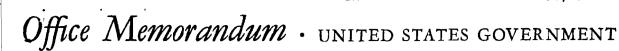
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то : Chief, Industrial Division DATE: 6 January

FROM : Chief, Guided Missile Branch i. .

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1. Status of Support Projects:

a. Project No. 37.2443 (Evaluation of Usachev Statements on Soviet ICBM Program -- Branch): This project represented the major activity of the Branch during December (prior to advent of the holiday season). As a result of Soviet statements made in Geneva, USIB requested that CMIC once again examine the status of the Soviet ICIM program and recommend, if necessary, appropriate changes in the current estimate. Research by I/GM indicated that the recent statements did not differ significantly from statements made by the same source more than a year ago, and could have been an extension of published statements by other Soviet officials. In the absence of compelling new evidence from this or any other source, it was recommended that no change be made in the estimate. The ORR evaluation prepared by I/GM was presented to GMIC as the CIA contribution and subsequently became the basis for GMIC's reply to USIB. Branch participation in the project included a meeting with Mr. Stassen's former principal staff assistant to obtain and discuss earlier statements by the Soviet source; a series of internal CIA briefings; a briefing of GMIC on CIA's findings and position; and review of a memorandum from AD/SI to the DCI stating the case for an extreme position regarding Soviet ICBM capabilities. The project may be considered completed as of 16 December, the date of final USIB disposition.

ORR has been requested ъ. | by GMIC to prepare and present on behalf of the Delegation the formal paper on Soviet guided missile production for the forthcoming in ORR has also been assigned responsibility reply to the paper to be presented for making the on Soviet guided missile deployment. Prepara-Ъу_____ tion of the production paper has begun in the Branch and it is hoped that the paper will be adaptable for formal

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publication, probably by OCI, as a Part III of the Weekly Review. The extent to which a meaningful paper can be prepared and discussed at the Conference will be largely dependent upon release by DD/P of a large volume of reports currently classified ______ This is currently being negotiated with DD/P through St/C channels.

- c. Other Support Projects: No major changes since last month, except as noted in my memorandum of 17 December on the status of selected I/CM projects.
- 2. Status of Branch Projects:
 - a. New Project on Sverdlovsk --Partially as a result of analysis performed for Project No. 37.2443 (la, above), together with an initial evaluation of preliminary reports from two apparently independent we are now engaged in intensive researcn on the Sverdlovsk area as a possible center of guided missile production relating to the IREM, ICEM, or both. The project was originally envisaged as a Current Support Memorandum, but will probably prove more suitable for formal publication as an SC/RR.
 - b. Other Branch Projects: No major changes since last month, except as noted in my memorandum of 17 December.
- 3. Changes in Estimates:
 - a. In connection with the deliberations concerned with the Usachev statement (see la, above), USIB decided to modify somewhat the conclusions of NIE 11-5-58 by adding a brief statement in NIE 11-4-58 taking account of recent Soviet statements and pointing out the possibility of greater Soviet progress in the ICBM program than that previously estimated as most probable.
- 4. Relationships with Other Components:
 - a. The continuing necessity of direct support to field collection programs was again highlighted during December by the decision to renew TDY assignment to for 45 days. On the basis of Mr.

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first hand and detailed description of the manner in which the _______ interrogations are conducted, the local problems encountered in dealing with the _______ authorities and sources, and the unanticipated flow of guided missile information from "casual" sources, it was considered essential that an ORR missile specialist provide on-the-spot guidance during the interrogations scheduled prior to _______ arrival in early February on PCS assignment. The alternative was to risk losing, without possibility of recall, sources who probably possess unique guided missile information.

b. Members of the Branch spent several days discussing various aspects of guided missile production and deployment in the USSR with who has recently taken on a part-time responsibility for guided missile intelligence and who will attend the

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represented the Branch at a 12-hour series of introductory lectures on IEM machines held at the Vanguard Test Center on 11 and 12 December. The presentation covered three general types of machines: (1) those designed primarily to sort and recover information; (2) those designed as computers; and (3) those which serve both purposes. Since the course is primarily designed by IBM for training their own program planners in the use of IBM machines, it covered in some detail the actual operation of the machines, particularly the sorting types. It was thus aimed at the requirements of the specialists who "bridge the gap" between the machine operators and the consumers of the machine product, and was valuable principally as a background introduction to the problem of machine data processing.

d. At the request of GMIC, I/GM prepared and submitted to the CIA member of GMIC a status report listing and describing all research projects currently underway in ORR in the field of guided missiles.

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made presentations on various current developments in Soviet guided missile production and deployment at the CIA Guided Missile Forum conducted by OSI on 17 December.

5. Other Matters:

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There has been another significant new development in a. the working conditions under which research of the utmost significance to the national security is conducted in this Branch. For some time, the hum of priority activity by busy, contented analysts has been augmented by the atonal roar of a battery of the highest-powered machines the electronics industry can devise which has been installed in the CIA Watch Office directly overhead. More recently, the floor of the office of the Chief, I/GM has buckled and come asunder to the accompaniment of a jet of escaping steam from the main Cafeteria pipes. Whereas we were gradually becoming adjusted to being set upon from all sides, it now appears that we are equally vulnerable from above and below as well!

