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THE JOINT STUDY GROUP REPORT
ON
FOREIGN INTELLIGENCE ACTIVITIES
OF THE UNITED STATES GOVERNMENT

15 December 1960

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15 December 1960



MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

We present herewith the report of the Joint Study Group on Foreign Intelligence Activities of the United States Government. In conducting this study we have been guided by the attached terms of reference. We would note, however, that we inevitably came across matters of national security interest in the foreign intelligence field not specifically covered in the terms of reference and that we felt obligated to comment on these.

In preparing this report we have earnestly endeavored to consider what is best for the nation. In submitting the report we recognize that in the time allotted it was impossible to cover in detail the vast foreign intelligence effort of the United States Government, but we have endeavored to identify the major problem areas and have recommended solutions.

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IV. NATIONAL SECURITY AGENCY

The National Security Agency (NSA) is the Department of Defense (DOD) Agency established by the Secretary of Defense to carry out most of the responsibilities now assigned to him by National Security Council.



Although the Joint Study Group appreciates the fact that certain ELINT activities are essential to provide direct support to the operations of unified and specified

commands, it doubts whether the major portion of DOD resources in this field, both in terms of money and manpower, should be under their control. Such an allocation of ELINT resources appears to militate against the concept of an effective, unified organization and control of U. S. ELINT activities.

The NSA has been given top-level support in recent years, which has proved most helpful to the COMINT effort. Ultimately, however, the contribution of the Agency to the national security must inevitably depend upon aggressive, dynamic leadership on the part of the Director, NSA.

Experience has shown that there has been too much stress in recent years on the concept of partnership in COMINT and ELINT activities. The tendency to exercise more and more of the authority of the Director, NSA, through the command channels of the military departments and the service cryptologic agencies has not only reduced the effectiveness of NSA control but has also created a series of misunderstandings concerning the responsibilities and prerogatives of all concerned in these arrangements.

More emphasis should be placed on the fact that the Director of the NSA is responsible for developing an effective, unified organization which involves control of intercept and processing activities conducted by the three service cryptologic agencies: Army Security Agency, Naval Security Group and the Air Force Security Service.

The Joint Study Group doubts the wisdom of the policy of putting segments of NSA organization under the control of the service cryptologic agencies. It appears to place another echelon between NSA Headquarters and the intercept operator in the field, suggests that operational orders to a military service unit in the field are less likely to be questioned if they come from an NSA element under the control of that military service, and raises some question as to who is really in charge of U. S. COMINT and ELINT operations.

The Department of Defense should thoroughly review the validity and implementation of NSA policy. In short, the Joint Study Group considers that a positive



exercise of the authority delegated to the Director, NSA, by [REDACTED] and related DOD directives is necessary in order to achieve the full implementation of these documents.

Such implementation, however, can only be accomplished if the Director, NSA, is assured of the firm backing of the Secretary of Defense and the full cooperation of the military departments. Full cooperation of the military departments includes the provision of qualified personnel, adequate facilities, coordinated training programs, and adequate equipment. Such cooperation, however, has not always been forthcoming. The services have placed insufficient emphasis on research and development for ELINT purposes. This has resulted in the lack of proper equipment in the field of ELINT where a number of operations still have to be conducted with gear of World War II vintage. The controls now exercised by the Director of Defense Research and Engineering and the Director, NSA, should correct this deficiency. An aggressive program of action is required.

In Section VI, the problem of levying intelligence requirements is discussed in detail. Here, the Joint Study Group merely wishes to note that it was favorably impressed by the ways utilized by the NSA to satisfy the needs of its consumers. Several factors contributing to success in this area are: (a) close liaison between the intelligence analyst and the producer of signal intelligence information; (b) serious concern with the problem of translating the intelligence requirement into terms meaningful to the collector; (c) consumer awareness of the availability and allocation of COMINT and ELINT resources; and (d) the ability of NSA to anticipate some of the needs of its consumers.



