C01434015

8 September 1966

MEMORANDUM FOR: The 303 Committee

SUBJECT:

Reaffirmation of Existing Policy on Radio Free . Europe and Radio Liberty.

SUMMARY

The chairman of the 303 Committee, Mr. Walt Rostow, on . August 10, asked CIA to present a paper to the Committee on the findings of the Panel on U.S. Government Broadcasting to the Communist Bloc as they pertain to Radio Free Europe and Radio Liberty. He further asked to see evidences of effectiveness of the radios, CIA's plans for moderni-The state of the company of C. Mr. L. Walt zation of the radio's technical facilities, and CIA's reply to the Bureau of the Budget request to show what the effects on Radio Free Europe and . The second of th Radio Liberty would be of: a) holding at the FY, 1967 budget level for Ilve years, and b) reducing by Over Live year, beriod from

the FY 1967 level.

This paper presents the information requested and proposes STA BERTHA 6 ... that the 303 Committee approve the sections of the report of the Panel the second of the state of on U.S. Government Radio Broadcasts to the Communist Bloc, dated 28 April 1966, dealing with Radio Free Europe and Radio Liberty and reaffirm Radio Free Europe's mission as a non-attributed U.S. radio

approved by 303 Committee (Minutes dated 30 sint 66)

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broadcasting to Poland, Czechoslovakia, Hungary, Rumania and
Bulgaria and Radio Liberty's mission as a non-attributed radio broadcasting to the Soviet Union. It also proposes that the 303 Committee
endorse CIA's plans to implement certain of the specific suggestions
of the Panel, CIA's modernization proposal, and review CIA's analysis
of the effects of the BOB alternatives.

2. BACKGROUND

a. Objectives of Radio Free Europe

Since its inception in 1950, the basic objective of Radio Free Europe has been and continues to be to keep the commu-Mary St. Darley Co. nist regimes from achieving or maintaining a monopoly over J. Million Co. communications with the people of Eastern Europe and in ... this way to limit the capabilities of the regimes and USSR for exploiting the political, military and economic resources of the area for their own purposes. This is done primarily HERMAN STONE OF by encouraging evolution toward open, self-governing societies in Eastern Europe, capable of mutually beneficial relation-.. THE GROWTH AND THE REST ships with the Western European community of free nations as well as with the United States. For evidences of effectiveness of RFE see Attachment A.

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b. Objectives of Radio Liberty

The original proprietary cover committee, American Committee for Liberation, now the Radio Liberty Committee, was organized in 1951 on the recommendation of the State Department with the primary political function of and the season of the season o consolidating several USSR emigre groups into a useful or the walk! political force. In 1953 the Jackson Committee recommended Here in working ! that the unattributed radio become the principal task of the The state of the s ACL with a concomitant decrease in non-radio activities. Since that time Radio Liberty has evolved from simple, hard-San Salah Lighter line anti-Communism to become a sophisticated voice of Signature Stanford apposition in the effort to break the Soviet monopoly on news a manager of the state of the and information in the USSR. For evidences of effectiveness

| Y MAN | PROBLEM | | | |
|---------|-----------------------|--------------------------|---------------|---------|
| * * | When the 303 Cor | mmittee was considerin | g | Radio |
| Propos | al in November 1965 | , McGeorge Bundy, the | n Special As | sistant |
| to the | President for Nations | al Security Affairs, app | ointed a pane | l con- |
| sisting | of | | | |
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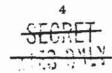
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| 4. 11 | - 13 | UHL: | | | |

to evaluate the

U.S. covert broadcasting effort. After a six-month survey the panel was unanimous in its judgment that the need to maintain Radio Free Europe and Radio Liberty in a period of liberalization and intellectual ferment was greater than ever. The Panel's conclusions on these radios are excerpted as Attachment C.

