# NyTimes DEC 2 6 1974 Idea for Creating a C.I.A. Grew Out of Pearl Harbor

### By DAVID BINDER

Special to The New York Times
WASHINGTON, Dec. 25— a period of adventurism and of American political and military some embarrassing defeats. leaders created the Central Intelligence Agency after World intelligence service, the C.I.A. War II as a needed instrument of global power.

The concept had its origin in Continued From Page 1, Col. 7 the failure of American intelligence services to coordinate signals warning of the Japanese attack on Pearl Harbor in 1941. As early as 1944, Gen. William J. Donovan, chief of the wartime Office of Strategic Services, proposed establishment of an agency to centralize intelligence efforts.

Yet the real impetus came from the decision of President Truman in 1946 that the United States must shoulder new responsibility as a major world power and should counter what was seen to be a menacing expansionist challenge by the Soviet Union.

Mr. Truman established a National Intelligence Authority in 1946 and, under it, a Central Intelligence Group—the forerun-ner of the C.I.A. But genuine centralization of United States intelligence was still years awav.

Central Intelligence The Agency was formally chartered lunder the National Security Act

of 1947. The United States was already engaged in sporadic undercover political operations against Communist forces at the time in Germany, Greece and Italy. But the operations were initially conducted from the Department of State under Frank G. Wisner, a former O.S.S. officer.

'Commitment' Becomes Clear

"Until 1950 nothing much was accomplished," Ray S. Cline, a retired C.I.A. official, recalled. "It was sort of a floundering period." But Mr. Cline, who served as C.I.A.'s Deputy Director of Intelligence from 1962 to 1964, acknowledged that the agency "developed a commitment to political operations" overseas at the very outset.

By early 1951 the C.I.A. had acquired a manpower of about 5,000 and its influence was rapidly spreading around the world and through the Washington bureaucracy. It was

Together with Britain's secret Continued on Page 47, Column 1

began a series of small invasions of Albania—by sea and by air — in the expectation of sparking an overthrow of the Communist leadership in Tira-

na. Nearly all of the invaders were captured.

Soon the agency was supervising the operations of another anti-Communist force—11,000 Chinese Nationalist troops—on the eastern frontier of Burma. The C.I.A. was also parachuting spies onto the Chinese main-land and the Ukraine to make contact with other anti-Com-

contact with other anti-Communists.

In Western countries, mainly in Italy, France and Germany, the C.I.A. was secretly sponsoring scores of anti-Communist political parties, newspapers, radio stations, trade unions and even student groups.

The double aim was, in the words of an old C.I.A. man, "to prevent Communist takeovers, such as occurred in Czechoslovakia in 1948, and where possible to push the Communists back."

#### Efforts Are Merged

But grave shortcomings had emerged in the C.I.A. attempt to conduct the clandestine collection of intelligence separate-ly from activist political opera-tions. "They tended to cross each other up," said an agency veteran.

To eliminate rivalries, Walter Bedell Smith, the director from 1950 to 1953, merged the clandestine collection operations with the covert operations. Mr. Wisner was brought over from the State Department. This was the birth of what the C.I.A. called its clandestine services.

Irraddition, Mr. Smith and his deputy, Allen W. Dulles, placed new emphasis on the analysis of intelligence and on longer or intelligence and on longer range estimates of enemy potential. Mr. Smith inaugurated an Office of National Estimates under the Harvard historian, William Langer.

The office soon became the

The office soon became the apex of the intelligence community, a group of 10 seasoned military men and academics whose job was to sift through masses of intelligence data and make detached independents on make detached judgments on major foreign developments in terms of the national interest. In the nineteen-fifties, the C.I.A. also developed large-scale intelligence service industrial both in purely technical tries, both in purely technical fields and in social-political enterprises.

#### Dummy Groups Set Up

It financed establishment of two huge radio stations—Radio Free Europe for broadcasts to East Europe and Radio Libera-tion (later Radio Liberty) for powerful transmissions to the Soviet Union. It set up dummy foundations, dummy dominances, dummy public relations firms and dummy airlines. It placed agents in American student occanizations, and trade dent organizations and trade unions—all with a view to assist in penetrating foreign countries.

countries.