The ability to anticipate needs depends in part on long-range planning capability. In this area, NSA has a program under way to determine what adjustments will be needed in its allocations of resources and what new resources will have to be developed as complex technical changes occur. This appears to be a promising development in spite of the difficulty of predicting the precise nature of these technical changes in the next five to ten years.

In considering the fusion of COMINT and ELINT, as originally proposed by the Baker Panel and subsequently confirmed by [redacted] the Joint Study Group notes that fusion has not been sufficiently achieved by either the producer or the consumer. To what extent security considerations have been a barrier is difficult to ascertain. A tendency on the part of COMINT producers to be overly protective has not been helpful. Furthermore, fusion between COMINT and ELINT has not been aided by the United States Intelligence Board (USIB) decision to handle COMINT matters in one USIB committee and ELINT matters in another.

We are concerned at the arbitrary barriers that have been erected between signal intelligence and the other forms of intelligence.

[redacted] we feel there is need for much closer integration of communications intelligence with all other forms of collection.

We would note that with the Peterson case, the defections of Martin and Mitchell and leaks of information based on communications intelligence, there can be little doubt in the minds of the opposition as well as all other sophisticated foreign powers that the United States is engaged in communications intelligence. While this should not lessen our security guards, we feel that the problem should be approached from an over-all point of view regarding security rather than increasing the compartmentation and isolation of various types of intelligence which only draw attention and do not add to security. In other words the integration should be achieved while simultaneously tightening security on all intelligence matters.



One specific result of excessive security is that the COMINT production process is hindered by a lack of qualified translators. This occurs, not because qualified translators are unavailable on the labor market, but because they are unacceptable under current security clearance regulations. It is believed the present situation would be ameliorated if a more realistic appraisal were made of the security and production factors involved.

It is recommended that:

7. The Department of Defense re-examine the assignment of Defense ELINT resources to unified and specified commands to determine the feasibility of placing more of these particular resources under the operational and technical control of the Director, NSA.

8. The Department of Defense review the NSA concept of partnership with the service cryptologic agencies in COMINT and ELINT activities with a view to strengthening the control of the Director of NSA over the service cryptologic agencies.

9. The Department of Defense reappraise the adequacy of research and development programs for ELINT purposes with the objectives of developing more adequate ELINT equipment at the earliest feasible time.

10. USIB reappraise the security clearance standards for foreign born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices.

SUMMARY OF RECOMMENDATIONS

1. The Secretary of Defense take appropriate action to bring the military intelligence organization within the Department of Defense into full consonance with the concept of the Defense Reorganization Act of 1958. Toward this end: Page 31

a. there should be established within the Office of the Secretary of Defense a focal point for exerting broad management review authority over military intelligence programs, and providing over-all coordination of all foreign intelligence activities conducted by various Defense components. Page 32

b. the authority of the Joint Chiefs of Staff in intelligence coordination and operations should be strengthened in support of their assigned mission by such means as: Page 32



(1) placing under Joint Chiefs of Staff control increased intelligence resources to support its strengthened authority; Page 32

(2) requiring the Joint Chiefs of Staff to coordinate the intelligence views on substantive intelligence matters within the Department of Defense, notably for estimates; . . . Page 32

(3) requiring the Joint Chiefs of Staff to coordinate military intelligence requirements (see recommendation no. 26 of Section VI); Page 32

(4) requiring the Joint Chiefs of Staff to coordinate the intelligence activities of the unified and specified commands and be the primary channel to these commands for guidance and direction of intelligence matters originating with the Department of Defense (see additional discussion and recommendations on Section VII); Page 32

c. National Security Council Intelligence Directives, Department of Defense and Joint Chiefs of Staff directives should be revised in accordance with the above. Page 32

2. The increased intelligence resources required by the Joint Chiefs of Staff and the unified commands should be drawn from the existing resources of the military departments and component commands as appropriate. Page 32

3. Budgeting procedures for intelligence operations and activities should be brought more closely under the control of the Secretary of Defense, including clear identification of the total intelligence costs throughout all of the echelons and elements of the Department of Defense. Page 33

