. INT 677/1

COPY NO. 30

CONTIDENTIAL

<u>U.I.G. 1/1</u> 26 April 1946

CENTRAL INTELLIGENCE GROUP

PROVISION FOR MONITORING OF PRESS AND PROPANGANDA BROADCASTS OF FOREIGN FOWERS
References: 4. C.I.G. 1
5. C.I.G. Directive No. 2

Memorandum by the Director of Central Intelligence

- 1. Pursuant to the provisions of C.I.G. Directive No. 2, an <u>ad hoc</u> committee conducted a study of the function of monitoring press and propagands broadcasts of foreign powers and submitted a report to the Director of Central Intelligence, with copies to the Intelligence Advisory Board.
- 2. After consideration of this report and further study by the Central Intelligence Group, the enclosed report to the National Intelligency Authority has been prepared as a basis for action on this matter.
- 3. It is therefore recommended that the Intelligence Advisory Board concur in the submittal of the Enclosure for consideration by the National Intelligence Authority.

SIDNEY W. SOUERS, Director.

APPROVED FOR RELEASE DATE NOV 1993

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NATIONAL INTELLIGENCE AUTHORITY

PROVISION FOR MONITORING OF PRESS AND PROPAGANDA BROADCASTS OF FOREIGN FOWERS

Report by the Director of Central Intelligence with the unanimous concurrence of the Intelligence Advisory Board

- 1. During the war, the Federal Communications Commission (FCC) conducted a foreign broadcast intelligence service (FBIS), which monitored press and propaganda broadcasts of foreign powers. The FCC was in process of liquidating this agency when its functions were taken over by the War Department on an interim basis on 30 December 1945. The War Department requested that the Director of Central Intelligence assume responsibility for the proper disposition of the former FBIS function. An ad hoc committee was appointed by C.I.G. action to make this study. Their report has been submitted to the Director of Central Intelligence and the Intelligence Advisory Board.
- 2. After consideration of all evidence submitted in the case, the Director of CentraldIntelligence concludes that:
- a. the function of monitoring press and propaganda broadcasts of foreign powers is necessary;
- <u>b</u>. the present organization performing this function under control of the War Department should be liquidated and supplanted by a new organization better adapted to serve the needs of authorized intelligence agencies;
- c. the operation of the required monitoring system can be most efficiently performed by the War Department under directives as to collection and distribution to be issued by the Director of Central Intelligence.

 Discussion upon which these conclusions are based is contained in Enclosure "B" (Appendix "B" hereto).

Enclosure

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- 3. The enclosed draft N.I.A. Directive has been prepared to provide the means for carrying out the recommendations based upon the above conclusions. It has been unanimously concurred in by the Director of Central Intelligence and the Intelligence Advisory Board, which included the Director of the Federal Bureau of Investigation as a member for consideration of this matter.
- 4. It is recommended that the National Intelligence Authority approve the draft directive in Enclosure "A" (Appendix "A" hereto).

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APPENDIX "A"

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PROPOSED N.I.A. DIRECTIVE

PROVISION FOR MONITORING PRESS AND PROPAGANDA BROADCASTS OF FOREIGN POWERS

Pursuant to paragraph 1 of the letter from the President, dated 22 January 1946, which designated this Authority as responsible for planning, developing, and coordinating the federal foreign intelligence activities so as to assure the most effective accomplishment of the intelligence mission related to the national security, the following policies and procedures relating to the function of monitoring press and propaganda broadcasts of foreign powers are announced:

- 1. The function of monitoring press and propaganda broadcasts of foreign powers is an essential means of collecting intelligence information required by the intelligence agencies of the State, War, Navy, and other governmental departments. It will be operated by the War Department so as to carry out collecting and distributing missions assigned by the Director of Central Intelligence.
- 2. The present organization carrying on this function under the control and direction of the War Department will be liquidated. Concurrently with the liquidation, a new fereign broadcast monitoring service will be organized and operated by the War Department so as to serve, with a minimum of interruption, the intelligence agencies subject to our coordination. This service will be given a new name by the War Department.
- 3. The Director of Central Intelligence will be responsible for the assignment of appropriate collecting and distributing missions to the War Department_official charged with the operation of this

Appendix "A"

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scrvice. These missions will be such as to meet the needs of the intelligence agencies subject to our coordination.

- 4. The State and Navy Departments will give to the War Department such assistance and the use of such facilities, within their respective capabilities, as may be necessary properly to fulfill the mission herein assigned.
- 5. The War Department will take the necessary budgetary action to carry out the program herein initiated.

