, excepting against foreigners here as transients. One might want CIA to expand its use of U.S. private corporations, but for objectives outside the United States. It was recalled that the Agency funding of the National Student Association was, in every case, for activities outside the United States or for activities with overseas objectives.

Why, we might ask, should the U.S. government use nongovernmental institutions more, and why should it deal with them in the United States? If dealings are overseas, then it is necessary to maintain an overseas bureaucracy to deal with the locals. It is also necessary to engage in communications in a possibly hostile environment. If one deals through U.S. corporations with overseas activities, one can keep most of the bureaucratic staff at home and can deal through the corporate headquarters, perhaps using corporate channels for overseas communications (including classified communications). In this opinion, the policy distinction should involve the use to which the private institution is put, not whether or not to use private institutions. In another view it was desirable for this discussion group to examine different types of institutions. For example, should CIA use educational institutions? Should CIA have influenced the selection of NSA officers?

One was not aware that CIA had influenced the election of NSA officers; if it had, it shouldn't have done so, in one's opinion.

Mightn't it be possible to deal with individuals rather than organizations?

Yes, in many cases this would be preferable. It depended upon skill in the use of our operating capabilities. As an example of the political use of secretly acquired intelligence, a former official noted the clandestine acquisition of Khrushchev's "secret speech" in February 1956. The speech was too long for even Khrushchev to memorize, and over one hundred people had heard it. We targeted it, and by secret means acquired a copy. The State Department released the text and The New York Times printed it in full. The repercussions were felt around the world, and particularly within the Communist bloc. The Soviets felt unable to deny the authenticity of the text we released, and the effect upon many of the satellite states was profound. It was the beginning of the split in the Communist movement. If you get a precise target, and go after it, you can change history.

Another observer was troubled by the earlier-expressed point about increased use of private institutions. Most demoralizing in the academic community was the sense of uncertainty about institutions with which individuals were associated. There is a profound problem in penetrating institutions within the country when there is a generalized loss of faith, a fear that nothing is what it seems. It was noted that the next session, on February 15, 1968, would concentrate upon relations with private institutions.

To one observer, part of this solution would be found in the political process, involving extragovernmental contacts in the sphere of political action.

In response to a query, the relative utilities of types of intelligence data were reviewed. Most valuable was reconnaissance, then communications-electronic intelligence, then classical espionage. We have forgotten, it was noted, the number one over-all source, namely, overt data.

The meeting was adjourned at 9:15p.m., and participants were reminded of the next meeting on February 15.

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