4. Policies should be initiated that would permit more rigorous selection and training of personnel assigned to intelligence activities and operations (particularly military attaches) and personnel so assigned should be given position and rank comparable to their operational counterparts. Page 33

5. The military services should be encouraged to maintain and develop a capability for clandestine intelligence collection which would be carried out under the coordination of the Director of Central Intelligence. Page 33

6. The Special Security Officer systems should:

a. avoid duplication of channels to non-military consumers;

b. be staffed by personnel of rank commensurate with a courier function;

c. avoid placing their own interpretation on material transmitted by the Special Security Officer systems. Page 33

7. The Department of Defense re-examine the assignment of Defense electronics intelligence resources to unified and specified commands to determine the feasibility of placing more of these particular resources under the operational and technical control of the Director, National Security Agency. Page 42

8. The Department of Defense review the National Security Agency concept of partnership with the service cryptologic agencies in communications intelligence and electronics intelligence activities with a view to strengthening the control of the Director of the National Security Agency over the service cryptologic agencies. Page 42

9. The Department of Defense reappraise the adequacy of research and development programs for electronics intelligence purposes with the objectives of developing more adequate electronics intelligence equipment at the earliest feasible time. Page 42

10. The United States Intelligence Board reappraise the security clearance standards for foreign born translators to determine whether the current shortage of translators can be alleviated by modified security procedures and practices. Page 42



11. The Department of State place greater emphasis on intelligence responsibilities in the indoctrination of its personnel. Page 60

12. Military departments should concentrate more effort on career management by developing programs of constantly broadening assignments in intelligence for qualified and specifically designated officers, which will gain the benefits of a career intelligence service without isolating the officer from contact with the general mission of his service and its operations. Page 60

13. The Central Intelligence Agency should open its clandestine training facilities to other agencies as a service of common concern. Page 61

14. The United States Intelligence Board should review existing compartmentation of sensitive information with a view to achieving more uniform practices and ensuring that essential security safeguards do not result in vital information being withheld from officials and organizations with urgent national security responsibilities.

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15. The United States Intelligence Board should review the situation in the National Indications Center to determine the adequacy and level of its staffing and to assure that all information pertinent to the National Indications Center's mission (including highly classified and sensitive information now withheld) will be transmitted to the Center promptly on its receipt.

Page 61

16. The Secretary of Defense and the Director of Central Intelligence should consult preparatory to the early preparation of a new National Security Council Intelligence Directive designed to provide authority and assign responsibility for the establishment of a National Photographic Intelligence Center (NPIC).

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17. The Central Intelligence Agency should place more emphasis on the establishment of unofficial cover throughout the world.

Page 61

18. The Director of Central Intelligence should focus community attention on the important area of counterintelligence and security of overseas personnel and installations and assign responsibility for periodic reports to the United States Intelligence Board.

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20. The Central Intelligence Agency should increase intelligence support to unified and component commanders by direct dissemination of all information reports from pertinent field stations. Page 62

21. The United States Intelligence Board establish a central requirements facility, initially to coordinate all requirements levied for clandestine and signal intelligence collection, and if successful, subsequently expand its operations to other types of requirements. Personnel assigned to this facility should be drawn from existing requirements personnel of the member agencies. Page 85

22. The new central requirements facility use the Central Intelligence Agency's Office of Central Reference as its reference facility. Page 85

23. The United States Intelligence Board establish a program for the integration of all collection requirements manuals into a compatible series of coordinated guides; likewise, the creation of integrated requirements guides on a country-to-country basis setting forth the specific collection requirements and responsibilities of each department and agency concerned. Page 85

24. The chief of mission or principal officer in each overseas area should be given affirmative responsibility for coordination of all overt and clandestine intelligence requirements concerning that area. Page 86

25. The United States Intelligence Board in its annual evaluation of community effort prepared for the National Security Council pay specific attention to collection, and request similar evaluation from each chief of mission and military command. Page 86

26. All military requirements at the Washington level be coordinated by the Department of Defense so as to prevent duplication or concentration on low priority targets. Page 86

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27.



