

CONFIDENTIAL

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How it all began:

DONOVAN'S ORIGINAL MARCHING ORDERS

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Two quotations will set the stage for this inquiry into the orders under which Colonel William J. Donovan was set up in business by President Franklin D. Roosevelt as this nation's first chief of intelligence and special operations.

The first quotation comes from Breckinridge Long, Assistant Secretary of State, 1939-1944, a man who figures no more in this paper but who was a close observer of much to be narrated here and who, moreover, kept an interesting diary. As one of three assistant secretaries working under Secretary of State Cordell Hull and Under Secretary Sumner Wells, "Breck" Long administered both the Department of State and the Foreign Service and, as he perhaps understandably complained in his diary, was responsible for 23 of the 42 divisions of the Department. This wide-spread coverage several times brought him in contact with the work of the new Coordinator of Information (COI)—the job FDR officially gave to Donovan on 11 July 1941; and Long was quick to arrive at the following characterization of this New York Irishman, military hero, and Wall Street lawyer:

"Bill Donovan—'Wild Bill' is head of the C.I.O. [sic]—Coordinator of Information. He has been a thorn in the side of a number of the regular agencies of the Government for some time—including the side of the Department of State—and more particularly recently in Welles'. He is into everybody's business—knows no bounds of jurisdiction—tries to fill the shoes of each agency charged with responsibility for a war activity. He has had almost unlimited money and has a regular army at work and agents all over the world. He does many things under the *nom de guerre* of 'Information'."¹

The second quotation gives the other side of the coin, and quite appropriately comes from Donovan himself. With reference to a different matter than the specific one which provoked Long's outburst, and writing not in a diary but to the President, the Colonel, "angry and indignant," denounced the circulation of "the well-worn lie" that he had 90 representatives working in Latin America. He attributed the repetition of this story to an effort to prove that he had "gone into a field which you had not allocated to me." Then Donovan laid it on the line: "You should know me well enough to know that I do adhere strictly to *my orders* and make no attempt to encroach upon the jurisdiction of anyone else." [Italics mine.]²

"My orders" . . . ah, there was the rub! Just what were those orders? That was, in effect, the question that many in Washington, throughout the summer

¹ Breckinridge Long, *The War Diary of Breckinridge Long: Selections from the Years 1939-1944*, ed. Fred L. Israel (Univ. of Nebraska Press, Lincoln, Neb., 1966) p. 257. This passage was written on 10 April 1942; on 20 December 1941 Long had noted (pp. 233-34) that Donovan was hard to "control," and that his organization was "composed largely of inexperienced people" who were also "inexperienced . . . in dealing . . . with . . . confidential information."

² Memorandum from William J. Donovan to President Roosevelt, No. 452, 27 April 1942, Donovan Papers, "Exhibits Illustrating the History of OSS," Vol. II, "The Office of the Coordinator of Information," Tab YY. Hereafter the short title is Donovan Papers, "Exhibits," and this will cover both Vols. I and II.

and fall of 1941, wanted answered definitely. That was, in effect, the question—as will be seen—that prompted the Director of the Bureau of the Budget twice in the first seven months of Donovan's official existence to recommend to the President that COI's area of activity be newly defined. That question, indeed, also caused Donovan himself, three months after taking office, to tell the President that their original decision to put nothing in writing was wrong. That question, in fact, has never really been answered; and it is the purpose of this inquiry to make an attempt to do so.

The answer will be sought in reconstructing three episodes in roughly the first six months of COI's history: (1) Donovan's meeting with the President on 18 June 1941 when FDR gave the go-ahead sign on COI; (2) the drafting of the order which made COI official on 11 July; and (3) the next few months when that order was implemented.

The Roosevelt-Donovan Meeting, 18 June 1941

Contrary to a common misconception, Bill Donovan was not a close friend of the President. They had been at Columbia Law School at the same time but had not known one another. They were from opposite sides of the State of New York: Donovan from Buffalo, and FDR from the Hudson River Valley. They were also from opposite sides of the socio-economic tracks; Donovan was an Irish Catholic, the grandson of immigrants, the son of a railroad yards superintendent, while FDR, the squire of Hyde Park, was a WASP before the acronym was common coin. Also, and more importantly perhaps, they were from opposite sides of the political fence; Donovan was as much a life-long Republican as FDR was Mr. Democrat. Their paths had only occasionally crossed as when, for example, Donovan unsuccessfully ran for the governorship of New York when Roosevelt was elected President in 1932. It was not, then, until 1940 that Donovan, in his fifty-seventh year, and FDR, one year older, were brought together on the same side of the tracks.