On the technical side, the C.I.A. sponsored development of a whole range of reconnaissance and monitoring equipment, among which was the high altitude U-2 spy plane. Starting in 1956, the U-2s ranged with impunity over the Soviet Union China and later Soviet Union, China and later Vietnam and Cuba bringing back telltale photographs of missile sites and other military installations. | 32 When Mr. Dulles succeeded

Mr. Smith as Director, he per-suaded President Eisenhower to accept the C.I.A. as a national service reporting directly to the White House, with its estimates being considered essential elements of the policy-making process. process.

process.

It was the U-2, however, that caused Mr. Eisenhower one of his greatest embarassments. One of the spy planes was shot down over the SSoviet Union in 1960 on the eve of the President's intended summit meeting with the Soviet Union's Nikita Khrushchev. The Administration at first denied that the craft was a spy plane, and then tration at first denied that the craft was a spy plane, and then President Eisenhower acknowledged that it was and accepted responsibility for the flight. That was the beginning of an unmasking of dozens of C.I.A. operations that had been conducted more or less in secrecy—including the 1954 toppling of a Communist oriented government in Guatemala.

## Defect Disclosed

The militant anti-Communist motivation of the United States Government continued undiminished into the Kennedy Admin-istration, which allowed the C.I.A. - managed invasion of Cuba to go ahead in April,

Its total failure revealed a serious defect in the C.I.A. struc-ture—the men responsible for analyzing and estimating intel-ligence were kept in ignorance of plans for covert operations like the abortive Bay of Pigs landings.

This was remedied under the new Director, John A. McCone, who saw to it that the analysts and estimators were consulted about covert political actions.

But the Cuba invasion disclosed another disturbing frend in United States policy-making: the tendency to allow relatively modest undercover intelligence operations to balloon into large military actions.

It went that way in Indochina, from Vietnam to Laos and Cambodia, and the C.I.A. bore most of the public blame.

The C.I.A. should have been doing rifle-shot operations, not full scale military operations."
Mr. Cline observed ruefully, Still, he recalled the McCone years from 1962 to 1966 as "a period of peak performance" by the C.I.A.

There were C.I.A. voices then, among the analysts, warning

among the analysts, warning against a deeper American in-volvement in the Indochina conflict. But President Johnson listened less and less to them and more and more to his military advisers.

A decline in the C.I.A.'s access to the White House set in, and its role in policy formation continued to wane under President Nixon. The agency's product remained much the same. But its customer had changed.

President Johnson simply did not like the gloomy assessment of the Vietnam war outlook given him by the agency. President Nixon was determined to end involvement of United States forces in the Indochina conflict and did so through con-sultations with the parties in-volved rather than with his in-

telligence advisers.

Mr. Nixon and his national Mr. Nixon and his national security adviser, Henry A. Kissinger, continued to rely on the technical data assembled by the C.I.A., especially for the conduct of strategic arms talks with the Soviet leadership. But they were hardly interested in the traditional intelligence estimates of the C.I.A.

In late 1972, Mr. Nixon and

In late 1972, Mr. Nixon and Mr. Kissinger agreed on a major reform of the C.I.A. The President appointed James R. Schlesinger to replace Richard Helms as director and clean out the agency.

In his few months as director, Mr. Schlesinger forced the retirment or resignation of more than 1,000 of the 15,000 C.I.A. employes. His successor, William Colby, a graduate of clandestine services, proceeded with a structural reform in 1973, abolishing the old Office of National Estimates system.

The structural changes were demoralizing for many C.I.A. oldtimers. But worse still was ? series of revelations throughout 1973 and 1974 that the agency had been involved in some questionable and even criminal operations in the domestic poli-

tics of the United States. Inestinctuded the following:

The use of C.I.A. equipment and former C.I.A. agents to break into the Watergate head-

quarters of the Democratic par-

The Nixon Administration's alleged use of C.I.A. operatives to monitor activities of political dissidents—a task nominally the responsibility of the Federal Bureau of Investigation.

The assignment of the C.I.A. to train more than 50 American police officers, including 14 from New York, in clandestine arts.

from New York, in clandestine arts.

All these activities were in apparent violation of the C.I.A.'s original charter and mission barring it from internal security effort.

"We were good and secret and highly motiviated untille65," Mr. Cline remarked.
"Now the C.I.A. is in the open and it looks bad.

"Tam concerned because the idea is being skillfully promoted that subversion is a C.I.A. invention," Mr. Cline concluded "whereas it is a doctrinal policy of the Russians."

DO NOT FORGET THE NEEDIEST!