

CIA(D)

STUDY FINDS C.I.A. FAILED TO FULFILL SOME KEY TASKS

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Report to Senate Unit Says
Analytic Work Suffered
as Covert Acts Grew

PRIORITIES QUESTIONED

Lag Is Seen in Operations
on Economics, Drugs
and Communism

NYTimes

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WASHINGTON, June 6—An authoritative history of the Central Intelligence Agency released today holds that the agency has failed over the last three decades to fulfill several of its essential missions.

The study, prepared with the cooperation of the agency for

Text of report's conclusions
is printed on page 24.

the Senate Select Committee to Study Governmental Operations With Respect to Intelligence Activities, further concludes that the agency, over the years, became a bureaucracy that ran amok because of conflicting interests.

It says that the agency, despite its successes, especially in scientific and technical fields, was "distorted" very early by both its directors and their superiors, and moved away from its prime task of providing high quality intelligence analysis for the American political leadership.

Others Share Blame

For example, the history notes that the agency had no estimate of Communist intentions in Korea before the North Korean attack on South Korea in 1950. It also notes that economic intelligence and international narcotics traffic intelligence were given priority only in the last decade and that attention to underdeveloped countries did not begin until the 1960's.

The history, which has been thoroughly read and declassified line for line by agency officials, also says the agency failed to become a truly "central" intelligence service coordinating all espionage resources of the United States.

The study blames a succession of Presidents, Congress, the armed services and the agency itself for the shortcomings. But its principal conclusion is that the C.I.A., because of its peculiar nature, was destined to develop controversial qualities.

The 95-page history was written by Anne Karalekas, a

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young Harvard-trained historian.

It contains no shocking disclosures about individual aberrations or covert action disasters. But it does tell about rivalry in the American intelligence community, a lack of accountability to the executive and some peculiar priorities.

Miss Karalekas spent two months studying the agency's own histories, numbering 75 volumes, and eight months interviewing 60 present and former agency officials.

Her five-page conclusion says the agency "responded to rather than anticipated the force of change" over the last 30 years and "accumulated functions rather than redefining them." "Its internal patterns were established early and have solidified," she said.

Rivalries Persist

She further concludes that the agency never succeeded in overcoming rivalry from other intelligence services operated by the four armed service branches. The one man to blame for this, she says, was Allen W. Dulles, who directed the agency from 1953 to 1961.

The history suggests that the chief C.I.A. job, Director of Central Intelligence, involves too many tasks.

It says, giving evidence, that the agency was very early pointed in the direction of covert operations abroad at the expense of classical analytic intelligence work and that the agency "complicated" rather than minimized problems of duplication of intelligence. It says that, even after 30 years of operation, the agency remains an organization with sharp rivalries between its clandestine and analytical sections.

Finally, it says the agency's main product, its so-called national intelligence estimates, have largely gone unread by its intended consumers, including a succession of Presidents.

'Undirected' Development

Miss Karalekas writes that the evolution of the agency, which she describes as "undirected," was determined by four factors—the international environment as perceived by the Administration of President Truman, the milieu of intelligence institutions, the agency's structures and values and the personalities of the agency Directors.

In other terms, she said, this meant the growing cold war with the Soviet Union, the jealousy of the military intelligence services and the temptation for C.I.A. officials to seek spectacular "successes."

Miss Karalekas notes that at the end of World War II there was a predisposition among American policymakers to centralize the Government's many intelligence functions.

The reason, she writes, was the experience of the Pearl Harbor attack in 1941 by Japan when bits of intelligence gathered by one agency never reached other intelligence analysts who could have used them to predict the assault.

Miss Karalekas names Gen. William Donovan, the wartime head of the Office of Strategic Services; James V. Forrestal, Secretary of the Navy, President Truman and Ferdinand Eberstadt, an investment banker, as the founding spirits of the C.I.A.

But she notes that the Central Intelligence Group, the predecessor organization of the C.I.A. established in January 1946, lacked money and personnel and was contested by the military services and the

State Department. At that, three of the four initial Directors of the Central Intelligence Group were military men.

In the beginning J. Edgar Hoover's Federal Bureau of Investigation refused to allow the central intelligence organization to touch Latin America. And until 1950 Gen. Douglas A. MacArthur barred clandestine operations in the Far East.

Clandestine intelligence collection began about 1950 under Gen. Walter Bedell Smith, who became Director three years after the C.I.A. was formally constituted.

Under General Smith, and under the pressures of the Korean war, the agency swiftly assumed the basic shape it now has, the history says.

That is, it was formed to handle overt and clandestine collection of intelligence, covert operations, analysis and coordination of overall American intelligence activities.

The Soviet Union was made the principal target of American intelligence in March 1946, three years before the Russians exploded their first atom-

ic weapon. The agency then had 1,816 employees. Five years later, under General Smith, the number was 3,338.

But Miss Karalekas also found strange elements in the expanding American intelligence effort, such as no correct estimate in 1950 on Communist intentions in Korea, virtual dependence on friendly foreign intelligence agencies for clandestine reporting and a heavy concentration on turning out a "daily intelligence summary" instead of long-range estimates.

"Its intelligence became directed to a working-level audience rather than to senior policymakers," she says. "In attempting to do everything it was contributing almost nothing."

Miss Karalekas also reports that four years after the agency was established 24 Government departments and agencies were still "producing economic intelligence." In 1962 there were three military research groups in the C.I.A. alone, a situation that was not rectified until 1966.

The history attributes this

continuing duplication of effort to the ambition of the agency leaders to outstrip the military intelligence services and to gain greater access to the White House.

As a result, it concludes, there "tension" within the agency and a proliferation of intelligence products unused by the officials they were intended for. One retired analyst is quoted as having said: "Our biggest problem was whether or not anybody would read our product." It was a complaint also frequently made by William E. Colby when he was director from 1973 to 1976.

The agency's covert actions began in 1948, a year after the establishment of the C.I.A. Miss Karalekas attributes their conception to George F. Kennan, then director of policy planning at the State Department.

She quotes Mr. Kennan as having said he was alarmed later over the massive covert operations undertaken on what he had regarded as a modest suggestion.
