C05451139

Dwight D. Eisenhower Library
Eisenhower: Papers, 1953-61
(Ann Whitman file)

~~TOP SECRET~~
EO 12958 3.3(b)(1)>25Yrs
EO 12958 3.3(b)(6)>25Yrs
(C)

October 18, 1960

MEMORANDUM

SUBJECT: Discussion at the 463rd Meeting of the National Security Council, Thursday, October 13, 1960

Present at the 463rd NSC Meeting were the President of the United States, presiding; the Secretary of State; the Secretary of Defense; and the Director, Office of Civil and Defense Mobilization. Also present at the Meeting and participating in the Council actions below were the Secretary of the Treasury; the Attorney General; and the Director, Bureau of the Budget. Also attending the Meeting were the Chairmen, Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security (Item 1); the Chairman, Joint Chiefs of Staff; the Director of Central Intelligence; the Under Secretary of State (Dillon); The Assistant to the President; the Special Assistants to the President for Security Operations Coordination (also acting for the Special Assistant to the President for National Security Affairs), for Foreign Economic Policy, and for Science & Technology; Assistant Secretary of State Gerard C.Smith; Mr. Haydn Williams, Department of Defense; the Acting NSC Representative on Internal Security (Ash); the White House Staff Secretary; the Assistant White House Staff Secretary; the Acting Executive Secretary, NSC (Boggs); and Mr. Robert Johnson, Director, NSC Secretariat.

There follows a summary of the discussion at the Meeting and the main points taken.

1. STATUS OF NATIONAL SECURITY PROGRAMS ON JUNE 30, 1960 (NSC 6013)

Mr. Harr introduced Mr. Ash who summarized the report. (A copy of Mr. Ash's Briefing Note and a copy of his presentation are filed in the Minutes of the Meeting and other copies are also attached to this Memorandum).

Following Mr. Ash's presentation, the President asked whether, if we develop a machine which will indicate the introduction of nuclear materials and we find that the Soviets are introducing such materials, we should break relations with them. Secretary

#1a

C05451139
wight D. Eisenhower Library
isenhower: Papers, 1953-61
(Ann Whitman file)

Herter responded that this would be about as serious an aggravation as one could think of. He pointed out that we had had one experience of this sort in connection with an Israeli shipment. We had acted to stop this shipment although it was under diplomatic seals. The Israeli Embassy was as surprised as we were. This was a shipment which was going out from the U. S. to the Ministry of Defense in Israel. It was due to be shipped at five p.m. on the day that we caught it. We did stop it but it turned out to be nothing but radium dials. At that time we decided that we would stop such shipments even if they came in in diplomatic pouches. In this connection Secretary Anderson noted that there was an agreement between Treasury and State that if neutrons were given off by a diplomatic pouch shipment, we would ask the country concerned to open the pouch. If they refused, we would ask them to take the pouch out of the country. All of this was now being done on a very silent basis.

Mr. Harr asked Mr. Hoover and Mr. Doherty whether they had any comments on the status report. Mr. Hoover indicated that he had none. The President asked Mr. Hoover whether he was getting enough people; whether he got all he wanted. In reply Mr. Hoover said that in the last several years Congress had given good cooperation in granting requests which the FBI had been allowed to make through the Bureau of the Budget. The President, turning to Mr. Stans, asked if the Administration had been reasonable in dealing with FBI requests. Mr. Stans said that there had been no difficulties. Mr. Hoover confirmed that there had been complete cooperation during the last two years.

The Attorney General confirmed that Justice had gotten everything it had asked for in this respect. He went on to say that the Martin-Mitchell case demonstrated the importance of doing everything we could to tighten up all along the line on security. There was a tendency, he said, to let down in such matters. The President asked if Martin and Mitchell had had to have visas to get out of the country. Attorney General Rogers stated that they had not needed passports or visas and that the physical situation made it virtually impossible to control movement into Mexico or Canada even if passports were required. The borders were so long it was very easy to slip over them.

Mr. Hoover pointed out that both Martin and Mitchell had been investigated; one by the Office of Special Investigations and the other by Navy Intelligence. In one case emotional instability had been uncovered; a former superior of this individual when he was employed by the Navy had stated that he wouldn't want him back. The other had a homosexual background. Yet both were retained. Mr. Hoover expressed the view that in

C05451139
Dwight D. Eisenhower Library
Eisenhower: Papers, 1953-61
(Ann Whitman file)

evaluating the results of investigations, all doubts should be resolved in favor of the Government in sensitive areas. The President turned to General Lemnitzer and suggested that those who had cleared Martin and Mitchell should be investigated. He said he would like to know who did it and went on to indicate that those responsible should be appropriately disciplined.

Attorney General Rogers stated that the Soviets are exploiting sex situations. Every time a tourist goes to the USSR who has something like this in his background, they try to entrap him. He felt that we should alert people in the Government to this problem. He also expressed his agreement with the principle that all doubts in such cases should be resolved in favor of the Government. The President agreed with this principle and went on to state that if the Supreme Court required the Government to re-employ such individuals, they should be put to work in innocuous activities.

