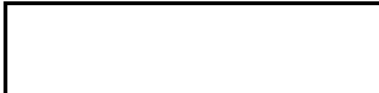


GEORGE FIELDING ELIOT



STAT

July 18, 1946

PERSONAL & CONFIDENTIAL

Lieutenant General Hoyt S. Vandenberg, USA
Director, National Intelligence Authority
New War Department Building
Washington, D. C.

Dear General Vandenberg:

I have had a word with Senator McMahon and also with Representative Baldwin. Both expressed whole-hearted and, indeed, enthusiastic interest and both have promised to see to it that the child does not get lost, strayed or stolen in the shuffle attending the end of the session.

I enclose herewith, for your private information, copies of the letters which I have written these gentlemen confirming and amplifying the conversations I had with them.

I think you may be reasonably certain that when you get the baby launched in the great world, his first toddling steps will be guided by friendly hands. My best wishes to you - which really means no more than that I wish success and safety to the United States. I shall hope to hear when I return that you are in business, and look forward to seeing you again in September.

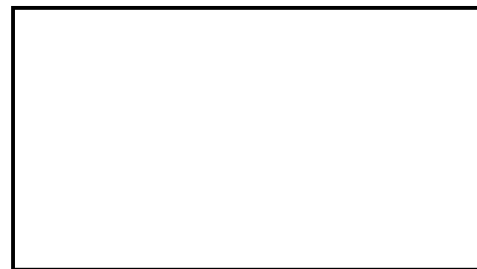
Best personal regards.

Sincerely yours,

George F. Eliot

GFE/mb
encs.

MORI/CDF 639876



STAT

SECRET

July 18, 1946

Senator Brien McMahon
United States Senate
Washington, D. C.

Dear Senator McMahon:

This is just to recapitulate the situation regarding the National Intelligence Authority which is, as you know, under the direction of General Hoyt S. Vandenberg, U. S. Army.

This Authority was supposed to be taken care of by Section 202 of S. 2044 - the so-called merger bill, which definitely establishes it as an agency under the supervision of the Council of Common Defense. (In this bill, as it is presently drawn, it is called the Central Intelligence Agency.)

Meanwhile, the Authority is operating under the Executive Order of the President, who has set up to control it a board consisting of the Secretaries of State, War and Navy. It is operated by funds contributed from the budgets of these Departments. It has no budget of its own, and as you can see, it is extremely difficult for the Director to engage and train permanent personnel or to make definite plans for carrying on its work, which, in my mind, is absolutely essential to the security of the United States.

It now appears that S. 2044 has no chance of passage at this session and therefore the Council of Common Defense will not come into being. This will leave the National Intelligence Authority right where it is now, unless enabling legislation is passed by the Congress giving it a legal status and its own budget so that it can get on with its work. To meet this need, it is my understanding that a bill is being prepared in the Executive offices and will be introduced simultaneously in both houses in the hope that it may be passed and become law before this session of Congress ends. I have reason to believe that this bill was in course of preparation on Tuesday afternoon when I talked to you about the matter, but I do not know how soon it will be sent up to the "hill".

I am a little anxious about the fate of this legislation because it is a matter in which the Committees on Foreign Affairs, Military Affairs and Naval Affairs might all have a legitimate interest and unless the bill has a watchful friend who is looking after its welfare, it might very well get lost in the shuffle at the end of the session and thus leave our national intelligence

Senator McMahon

-2-

July 14, 1946

sadly crippled until next February. I think this would be very close to disastrous in view of the present international situation with which you are, of course, as fully conversant as I am. I was therefore very happy when you said you would look after this bill and do what was possible to get it passed. I doubt very much that there will be any great opposition to it, except from the usual crackpots. I have asked Mr. Joseph Clark Baldwin of New York to do what he can for it on the Republican side of the House and I hope you will find occasion to mention this to someone on the Democratic side of the House as well.

I cannot emphasize too strongly the great urgency of not losing six months' time in getting our central intelligence agency functioning. There are a lot of holes in our information about the rest of the world that need filling in. This requires first-class men who are not going to be attracted to this sort of work on a temporary basis. In any case, as you know, the government cannot pay salaries that will compete with private industry. The only way that men can be sold on such jobs is through the knowledge that they can serve the United States for a considerable period of time and be of real use to their country. I understand that it is General Vandenberg's hope to attract to the service of the intelligence authority a very high type of civilian personnel, which seems to be well in accord with some of the ideas that you and I talked over the other night. This is a policy which, in my opinion, deserves the support of the people and the Congress of this country.

Mrs. Eliot and I will long remember your kindness in helping us to secure good accommodations on the "Argentina", as well as the delightful evening we spent with you and Mrs. McMahon on Monday last. I hope that your own legislation gets through satisfactorily with the elimination of the unfortunate amendments which the House Committee had to write into it. I will strike another blow in this good cause before I leave the United States.