What accomplished this was Adolf Hitler and the European War he launched in September 1939. There is no need here to do more than state the common revulsion and alarm felt by both men at the prospect of Nazi hegemony in Europe and abroad. Donovan, probably because he was a private citizen, was way out ahead of the President, however, in urging all-out aid to Britain as an essential element in the defense of the Western Hemisphere. Because of this attitude, because of his prominence in Republican and national affairs, because of his recent travels in Germany, Ethiopia, and Spain, and probably on the recommendation of his good friend, the new Secretary of the Navy, Frank Knox, Colonel Donovan was sent by President Roosevelt to England in the summer of 1940 to report on Britain's chances against the expected Nazi assault. Six months later the President again sent him abroad, this time on a three-months tour of Britain, the Balkans, the Middle East, Spain, and Ireland.³

After both trips, Donovan, the President's representative who talked day after day with heads of state and their chief advisors, reported to the President—at least on 9 August 1940 and 19 March 1941. There are no good records of these conversations, but it is safe to say that Donovan, whose mind ranged over

³ See this writer's "COI and British Intelligence: An Essay on Origins," (CIA, 1970), esp. Chs. II and III. Hereafter referred to as "COI."

every aspect of the war in Europe, particularly singled out for the President's attention the whole range of unconventional warfare activities that had been brought to the fore by the Fifth Column and British counter-measures. He must have given Roosevelt some idea, however brief, of his thinking on a new agency to handle "white" and "black" propaganda, sabotage and guerrilla warfare, special intelligence, and strategic planning.⁴

Donovan Proposes "Service of Strategic Information"

Eventually, probably late in May of 1941, Donovan was asked by the President to put his proposal in writing, and this he did in a "Memorandum of Establishment of Service of Strategic Information," dated 10 June 1941. The document, which of course is fundamental in the long line of papers outlining the COI-OSS-CIA objectives and tasks, is as interesting for what it does not say as for what it does say. Since it was soon, on 18 June, to receive the Presidential stamp of approval, it is well here to take a close look at it.⁵ (Appendix A)

In a few words—934—Donovan laid out his argument, proceeding from general to particular, for a "Service of Strategic Information." The basic proposition was the interrelationship of strategy and information: without the latter, strategy was helpless; and unless directed to strategy, information was useless. The second proposition measured the information required in terms of total war—"the commitment of all resources of a nation, moral as well as material"—and Donovan particularly stressed the dependence of modern war on "the economic base." The third proposition was the flat assertion that despite the activity of the Army and Navy intelligence units, the country did not have an "effective service" for developing that "accurate, comprehensive, long-range information without which no strategic board can plan for the future." The conclusion was the essentiality of "a central enemy intelligence organization which would itself collect either directly or through existing departments of government, at home and abroad, pertinent information" on the total resources and intentions of the enemy.

As an example, he cited the economic field where there were many weapons that could be used against the enemy. These weapons were so scattered throughout the bureaucracy, however, that they could not be effectively utilized in the waging of economic warfare unless all departments of the government had the same information. This brief passage will appear more important, in this inquiry into Donovan's marching orders, when we touch upon the difficulty that Donovan was soon to have with the Economic Defense Board, which considered economic warfare its bailiwick.

Another brief—and apparently deliberately vague—passage is the one dealing with radio as "the most powerful weapon" in "the psychological attack against the moral and spiritual defenses of a nation." Certainly Donovan was one of the first fully to appreciate the significance of the Nazi use of the radio as an element of "modern warfare." In this memorandum, however, he contented himself with boldly stating that the perfection of radio as a weapon required planning, and planning required information, which could then lead to

⁴ *Ibid.*, Chs. IV and VIII.

⁵ Donovan Papers, "Exhibits," Vol. I, Tab B.

action by appropriate agencies. There was no felt need to spell out the role of radio in psychological warfare and clandestine communications.

In terms of secret activities, the most revealing part of this Memorandum is not the text but the organizational chart accompanying it. Where one would expect frankness, he gets obscurity, and vice versa. Hence, the coordination of information—the main subject of the paper—is entrusted to directors of “Collection and Distribution” and of “Classification and Interpretation”; and the radio weapon is the province of the “Director of Supplementary Activities”; whereas the chart shows what the text nowhere mentions, namely, the two directors of “Mail, Radio, Cable Interception (Censorship)” and of “Codes and Cyphers.” Only the “Director of Economic Warfare Material” accurately reflects its textual counterpart.

