MEMORANDUM FOR GENERAL VANDENBERG

SUBJECT: Comments by F.B.I. on C.I.G. 10

ENVELOPMENT: Letter from Mr. J. Edgar Hoover, dated 25 June

The following comments and recommendations are submitted regarding the designated paragraphs of the enclosed letter:

3rd paragraph: The President's letter of 22 January authorized the N.I.A. to plan, develop and coordinate "all Federal foreign intelligence activities * * * related to the national security." It is therefore proper for the N.I.A. to delegate this authority to the Director of Central Intelligence as set forth in C.I.G. 10. Mr. Hoover's wording would preclude the Director from coordinating any foreign intelligence activities, such as collection, research, analysis and dissemination, conducted in the U. S. or its possessions. For example, research activities of State, War and Navy in Washington would not be subject to the Director's coordination under Mr. Hoover's wording.

Recommendation: That paragraph 3 of C.I.G. 10 remain as written.

4th paragraph: Mr. Hoover's wording makes it clear that C.I.G. espionage and counter-espionage operations will not be conducted within the U. S. or its possessions. This is proper, since paragraph 9 of the President's letter precludes N.I.A. and C.I.G. from making investigations inside the U. S. and its possessions. Moreover, it was intended that C.I.G. clandestine operations be conducted only in foreign countries.

Recommendation: That Mr. Hoover's wording be accepted, with the addition of the word "organised" before "Federal".

5th paragraph: Mr. Hoover is incorrect if he interprets the President's letter to mean that the only relations of N.I.A. with departments other than State, War and Navy are for the furnishing to N.I.A. of intelligence information. As quoted above, the authority of the N.I.A. covers "all Federal foreign intelligence activities * * * related to the national security." It is true, however, that the N.I.A. cannot use personnel of a department other than State, War and Navy without permission of that department.
Recommendations: That the following phrase be added to the sentence in question: "as mutually agreed to by the Director of Central Intelligence and authorized departmental officials."

6th paragraph: Recommend that you concur with the first sentence in this paragraph, but suggest that F.B.I. withdrawal be phased with C.I.O. ability to begin operations in Central and South America, and that the way be left open to use qualified F.B.I. personnel as mutually agreed upon.

"SIGNED"

JAMES S. LAY, JR.
Secretary, N.I.A.

JSL:TH
June 25, 1946

STRICTLY CONFIDENTIAL
BY SPECIAL MESSENGER

Lieutenant General Hoyt S. Vandenberg
Director
Central Intelligence Group
From X
New York Domestic Building
One and Virginia Avenue, N. W.
Washington, D. C.

Dear General Vandenberg:

Reference is made to the memorandum by the Director of Central Intelligence dated June 20, 1946, entitled, "Functions of the Director of Central Intelligence." To this memorandum was attached a proposed directive for the National Intelligence Authority detailing certain additional functions for the Director of Central Intelligence, including undertaking basic research and analysis, conducting all Federal espionage and counterespionage, and the conducting of Federal monitoring of press and propaganda broadcasts of foreign powers.

I desire to indicate my approval of this directive with the exception that the following changes be made in it. These changes are suggested for classification purposes only:

I suggest that Section 3 should read: "In addition to the functions specified in Paragraph 3 of the President's letter, the Director of Central Intelligence is hereby directed to act as the executive agent of this Authority in coordinating and supervising all Federal intelligence activities performed outside the United States and its possessions relating to the national security in accordance with the overall policies and objectives established by this Authority."

It is suggested that Sub A under Section 4 should read: "Conduct all Federal espionage and counterespionage operations outside the United States and its possessions for the collection of foreign intelligence information required for the national security."

It is noted in the "Discussion" which is carried as Appendix "E" to the suggested Directive that the statement is made concerning the need
for one agency to handle world-wide coverage that, "This does not, of course, preclude the use of specialized departmental personnel under rigid central control." It occurs to me that this statement is probably based upon an erroneous interpretation of the President's letter of January 22, 1946. It is my understanding from a reading of this Directive that authority is given to the National Intelligence Authority to call upon the State, War, and Navy Departments to assign from time to time persons and facilities of their respective departments to work under the direction of the Director of Central Intelligence. As for other departments and agencies, the Directive merely calls for the furnishing by these agencies of "such intelligence information relating to the national security as is in their possession."

If this Directive is approved, it would appear to me that there would be no reason why the Federal Bureau of Investigation should not withdraw as rapidly as possible from Central and South America. I would appreciate it very much if you would advise me as to whether or not you censor with this interpretation by me.

With best wishes and kind regards,

Sincerely yours,

"SIGNED"

J. EDGAR HOOVER