With all best wishes from both of us to you and your charming wife and daughter and looking forward to seeing you all when we return, I am

Sincerely yours,

George Fielding Eliot

GFE/mb

cc: General Vandenberg

July 18, 1946

Hon. Joseph Clark Baldwin
House of Representatives
Washington, D. C.

Dear Mr. Baldwin:

This is just to recapitulate the situation regarding the National Intelligence Authority which is, as you know, under the direction of Lt. Gen. Hoyt S. Vandenberg, U. S. Army.

This Authority was supposed to be taken care of by Section 202 of S. 2044 - the so-called merger bill, which definitely establishes it as an agency under the supervision of the Council of Common Defense. (In this bill, as it is presently drawn, it is called the Central Intelligence Agency.)

Meanwhile, the Authority is operating under the Executive Order of the President, who has set up to control it a board consisting of the Secretaries of State, War and Navy. It is operated by funds contributed from the budgets of these Departments. It has no budget of its own, and as you can see, it is extremely difficult for the Director to engage and train permanent personnel or to make definite plans for carrying on its work, which, to my mind, is absolutely essential to the security of the United States.

It now appears that S. 2044 has no chance of passage at this session and therefore the Council of Common Defense will not come into being. This will leave the National Intelligence Authority right where it is now, unless enabling legislation is passed by the Congress giving it a legal status and its own budget so that it can get on with its work. To meet this need, it is my understanding that a bill is being prepared in the Executive offices and will be introduced simultaneously in both houses in the hope that it may be passed and become law before this session of Congress ends. I have reason to believe that this bill was in course of preparation when I talked to you about the matter, but I do not know how soon it will be sent up to the "hill".

I am a little anxious about the fate of this legislation because it is a matter in which the Committees on Foreign Affairs, Military Affairs and Naval Affairs might all have a legitimate interest and unless the bill has a watchful friend who is looking after its welfare, it might very well get lost in the

Mr. Baldwin

-2-

July 18, 1944

shuffle at the end of the session and thus leave our national intelligence sadly crippled until next February. I think this would be very close to disastrous in view of the present international situation with which you are, of course, as fully conversant as I am. I was therefore very happy when you said you would look after this bill and do what was possible to get it passed. I doubt very much that there will be any great opposition to it, except from the usual crackpots.

I cannot emphasize too strongly the great urgency of not losing six months' time in getting our central intelligence agency functioning. There are a lot of holes in our information about the rest of the world that need filling in. This requires first-class men who are not going to be attracted to this sort of work on a temporary basis. In any case, as you know, the government cannot pay salaries that will compete with private industry. The only way that men can be sold on such jobs is through the knowledge that they can serve the United States for a considerable period of time and be of real use to their country.

Both Mrs. Eliot and I are very sorry to have to leave the country just at the time when your political fortunes are in the balance, as we should like to stay here and help as far as we could with the fight in the 17th district, but unfortunately, we must go, leaving behind us nothing more tangible than our best wishes for your renomination and re-election. In any case, we will be back in time to vote for you. We are both particularly annoyed at the way the Republican organization is handling its campaign and it would be a pleasure as well as a duty to put a spoke in its wheel. It is, in my judgment, just the sort of thinking that has prevailed among the Republican leaders in New York County that is doing the greatest possible injury to the future of the Party.

All good luck to you and I will look forward to seeing you again sometime in September.

Sincerely yours,

GFE/mb

GEORGE FIELDING ELIOT

NEW YORK POST
52 75 West Street, New York 6, N. Y.

COPY

Whitehall 4-9000

George Fielding Eliot

November 17, 1947

Rear Admiral Roscoe H. Hillenkoetter
Director, Central Intelligence Agency
2430 E Street, NW
Washington, D. C.

Dear Admiral Hillenkoetter:

This is a piece I did the other day in which I think you may possibly be interested.

Best wishes, and I hope to see you when I am **next** in Washington.

Sincerely yours,

/s/ George F. Eliot

GFE/pec

(Note: Incl, Article, New York Post, 11/7/47 "Soviet Propaganda is comes comic; implications are not." retained by Director)

Distribution:

Director

Exec. Reg. - *ang*

~~Central Records~~

D

26 May 1947

Mr. George Fielding Eliot
New York Post
75 West Street
New York 6, N. Y.

Dear Mr. Eliot:

Thank you very much for your kind and thoughtful letter of 21 May. It was very fine of you to send me congratulations, and I appreciate them a whole lot. I hated to leave Paris to come back here, but this is really a very fine job.

I do hope you will let me know when next you come to Washington and will drop in and see me.