Presumably Donovan sent this Memorandum to the President on or shortly after 10 June. At least on the next day FDR told Grace Tully that he wanted to see Ben Cohen, old friend, adviser, and legal draftsman, before he returned to his London post and “also Bill Donovan.”⁶ Presumably again, at least in the light of subsequent events, the President wanted to see both men on the same matter. On 13 June, Donovan told Secretary of the Treasury Henry Morgenthau, Jr., who wanted Donovan to take the full-time job of running the Treasury’s Bond Drive in New York State, that he first wanted to tell the Secretary “something about the President.”⁷ Again, on the 17th Donovan told the importunate Secretary that he was in Washington “today because I’m supposed to have a date this morning . . .” to which the Secretary interjected the knowing “uh uh” and Donovan replied with “That’s the reason you haven’t heard from me.”⁸ Actually, it was not until 12:30 the next day that Donovan and Cohen, accompanied by Secretary of the Navy Knox, met with the President.⁹

What went on in that meeting? Unfortunately, there is no nice transcript of the proceedings; nor is there any indication as to how long or detailed and orderly the proceedings were. Indeed, given the reputation of meetings with the President, there could have been a good deal of what Robert Sherwood called “wildly irrelevant” talk.¹⁰ Still, there are four accounts within the first two days of the meeting, and these show that all went well for the Colonel’s plan and provide us with basic information on just what the President and Donovan agreed the latter was to do.

President Roosevelt Agrees

Surely the most important is the note which the President dashed off on the cover sheet of the Memorandum and addressed to “J. B. Jr.,” who was John Blandford, Jr., the Acting Director of the Bureau of the Budget: “Please set this up *confidentially* with Ben Cohen—military—not O.E.M.” It was initialed

⁶ Memorandum from Roberta Barrows to Gen. Watson, 11 June 1941, Franklin D. Roosevelt Papers (Franklin D. Roosevelt Library, Hyde Park, N.Y.) PPF 6558 (William J. Donovan).

⁷ Transcribed telephone conversation between Morgenthau and Graves, 13 June 1941, Henry J. Morgenthau, Jr., Diary (Roosevelt Library), Book 408, p. 4 (CLOSED).

⁸ Telcon between Morgenthau and Donovan, *ibid.*, Book 408, pp. 151-52.

⁹ *Composite Presidential Diary*, Roosevelt Papers.

¹⁰ Robert E. Sherwood, *Roosevelt and Hopkins: An Intimate History* (Harper, New York, 1950, p. 265).

"FDR."¹¹ (Fig. 1.) Thus, the President underwrote Donovan's 934 words and the chart; and then he added that the new Service was to have a military flavor and was not to be part of the Office of Emergency Management, which had been set up a year earlier as a framework for running the numerous new war agencies.

The next two accounts come from Donovan, the first directly, and the second indirectly. On the 20th, Donovan called Secretary Morgenthau in order to establish liaison with the Treasury's intelligence department and prefaced his request with this awkwardly worded explanation: "I just wanted to tell you myself that along the lines that you and I talked, the President accepted in totem (sic) . . ." ¹² We shall see as we go along that Donovan was firmly convinced that he and FDR had agreed on many things that were not explicitly put forth in the original Memorandum.

Even before this conversation with Morgenthau, indeed, some time on the 18th itself, Donovan had given a more substantive briefing on the day's proceedings to a very interested observer. This was William S. Stephenson, a Canadian who was serving in the United States as His Majesty's Director of British Security Coordination (BSC); actually he was the head of British intelligence in this country. Moreover, he had played a major role in persuading Donovan to recommend and take on the job of running America's first foreign intelligence establishment. Donovan, with a Presidential mandate in his pocket, so preoccupied as to forget to call the impatient Morgenthau, and hustling off to New York on a 3:30 flight, nevertheless found time to talk with Stephenson, who that night cabled London: "Donovan saw President today and after long discussion wherein all points were agreed, he accepted appointment. He will be coordinator of all forms [of] intelligence including offensive operations equivalent SO-2 [sabotage]. He will hold rank of Major General and will be responsible only to the President." Here at last is a direct statement of Donovan's function as an intelligence chief; what is meant by "all forms [of] intelligence" must be gathered from Stephenson's own organization, which he had in mind in his dealings with Donovan, and BSC was responsible for "secret" intelligence, counterintelligence, propaganda, and "special operations." Here also is the first reference to Donovan as Major General, a promotion which, as we shall see, the military managed to forestall.¹³