4. FACTORS BEARING ON THE PROBLEM

the major non-official Western radios challenging communist
efforts to secure a monopoly on information and ideas in Eastern
Europe were reaffirmed by the Special Group on 31 August 1961.
This position was again reapproved on 15 August 1963 by the
ERGE Law Special Group when it agreed that no change in existing policy
on Radio Free Europe or Radio Liberty was desirable. On
12 December 1963 the Special Group further agreed that
Eastern Europe was still a target for the heaviest concentra-



tion of political-psychological operations and that the Free

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Europe Committee, Radio Free Europe, the American

Committee for Liberation, and Radio Liberty should continue.

b. In light of the Panel's suggestions (Attachment C), which

CIA accepts in their entirety, (with one partial exception

relating to RFE's fund-raising campaign--see Attachment D)

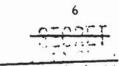
CIA is prepared to:

. 1) Present to the BOB for approval a plan for moderni-A TO ARREST AND THE STREET zation of facilities of both radios at a total cost over a three year period of with required in FY 1968 (see Attachment E). CIA considers that the technical improvements recommended are the minimum required if Radio Free Europe and Radio Liberty are to retain a competitive position in international broad-The State of State of the State casting to the Soviet Bloc. This position was arrived at Control of the second of the s only after a thorough review of the International Broadcasting field and a study of all conceiveable alternatives. and the state of t (Attachment F contains the summary of this study.) e in a green way from the first

2) Undertake a program for improved research on and increased broadcasting by Radio Liberty to nationality groups in the Soviet Union.

SECTION

- 3) Implement the panel's suggestion that "given the increasing importance . . . of international communications in shaping international relations, and given the relative insignificance of the cost of these radio operations compared to the costs of weaponry; there should be greater generosity in funding them,"
- Advise the Bureau of the Budget that the implemenprofessionary and service tation of either of their suggested alternatives would result A Links & St. W. Car. in the inability of these policy instruments (RFE and RL) to carry out current policy directives. Both organizations have a built-in cost factor that increases by percent per year, due primarily to wage increases resulting from 9.4 4.7114 union negotiations and the rising cost of living in overseas Committee of the state of the s locations. While management economies and elimination of low priority items can absorb approximately percent; The state of the s percent that must come out of opera-Adams France tions. After three tight budget years in which both radios and the state of the state of have eliminated low priority items any further absorpand the state of t tions must come at the expense of operations... Over a period of five years the effect of either alternative would



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be a decline in effectiveness, elimination of high priority activities and disintegration of employee morale. Because modernization of the facilities of both radios is essential, absorption of capital expenditures under either alternative would further degrade the level of operations. (See Attachment G for summary of analysis and charts.)

5) Decrease the emphasis on mass solicitation of funds, but to continue the RFE fund-raising effort in the corporate field in view of its continued success.

5. COORDINATION

a. Intra-Governmental

papers governing RFE and RL broadcasts

are coordinated with the State Department

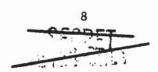
and USIA and have been most recently revised and approved as

| follows | |
|---------|-----------------------|
| | 20 Aug 63 |
| | 12 Dec 63 |
| | 13 Apr. 64 |
| | 25 Mar 65 |
| 5 | 25 Mar 65 6 Dec 63 |

6 Dec 6.

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| | c. Host Countries | | | | | | |
| | The radios have no curren | t problems with the g | overnment | | | | |
| | site of their | programming headqu | arters, or | | | | |
| | with the governments of | | where | | | | |
| | their transmitters are located. | | and the second s | | | | |
| | RFE is operating in | on the basis of a t | n-year | | | | |
| The second secon | license renewed in 1963 and | on a year-to | year | | | | |
| | automatically renewable licens | | | | | | |
| • | | | nment that | | | | |
| | RL has agreement from th | | | | | | |
| | it will not use its termination r | | | | | | |
| license was renewed for 12 years on 15 July 1957, and | | | | | | | |
| | its agreement will not e | expire until 30 July 19 | 74. | | | | |



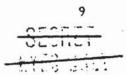
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6. RECOMMENDATIONS

a. That the 303 Committee approve the sections of the report of the Panel on U.S. Government Radio Broadcasts to the Communist Bloc as they pertain to Radio Liberty and Radio Free Europe with the one exception noted in paragraph 4. b. 5).

b. That the 303 Committee approve CIA's modernization proposal and its plans to implement certain suggestions of the Panel as stated in paragraph 4. b.





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