

TOP SECRET-ULTRA

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C O P Y

19 February 1946.

MEMORANDUM for Admiral Stone.
Admiral Inglis.
General Vandenberg.
General Corderman.
Captain Wenger.

Declassified and approved for
release by NSA on 04-07-2010
pursuant to E.O. 12958, as
amended. ST56834

Subject: U.S. - British Agreement.

1. As directed by General Vandenberg and Admiral Inglis, I discussed the Agreement and Mr. Hoover's personal and confidential letter with Admiral Leahy this morning for half an hour.

2. Admiral Leahy felt, without knowing much about the details, that the acceptance of Mr. Hoover as a member of STANCIB would seem to him to make sense. He thought that there would be much activity in the next few years along espionage and subversive lines in which Mr. Hoover's close cooperation would benefit the Army and Navy. He said that he now felt that STANCIB had full authority to effect the Agreement without any further reference to him or to the President. He told me that I could advise the members of STANCIB, and the Secretaries if deemed necessary, that, in his opinion, STANCIB had all the authority necessary to go ahead with the Agreement under consideration. He said he felt it was up to STANCIB to work out a satisfactory solution with Mr. Hoover.

3. When I asked if he would approve for the President the first paragraph of the Agreement, regarding authorized representation of STANCIB, he stated that he would not ask the President to make any such blanket authorization without consulting the Secretary of the Treasury, the Attorney General, and perhaps other Cabinet officers who might have CI activities, unbeknownst to us, even though we believe all such other activities had been prohibited by Presidential order. Admiral Leahy said that he felt we could work out an arrangement with Mr. Hoover so that STANCIB could make proper arrangements with the British.

4. The Secretary of the Navy has read Mr. Hoover's letter, and has been advised of Admiral Leahy's comments, as set forth above, and has stated to me his opinion that it seemed to him advisable to include Mr. Hoover in STANCIB, and that he felt STANCIB could now proceed and carry out the Agreement.

Stone
Inglis
Vandenberg
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Wenger

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Subj: U.S. - British Agreement.

5. It should be noted that Admiral Leahy does not wish to authorize, himself, or to commit the President to authorize STANCIB to represent all communication intelligence authorities which function in the United States. He feels that STANCIB should make proper arrangements with the FBI, and work out satisfactory arrangements with the British. Admiral Leahy does not wish to commit the President in this whole matter any further than he is now committed because of the excellent ammunition all such dealings would furnish to the opposition were the facts to be made public at some later period during his tenure of office.

6. It would seem to me that, provided Mr. Hoover accepts membership in STANCIB, the Agreement could then be signed by the senior member--also provided that the Coast Guard unit has been returned to the Treasury with the understanding that they will not engage in a separate effort.

/s/ W. R. SMEDBERG, III