Mr. Dulles pointed out that he had instituted a new system under which the superior of each group of men was responsible for the men under his supervision. If the supervisors had known the conditions under which Martin and Mitchell were living, we could have caught the situation. The President pointed out that someone had received a report in the Martin and Mitchell case and should have acted differently upon it. Mr. Dulles pointed out that the President was talking about the initial investigation whereas what he was thinking about was what happened after an individual came to work for the Government. The President expressed the view that there should be some way to place responsibility for decision and some system for follow-up of responsibility for decision. He then turned to Mr. Ash and asked whether the internal security status report contained recommendations. Mr. Ash noted that the report was simply a status report and did not contain recommendations.

The Attorney General again expressed the view that there should be some way to sound the alert throughout the Government to be stricter in these matters. He stated that the Soviets seem to have a list of homosexuals. They had entrapped students and attempted to blackmail them as a means of getting them to go to work as agents. What worried Attorney General Rogers about Martin and Mitchell was not these individuals alone but the possibility that there is an organized group of such people. Secretary Anderson inquired how good a list we had of homosexuals. Mr. Hoover indicated that we did have a list and that local authorities notified federal authorities when they obtained such information. He also pointed out that a person who had been an employee of a U.S. Government agency until April had been involved in homosexual activities with Mitchell. The President expressed the view that the Attorney General or the FBI should devise a

C05451139
Dwight D. Eisenhower Library
Eisenhower: Papers, 1953-61
(Ann Whitman file)

program in the Government so that when a report was obtained on an employee, a full report by the agency back to the Attorney General would be required. This report should indicate the action that the agency had taken. Attorney General Rogers agreed that we needed to do something. He pointed out that the Russians had entrapped one individual who, in his confession, had stated that there was an international group of homosexuals. Action in this area was so distasteful that you hated to take it, but we needed to be more on the alert. The Attorney General said that he would do something. Mr. Hoover agreed that there should be some kind of follow-up procedure.

Mr. Dulles pointed out that the polygraph provided clues in this area which often led to confessions. Mr. Hoover noted that the polygraph had been used on Mitchell and that it had shown that he had homosexual tendencies. The Attorney General agreed that the polygraph worked well in such cases. Mr.Dulles noted that he got a report every month which listed all those who had been rejected for employment by CIA for such reasons. The President expressed the view that such lists should be given to someone who would have responsibility for watching to ensure that such individuals were not employed by other Government agencies. Everyone who applied for a job should be fingerprinted. Then if you had a fingerprint and an indication that the individual had been rejected for such reasons, you would have a basis for preventing his future employment. Mr. Hoover agreed that this was a useful idea. Mr. Harr then noted that in the Planning Board discussion of the Martin - Mitchell case, reference had been made to certain studies now going on in the Government looking toward a tightening up of security procedures. The President concluded the discussion by observing that it was difficult to get rid of such people once they were employed and that the time to catch them was when they came into the Government.

The National Security Council:

a. Noted and discussed the report on the status of the Internal Security Program as of June 30, 1960, prepared jointly by the Interdepartmental Intelligence Conference and the Interdepartmental Committee on Internal Security and transmitted as Part 7 of NSC 6013, as summarized orally at the meeting by the Acting NSC Representative on Internal Security.

b. Noted that studies are presently under way in the U.S. Intelligence Board and in the Interdepartmental Committee on Internal Security concerning, respectively, personnel and physical security measures for the protection of sensitive U.S. information from unauthorized disclosure.

C05451139
Dwight D. Eisenhower Library
Eisenhower: Papers, 1953-61
(Ann Whitman file)

c. Agreed that the personnel security programs of the most sensitive Departments and Agencies of the Executive Branch should be appropriately strengthened and maintained with a view to insuring against unauthorized disclosures of classified Government information, including recognition of the principle that in making determinations as to the qualifications for employment or retention in employment of persons in the Federal service, all doubts must be resolved in favor of the national security interests of the United States.

d. Noted the President's request that the Attorney General, in the light of the discussion and pursuant to his advisory responsibilities under Section 13 of Executive Order 10450, consider the methods and procedures, including reporting and follow-up procedures, which should be instituted by the Departments and Agencies of the Executive Branch to ensure the continued strengthening and maintenance of employee security programs.

NOTE: The action in c above, as approved by the President, subsequently circulated to the National Security Council for information and guidance. The President approved the action in c above subject to the understanding that it did not authorize increases in personnel or funds for personnel security programs other than such increases as might result from the normal budgetary process.

The action in d above, as approved by the President, subsequently transmitted to the Attorney General for appropriate action.

2. SIGNIFICANT WORLD DEVELOPMENTS AFFECTING U.S. SECURITY