The last fresh account comes indirectly and largely from Ben Cohen, but it also reflects John Blandford's understanding of what the President wanted done. Cohen had been directed, on the 18th, to work with the acting director of the Bureau of the Budget, who, in turn, was personally directed on the morning of the 19th to work with Cohen. Consequently, later that morning Cohen met with Blandford and two of the latter's subordinates, Donald C. Stone and Bernard L. Gladioux. It was Gladioux who summarized the conference.¹⁴

Three paragraphs are particularly worth quoting, because they shed additional light on what the President had discussed with Donovan. The first raises

¹¹ Records of OSS, Bureau of the Budget, Box 23, Folder 211. These records referred to hereafter as BOB Records.

¹² Telcon between Morgenthau and Donovan, Morgenthau Diary, Book 411, pp. 67-71.

¹³ "COI," Ch. VIII.

¹⁴ Memorandum of "Conference with Ben Cohen on Strategic Information." BOB Records, Folder 210.

6/10/41

J. B. J.

Please set this
 up confidentially
 with Gen. Cohen -
 Military - not
 C. S. J.

J. B. J.

Fig. 1 Roosevelt's Covering Note.

a subject which may surprise the modern reader, who is accustomed to CIA's absorption in *foreign* activities:

"Cohen has tried to keep the [domestic] morale function separate from strategic information. However, the President has apparently been struck by the thought that Donovan might take the morale job on temporarily or at least for exploratory purposes. He will cooperate with La Guardia on the morale and propaganda aspects. At least we do not need to take La Guardia and his activities into account in setting up this service."

This, of course, is not the place to tell the story of the establishment of the Office of Civil Defense, and of the appointment and activity of New York's Mayor Fiorello La Guardia as that Office's first Director. Suffice it to say that "the morale function" and civilian defense had long been bruited about in the upper echelons of the government as needs that the President had been slow in satisfying. Donovan, along with others, had been considered for the job, although he may or may not have known it. Even so, Donovan apparently took quite readily to the idea of responsibility for domestic morale, inasmuch as his concept of what needed to be done was not, at least at this time, divided into the foreign and domestic fields. This was total war, and there had to be unity in the response. Hence, his memorandum of 10 June had spoken of his proposed "central enemy intelligence organization" collecting information directly or indirectly through other government departments "at home and abroad"; and, as will be seen, he had the same unified approach to the subject of economic defense information.

Conflict with New Economic Agency

This can be seen, albeit dimly, in the next two paragraphs from Gladieux; these raise the question of the relationship between COI and a new agency to handle economic defense, which, like civilian defense, had long been agitating some of the President's advisors. Wrote Gladieux:

We were particularly concerned about the relationship of this new agency to the Office of Economic Defense, since so much of the strategic information required will relate to economic defense problems . . . Cohen believes that there is nothing here to interfere with the setting up of the economic defense agency. He believes, however, that the Office of Economic Defense would get much of its information from this service.

Even so, Cohen was worried; in the next paragraph: "Cohen agrees that it would be unfortunate if this proposal were to preclude the establishment of the Office of Economic Defense, and thinks that the present Economic Defense Order should be approved." It was; six weeks later, on 30 July, the President signed the order establishing the Economic Defense Board (EDB); and what kind of functions were given this organization whose future was at one time put in doubt by the appearance of Donovan's COI? The list is impressive, if one thinks of them as somehow subsumed under the umbrella of the Coordinator of Information: advise the President on economic defense measures; coordinate the government's activities in this field; develop integrated plans and programs for coordinated action by the agencies of government; advise the President on the relationship of economic defense measures to *postwar economic reconstruction*; and review and recommend economic defense legislation! As late as the day FDR signed the EDB order, Gladieux was reporting that Vice President

Wallace, who was to head the Board, wanted to know how Donovan's plans for "extensive economic defense activities" squared with EDB's charter.¹⁵

In conclusion, then, our earliest accounts of FDR's meeting with Donovan on 18 June show the President endorsing the appointment of a "Coordinator of Strategic Information" with a vaguely-worded mandate to coordinate information, do something with radio, carry on all forms of intelligence including sabotage, have something to do with domestic propaganda, and to be somehow involved in economic defense matters. This vagueness of function did not bedevil the drafters of the COI charter, simply because the President and Donovan had apparently agreed to put precious little in writing. How little was put in writing we will see when we review the drafting of the order.

