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23 April 1946.

MEMORANDUM FOR THE DIRECTOR OF CENTRAL INTELLIGENCE

SUBJECT: C.P.S. Action on Survey of the Function of Monitoring
of Press and Propaganda Broadcasts of Foreign Powers.

1. Transmitted herewith are the following papers comprising
Central Planning Staff action on the FBIS Survey:-

a. Memorandum to the members of the I.A.B., with:-

Enclosure A - Discussion;
Enclosure B - Report by the Director to the N.I.A.;
Enclosure C - Draft Directive announcing the policy.

2. Attention is invited to paragraph 8 of the "Discussion"
(Enclosure A), in which provision is made for an advisory committee
"including a coordinator from the Central Intelligence Group." It
is suggested that such coordinator should be furnished by the Acting
Chief of Operational Services, C.I.G.

3. Recommend that the transmitted papers be approved and
forwarded.


Captain, U.S.N.
Chief, Central Planning Staff

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Enclosures: As noted in para. 1.

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MEMORANDUM FOR: Lt. Gen. Hoyt S. Vandenberg,
Rear Admiral Thomas B. Inglis,
Brig. Gen. George C. McDonald,
Mr. Alfred McCormack,
Honorable J. Edgar Hoover.

SUBJECT: Monitoring of Press and Propaganda Broadcasts of
Foreign Powers.

REFERENCE: (a) C.I.G. Directive No. 2 dated 5 March 1946.
(b) Report of Ad Hoc Committee to Survey Foreign
Broadcast Intelligence Service dated
18 March 1946.

1.1. 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.

2. The product of the FBIS has been valuable to State Department, to the intelligence agencies of the War and Navy Departments, to the Federal Bureau of Investigation, and undoubtedly to other Departments and agencies.

3. The War Department has requested that a permanent disposition of the functions of monitoring press and propaganda broadcasts of foreign powers be determined since the interim arrangements would cease at the end of the Fiscal Year 1946.

4. Discussion of this matter is furnished in Enclosure "A".

5. It is concluded that:-

a. The function of monitoring foreign press and propaganda broadcasts should be performed as a War Department operation, said operation to be performed under directives as to collection and distribution to be issued by the Director of Central Intelligence.

b. The present organization operating the service should be liquidated and supplanted by a new organization, the liquidation and reorganization to be accomplished by the War Department in such manner that there shall be a minimum of interruption in the accomplishment of the missions assigned by the Director of Central Intelligence.

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c. The State and Navy Departments should assist the War Department, within the measure of their capabilities, in the accomplishment of the missions assigned by the Director of Central Intelligence.

6. It is recommended that:-

a. The Draft Directive (Enclosure "C") be concurred in prior to its submission to the N.I.A.

b. The Assistant Chief of Staff, G-2, designate an officer to be responsible for carrying out the missions assigned by the Director of Central Intelligence pursuant to paragraph 3. of the Draft Directive (Enclosure "C").

c. Each member of the Intelligence Advisory Board designate a representative to serve as member of a committee to assist the Director of Central Intelligence in giving direction to the function of monitoring press and propaganda broadcasts of foreign powers.

SIDNEY W. SOUERS
Director

Enclosures:- "A" - Discussion.
 "B" - Report by Director of Central Intelligence.
 "C" - Draft Directive.

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MONITORING OF PRESS AND PROPAGANDA BROADCASTS OF FOREIGN POWERS

Discussion of points bearing upon and leading to Conclusions in the Director's Memorandum to Members of the Intelligence Advisory Board.

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 broadcasts 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 [] which have had access to similar material monitored by BBC and [] respectively.
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.

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5. The function of monitoring foreign press and propaganda broadcasts should be continued since it is of value to the intelligence agencies of War, State, and Navy. 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 screening is essential, since disclosure of the direction given to the activities of the organization would be detrimental to this Nation's interests and security.
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.
8. 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, aided by a committee including a coordinator from the Central Intelligence Group and members from A-2, G-2, ORI and ONI.
9. Under such central direction, any of the three departments concerned could operate the monitoring, editing and distributing of the press and propaganda broadcasts of foreign powers.

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a. However, certain preliminary steps 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 personnel for security purposes, including any members 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.

11. Paragraph 3.c. of the President'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 services of common concern as the National Intelligence Authority determines can be more efficiently accomplished centrally." It appears clear that direction of monitoring effort for the benefit of these intelligence agencies can be accomplished more efficiently centrally. However, with regard to efficiency 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 overhead facilities in the Central Intelligence Group, duplicating those already existing in other agencies. The following comments on relative efficiency also apply:

a. Lack of organic communication facilities militates against efficient and economical operation by the State Department.

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b. Lack of direct staff control of monitoring facilities by ONI militates against efficient 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.

d. Considering that the War Department has none of the lacks specified in a. to c. 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.

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NATIONAL INTELLIGENCE AUTHORITY
THE FUNCTION OF MONITORING OF PRESS AND
PROPAGANDA BROADCASTS OF FOREIGN POWERS

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 Central Intelligence concludes: that the function of monitoring press and propaganda broadcasts of foreign powers is necessary; that 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; and that 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.

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 the consideration of this matter.

4. It is recommended that the National Intelligence Authority approve the draft directive in Enclosure "C".

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N.I.A. DIRECTIVE NO. _____

THE FUNCTION OF MONITORING PRESS
AND PROPAGANDA/OF FOREIGN POWERS
BROADCASTS

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 and Navy 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 foreign-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.

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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 service. 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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