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APPENDIX "B"

DISCUSSION

- 1. The function of monitoring press and propaganda broadcasts of foreign powers is an overt means of obtaining intelligence information of use to the intelligence agencies of State, War and Navy Departments.
- 2. This function was originally undertaken by FBIS under the FCC early in 1941 as a result of recommendations made by the Defence communications Board.
- 3. The FBIS was organized functionally into: an office of the Director which gave general supervision to the service; a Monitoring Division responsible for preparing the monitoring schedule for all FBIS stations and of providing excerpts from programs monitored near Washington; a Publications Division responsible for preparing and issuing reports on incoming broadçasts for rapid distribution to government agencies requesting them and for maintaining a central background file; an Administrative Services Division responsible for mimeographing, collating, and distributing the processed reports; and a field organization responsible for operating field stations located at strategic points for interception of foreign broadcasts not monitored in the Washington area. In addition, the field organization has maintained offices located at London and Cairo which have had access to similar material monitored by the British Broadcasting Corporation and the British Ministry of Information respectively. Changes in these arrangements with the British may require a revision or expansion of U.S. coverage in Europe and the Middle East.

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- 4. The War Department was informed in December 1945 that the FCC was in process of liquidating the FBIS. The War Department thereupon expanded its monitoring program to meet the need arising from this liquidation. The War Department employed former FBIS personnel, effective 30 December 1945, and has since acquired by transfer all FBIS facilities, including those held by lease or contract. The War Department arranged for the renegotiation of outstanding leases and contracts.
- 5. The function of monitoring foreign press and propaganda broadcasts should be continued since it is of value to the intelligence agencies of the State, War, Navy, and other government departments. Based upon a survey, the Department of State appears to have the greatest use for the product of such monitoring. The necessary budget arrangements to maintain this function should be made for the Fiscal Year 1947. The War Department is the only agency now prepared to undertake this budget problem and it has included the necessary funds in its budget requirements.
- 6. It appears that the present organization carrying on the former functions of the FBIS under War Department direction should be liquidated for the following reasons:
 - a. Its reports are circulated too generally to organizations and individuals, including foreign agencies. In order that proper intelligence direction may be given to its activities, its product should be restricted to authorized intelligence agencies of the Federal government.
 - b. The personnel of the organization have not been screened for security. Adequate acreening is essential, since disclosure of the direction given to the activities of the organization would be detrimental to this Nation's interests and security.

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- 7. The present organization should be supplanted by a new organization capable of performing the monitoring function required by authorized intelligence agencies of the Federal government.
- 3. Central direction of the monitoring effort should be given in order to insure that the specific needs of all proper recipients are considered. This direction can be given by the Director of Central Intelligence, advised by a committee including a coordinator from the Central Intelligence Group and members from A-2, G-2, State, and ONI.
- 9. Under such contral direction, any of the three departments concerned could operate the monitoring, editing and distributing of the press and propaganda broadcasts of foreign powers.
 - a. However, certain preliminary ateps would be required before State or Navy could undertake the operation, including:
 - (1) Provision for the necessary administration and supply;
 - (2) Transfer of the budget from War Department to the department which would take over the operation;
 - (3) Arrangements for the necessary communication facilities between the field and Washington;
 - (4) Screening of pursonnul for security purposus, including any mumbers of the present organization who may be re-employed in the new organization.
 - b. Continued operation by the War Department would require only screening of the personnel.
- 10. Operation by the Central Intelligence Group (as distinguished from central direction of effort) would require that the same steps outlined under 9 a, above, be taken, with particular emphasis on arrangements for administration and supply.

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- 11. Paragraph 3 c, of the Prosident's letter of January 22 requires the Director of Central Intelligence to perform, for the benefit of intelligence agencies of the State, War and Navy Departments, "such sorvices of common concern as the National Intelligence Authority determinus can be more officiently accomplished centrally." It appears clear that direction of monitoring effort for the benefit of these intelligence agencies can be accomplished more officiently centrally. However, with regard to officiency of actual operation, little evidence can be found to justify a conclusion that operation by the Central Intelligence Group would be more efficient than operation by one of the departments. In any event, the evidence is not strong enough to justify the establishment of the required everhead facilities in the Central Intelligence Group, duplicating those already existing in other agencies. The following comments on relative officiency also apply:
 - 'a. Lack of organic communication facilities militates against efficient and economical operation by the State Department.
 - \underline{b} . Lack of direct staff control of monitoring facilities by ONI militates against officient operation by the Navy Department.
 - c. Lack of organic communication facilities and established overhead facilities militates against efficient and economical operation by the Central Intelligence Group. Moreover, it appears that the C.I.G. is not legally authorized to assume the contractual obligations involved.
 - d. Considering that the War Department has none of the lacks specified in a to a above, it is believed that operation of the function by the War Department would be somewhat more efficient and economical than by any other agency.