With the very best wishes, please believe me,

Sincerely,

s/ RHH Dispatched 26 May 47
R. H. HILLENKOTTER
Rear Admiral, USN

Distribution:

- 1 cc Exec. Reg.
- ✓ 1 cc Director
- 2 cc Central Records

COPY

NEW YORK POST

75 West Street - New York 6, N. Y. - Whitehall 4-9000

May 21, 1947

Rear Admiral R. H. Hallinkoetter, USN
Central Intelligence Group
New War Department Building
Washington, D. C.

Dear Admiral Hallinkoetter:

I have the very great pleasure of sending you double congratulations in the same letter - first on your promotion to Rear Admiral and secondly, on your appointment as director of the Central Intelligence Group - both of which happy occurrences I heard of at the same time. No happier choice could have been made by the powers that be in both cases.

I hope you will find time to let me come and see you when I am next in Washington.

Looking forward to meeting you again and with my very best wishes for success in your new assignment, I am

Sincerely yours,

/s/

George Fielding Eliot

GFE/mb

Distribution:

- 1 cc Director
- 1 cc Exec. Reg.
- 2 cc Central Records

orig " "

25 NOV 1947

Mr. George Fielding Eliot
New York Post
75 West Street
New York 6, New York

Dear Mr. Eliot:

Thank you for the letter enclosing your article in the Post.

Beside being perhaps the first ray of sunshine in these quarters following a somewhat severe hail storm, it was further welcomed for the keen grasp you have taken of some of the anomalies of the situation.

However, despite these ridiculous aspects of this passing storm, I can assure you that we here have taken the whole matter most seriously. I have avoided public rebuttal of the various charges, not only in pursuance of our policy of anonymity, but for fear of compromising both the investigative sources and also the identity, and perhaps future careers, of those few individuals.

Confronted with a total lack of precedent in the exercise of this authority to terminate employment "in the interests of the U. S.", we carefully studied all aspects of the problem before taking any action. I certainly am not so brash as to say we came to a perfect solution, but we have studiously kept improving the procedure as we discovered any weaknesses.

For your off-the-record guidance, I might point out several errors that have crept into some of the press reports. I list them briefly below:

- (1) we did not dismiss these people before the Board hearing but, wishing to keep them out of the shop until the matter was cleared up, we did suspend them on leave without pay. (In future cases we will allow them to go on leave with pay during that period);
- (2) we did allow them to resign voluntarily and without prejudice either before or after the Board hearing and up to the time that I personally gave my final decision to their case (25% of the total who were suspended resigned);

STAT

- (3) the fact that we reinstated fifty per cent of these employees should not be considered an admission of original error. Actually, I believe it proves that the hearings given them were fair and unbiased. In addition, and regardless of the Board's recommendation, I personally studied each case, before giving my decision;
- (4) we have not been conducting a witch hunt, either on our own account or through Congressional pressure. My security officials spent months weeding out these few cases from the many others that had been under some suspicion or had been directly accused as security risks. As an example, of one list of 17 persons which was given me by a certain Congressional Committee, a thorough investigation disclosed that only four could be regarded as possible security risks. Of that four, one was reinstated after the hearings before the Board.

I have mentioned these few points for your own information only and because I know of your interest in and fine support of the Central Intelligence Agency during the past. Our troubles in this whole matter were principally brought about because we were forced to accept the FBIS in toto without the usual close security and personnel screening given all candidates for CIA. The clean-up job is now completed and I feel that the CIA as a whole can be proud that we have the finest and most loyal and enthusiastic body of employees in Government. I certainly wish to keep it that way.

Again, I appreciated your thoughtfulness in writing and your broad view of the problem. Please call me when you come to Washington in order that we may have lunch and a talk.

With best personal regards,

Sincerely,

R. H. HILLENKOTTER
Rear Admiral, U.S.N.
Director of Central Intelligence

I&S - SE/ch

cc: Executive Registry
Director's file
Exec. for I & S

TOP SECRET SECRET CONFIDENTIAL RESTRICTED

CENTRAL INTELLIGENCE GROUP

FROM	OFFICE	TO
	Director of Central Intelligence	
	Deputy Director, CIG	
	Assistant to the Director	
	Secretary, NIA	
	Chief of Operational Services	
	Chief, Central Planning Staff	
	Chief, Central Reports Staff	
	Administrative Officer	
X	<i>Wright</i> <i>Major White</i>	✓

- ACTION DIRECT REPLY
- RECOMMENDATION COMMENT
- SIGNATURE FILE
- INFORMATION NOTE
- RETURN MAIL

PREPARATION OF REPLY

REMARKS:

I would like Capt Cullen to see this before filing Wright

(Signature)

COLONEL WRIGHT

Information. The General has seen this.

Please return for file.
[Signature]