28. The Director of Central Intelligence should take action to achieve more effective coordination within the intelligence community using the normal command channels, as distinct from staff channels, of the departments and agencies concerned. Page 113

29. The Director of Central Intelligence should be supported in taking leadership and initiative to develop solutions for the problems of coordination by the establishment of a coordination staff, under his personal supervision and separate from any operational responsibility of the Central Intelligence Agency or other department or agency. This staff should seek to identify at the earliest possible time and promptly recommend solutions to coordination problems, especially through surveys of intelligence activities as authorized by National Security Council Intelligence Directive No. 1. * Page 114

30. In phase with the organizational changes in the Department of Defense recommended in Section III, the membership of the United States Intelligence Board should be reduced to four members who shall be the Director of Central Intelligence (Chairman), and representatives of the Secretary of State, the Secretary of Defense, and the Joint Chiefs of Staff, with ad hoc representation from the Federal Bureau of Investigation and the Atomic Energy Commission. Page 114

31. To strengthen its role in management of the intelligence community, the United States Intelligence Board should establish a management group which would analyze and propose solutions to non-substantive community problems of an administrative or management type. This group would be composed of one senior representative of each member of the United States Intelligence Board. Page 114

* - See page 91 for dissent regarding separation of Director of Central Intelligence from Central Intelligence Agency.



32. The United States Intelligence Board, through the recommended management group, should review the future plans and programs of each member of the intelligence community for consistency and proper allocation of effort at the beginning of each annual budget cycle. Its views should service as a basis for guidance and coordination to the intelligence community and for reporting to the National Security Council annually. Page 114

33. The management group referred to above should review the functions and activities of the several committees and sub-committees of the United States Intelligence Board. This review should include consideration of possible changes in the committee structure and improved reporting procedures. Page 115

34. Intelligence guidance and instructions to components of unified commands originating in military departments should be transmitted to these commands through the Joint Chiefs of Staff (J-2). Page 115 ✓

35. Unified commanders should exercise control and command over the intelligence activities of their component commands and be the primary channel to them for guidance and direction on intelligence matters including any instructions that originate in the service departments. . . . Page 115 ✓

36. Chiefs of diplomatic and consular missions abroad should take positive steps to effectively coordinate all overt intelligence collection and reporting activities within their assigned areas of responsibility. Page 115

37. The Central Intelligence Agency's stations: : : : : : : : : : : should continue day to day coordination of clandestine activities at the case officer level. The Director of Central Intelligence should relieve them of the authority to veto another agency's proposed operation. Before a proposed operation or activity is rejected, it should be referred to the Director of Central Intelligence. Page 115



38. In order to achieve a more effective system for utilizing cost and manpower data in the entire foreign intelligence effort, the United States Intelligence Board should refine and improve its process for preparing and appraising such data by the following means: Page 121

(a) the United States Intelligence Board's making a clear and specific determination as to those activities which properly are foreign intelligence and thus subject to the coordination of the Director of Central Intelligence and the guidance of the United States Intelligence Board. Page 121

(b) based on this determination, the United States Intelligence Board should continue to evolve an improving pattern for the development of cost and manpower data so that the resulting figures will be comparable and will permit the United States Intelligence Board to review and coordinate the effort expended on foreign intelligence activities by the several departments and agencies, especially through the review referred to in Section VII, recommendation no. 32. Page 121

39. The Department of Defense and the Central Intelligence Agency should seek means to effect better coordination of their respective research and development activities for intelligence purposes. Page 128

40. The United States Intelligence Board should monitor efforts to develop automatic systems to store and retrieve intelligence information and the extent to which compatibility of systems is assured. Page 128

41. Page 128

42. The United States Intelligence Board should strongly support the efforts initiated in the counter-audio surveillance field by the National Security Council Special Committee on Technical Surveillance Countermeasures. Page 128

43. The Group's last recommendation urges upon the intelligence community that, to a markedly greater extent than it has done, it should establish specific arrangements for planning its work, and anticipating its problems.

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