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9 April 1946

MEMORANDUM FOR CHIEF, CENTRAL PLANNING STAFF

SUBJECT: FBIS.

1. At a Policy and Review meeting held on 3 April, 1946, the matter of the disposition of FBIS was discussed by Colonel Nicholas, Colonel Perry and Colonel Cunningham of the C.P.S. and certain questions were raised which could not be answered without further inquiry.

2. In order to clarify certain phases of the problem and to facilitate the preparation of recommendations, the Steering Member of the ad hoc committee on FBIS, obtained answers to questions as follows:-

a. Question: "If the FBIS activity were to be transferred to another department--or to C.I.G.--what facilities, personnel, and equipment would be transferred and what other facilities, equipment, etc. would be required to operate it?"
Answer: "At the present time FBIS is a complete going concern. Except for signal communications and the British Government, no personnel or facilities outside of FBIS are participating in its operation, and it could readily be turned over--as a complete unit." (Colonel Carter W. Clarke, Deputy Chief, M.I.S.).

b. Question: "In the event that State Department (R & I) were required to operate FBIS, could State Department (R & I) do it?"
Answer: "The Department of State can operate FBIS if:-
(1) funds for operation during the fiscal year EO 12958 3.4(b)(1): 1947 are provided by the War Department;
(2) the Office of Research and Intelligence in the Department of State continues to be organized as a central intelligence facility for the Department, as at present; and
(3) the Congress makes available to the Department of State the approximately [redacted] requested to finance the Department's intelligence program during the fiscal year 1947."
(John D. Corcoran, Asst. to Mr. McCormack).

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c. Ques: "In the event that Navy Department (ONI) were required to operate FBIS, could Navy Department (ONI) do it?"

Ans: "The department (ONI) could operate FBIS if funds and personnel were available, but:-

- (1) Navy Department (ONI) is not willing to take over present FBIS personnel;
- (2) Navy Department has no personnel available to operate FBIS, nor is any provided for in post-war Navy plans;
- (3) Navy Department has no funds in 1947 Budget to permit its operating FBIS." (Captain A. G. J. Sabalot).

d. Ques: "In the event that G-2 were required to continue to operate FBIS, could G-2 do it?"

Ans: "At the present time G-2 is maintaining operational control only over FBIS. Since G-2 has no supply administrative organization capable of handling FBIS, these responsibilities are not under G-2 control. If required to do so, the present degree of operation control could be continued by G-2. However, since G-2 is not fully informed of the other departmental needs for FBIS material, operational decisions affecting this material have been pointed only toward satisfying G-2 needs rather than the needs of others. It is doubtful that unilateral action by G-2 could correct this situation.

If G-2 were expected to do more than maintain operational control, that is to say, also be responsible for supply and administration of FBIS, then G-2 would require new and additional staff positions rather than a mere expansion of existing organization within MID. Therefore, it is anticipated that were G-2 given full responsibility for operating FBIS, integration of FBIS into MID would be required, and would necessitate a closing down of FBIS operations for some months during the time it was being militarized."

(Colonel Carter W. Clarke, Deputy Chief, MIS).

*Who handles
Sup + Adm?*

e. Ques: "What budgetary and administrative arrangements would be necessary to have another department, or the A.I.C., take over FBIS from G-2, War Department?"

Answer: "The appropriation now included in War Department Budget Estimate as presented to Congress—if allowed—could be transferred, along with administrative set-up, from War Department to any other federal agency by agreement between Secretary of War and Chief of any other federal agency and approval by the Director of the Budget; this requiring no Congressional action." (Conference with Col. Harris.)

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Discussion:

1. In the foregoing Answers to Questions, several items appear to be subject to deletion as being gratuitous statements germane to the Questions as asked, for example: items (2) and (3) of State Department answer under 2.b.; that portion from * to the end, of G-2 answer under 2.d.

2. Recommend early meeting of "Hatchet Board" which adjourned its last meeting sine die to await answers to Questions as above.

3. A new question has arisen as a result of British decision to cease operation of MOI (Cairo) and to cease Government operation of HBC (London) which becomes a private concern and will charge British government for its services. Office of G-2 is working on this question at the present time. This should not affect decision as to disposition of FBIS.

HARRY F CUNNINGHAM
Colonel, Air Corps
Steering Member, ad hoc Committee

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10 April 1946

MEMORANDUM FOR CHIEF, CENTRAL PLANNING STAFF

Subject: FBIS

In connection with the memorandum on same subject, dated 9 April, submitted by Colonel Cunningham, which gave the answer to several questions raised at a policy and review meeting held on 3 April, it is believed that the following instructions should be issued to Colonel Cunningham:

- (1) In connection with your memorandum of 9 April, subject: FBIS, it is desired that you consider the facts stated in said memorandum in connection with your previous recommendations on the same subject and prepare appropriate recommendations for submission to this office and to the Policy and Review Branch.
- (2) In connection with the G-2 answer to the questionnaire, it is noted that considerable point was made as to the handling of the supply and administration of the FBIS. It might be pertinent to determine who does handle supplies and administration.

W. A. P.

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TO: ACTING CHIEF, INFORMATION BRANCH. 10 April 1946

1. Reference your paragraph 3, above, believe no further review meeting is necessary at this time. Instead, please consider the facts stated in above memorandum in connection with your previous recommendations, and prepare an appropriate draft as contemplated in paragraph 2 c, Planning Directive, No. 20.

2. In connection with G-2 answer to the questionnaire, it is noted that considerable point was made as to the handling of supplies and administration of the FBIS. It might be pertinent to determine who does handle supplies and administration.

EO 12958


Acting Chief, Central Planning Staff