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MILASSITI



MELLOPANDUM TO: Assistant Executive Director

SUBJECT:

Testimony at Merger Bill Hearings

REFERENCE:

Paragraph 3 of Memorandum, same subject as above from Assistant Executive Director to Assistant Directors for Operations, Collection and Dissemination, Reports and Estimates and Chief, ICAPS, dated 21 March 1947.

- The mission of CIG, as directed in paragraph 1 of the President's Letter of January 22, 1946, that all Federal foreign intelligence activities be planned, developed and coordinated so as to assure the most effective accomplishment of the intelligence mission related to the national security, precludes a monetary saving insofar as the activities related to this office are concerned. Such a saving would be possible if the various intelligence agencies subject to the above Directive had independent intelligence facilities adequate for their own needs. Then a coordinated effort could produce substantial monetary and personnel savings. The existing situation, however, not only does not provide for savings but may well result in an increased overall cost if the mission of CIG is to be accomplished.
 - 2. On the assumption that adequate intelligence facilities to insure the national security are to be provided the present and planned ORE program does include many phases which should result in economy of both money and personnel. Specific examples of the above include:
 - Production of Intelligence Reference Manuals. The preparation of an outline for, coordination of the production and maintenance of, and the editing, publication and dissemination of Intelligence Reference Manuals should result in a material saving in both money and personnel as compared to separate production by the various agencies of the Covernment. Under the assumption that the four Government agencies, State, War, Navy, and Air Forces, produce manuals independently it is estimated that at least a fifty per cent net saving could be effected through a centralized procedure. The end product should be better also.





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- b. Present Machine Record Program. Reference Branch is presently maintaining machine records regarding all domestic sources of foreign intelligence. These records are available to State, War, Navy, Air Forces and other eligible Government agencies and preclude the necessity of eligible Government agencies and preclude the necessity of each such agency duplicating or maintaining like records. Although no accurate estimate can be made of the economy affected by this Central Register, the savings achieved by elimination of duplicate records in each intelligence by elimination of diplicate in any one agency, are readily agency, or various offices in any one agency, and the diplicate records in apparent.
 - c. Planned Machine Record Program. In addition to maintaining records regarding domestic sources of foreign intelligence, the Peference Branch will establish similar intelligence, the Peference Branch will establish similar machine records regarding important foreign personalities, machine records regarding important foreign intelligence foreign industries, and all recorded foreign intelligence in the form of reports, documents, research studies, or in the form of reports, documents, research studies, or graphic material. These records will also be available to graphic material. These records will also be available to each agency many all this information accessible at one source will obviate all this information accessible at one source will obviate many current duplications in the fields of collection and research and will also make available to each agency many times the information which it, acting independently, could hope to obtain.
- 3. Potential savings in both manpower and money could be derived from the coordinated conduct of intelligence activities and services of common concern which can be accomplished more efficiently by centralized operation, such as, photographic interpretation, biographic centralized operation, such as, photographic interpretation, reproduction intelligence, scientific intelligence, intelligence reports, and publication, and all intelligence services which can be performed by rachine records.

J. KLAHR HUDDLE Assistant Director Reports and Estimates