The Drafting Stage: 19 June - 3 July 1941

The business was in the hands of Cohen and the men from the Budget Bureau—Blandford, Stone, and Gladieux—and was coordinated chiefly, if not solely, with the military, especially the Army, and of course with Donovan himself. The process of drafting lasted from 19 June to 3 July when the drafters' handiwork was forwarded to the President for approval and signature. It would be most useful if the surviving documents showed clearly all the changes that were made and by whom they were made; as it is, the record, while instructive, is incomplete.

The process began with a "Brief Outline of a Service of Strategic Information Based on Memorandum Submitted by Colonel Donovan."¹⁶ There is no need to recapitulate this, except for one point, because it is basically a re-organization of Donovan's paper in terms of an order to be signed by the President and also because all the items will show up more clearly as the drafting process is reviewed. The one exceptional point is the relatively lengthy gloss on the six units which, according to Donovan's chart, were to be set up in COI. This gloss adds a few words which must have emanated from the Roosevelt-Donovan meeting. Mail, radio, and cable interception required a special unit "because of the need of especially close and immediate cooperation with the radio and postal authorities"; and the "specialized character" of codes and cyphers also required a special unit. So also with "A Unit of Economic Warfare Materials" which was being set up to provide all agencies concerned with such warfare "the widest and most comprehensive range of informational materials"; it was pointed out that the Coordinator would not coordinate such activities, "but his work should greatly facilitate such coordination." The supplementary activities unit would handle activities "not now being covered by any service or department"; and these activities "would probably involve principally activities in foreign countries calculated to assist friendly elements and to retard and undermine hostile elements. Such activities necessarily would have to be conducted along unorthodox lines, but with the greatest possible circumspection."

Perhaps the most interesting aspect of this review of the six units is that no mention of the business of intercepting communications, of codes and cyphers, of economic warfare, or of the delicate nature of special operations will appear

¹⁵ "Memorandum for the President," 30 July 1941. See Note 38, *infra*.

¹⁶ BOB Records, Folder 210. While undated and unsigned, the document clearly originated at the time mentioned.

in the writing and re-writing of the Presidential order. We cannot go on to that work without first calling attention to the pious hope with which it ended: "The work of the Service should not require an unusually large staff. . ."

Actual drafting began with two drafts, testing whether the final order should be an Executive Order establishing the agency in the Executive Office of the President, or a Military Order designating Col. Donovan to perform certain functions. The former established a "Strategic Information Service" in the President's Office, based the order on the President's authority as derived from the Constitution and the statutes of the United States, and did not specifically mention Donovan. According to the Military Order, "Colonel William J. Donovan" was "hereby designated as Coordinator of Strategic Information," and this was done by virtue of FDR's position as President and Commander-in-Chief. Under both orders, Donovan had the same three functions: (1) to collect, review, and analyze information bearing on "national defense strategy"; (2) to interpret and correlate such "strategic" data and to make it available to the President and other agencies of the government; and (3) to carry out, when requested by the President, "such supplementary activities as may facilitate the securing of strategic information not now available to the Government." Incidentally, these "supplementary activities," about which there was no argument, referred to the open collection or purchase through agents of information to be used in conducting a psychological counteroffensive, and to subversion and sabotage to be carried out in wartime against the Axis military, political, and industrial machine; the term did *not* refer to a worldwide secret intelligence service, which, as a matter of fact, Donovan did not undertake to establish until so requested by the Army and Navy in September 1941. Finally, both orders provided that other agencies would make available the data required by the Coordinator, and that the Coordinator could appoint such advisory committees as he thought necessary.

In following these preliminary drafts through to the final paper, it may help the reader to single out beforehand the recurring problems as well as the "nonproblems." In this last category, the provisions for ensuring access to data and the appointment of advisory committees caused no problems; this is also largely true of the three functions except as their description was tailored to ease a concern of the Army's. What did bother people were: the type of order, the name of the new service, the kind of reference to Donovan—his name, title, his status as civilian or military—and the relationship to the military services.

While it now is anybody's guess, it appears that Blandford and his associates made a choice as between the two orders and then submitted that choice, a Military Order, to Ben Cohen on the 23rd. (Fig. 2) On that day Blandford and Cohen revised the document, and on the 24th Blandford sent his co-worker several clean copies of the revision.¹⁷ The chief, and perhaps only substantive, revision may have appeared to them as half style and half the necessity of establishing the military character of Donovan's position. Instead of starting out with "Colonel William J. Donovan is hereby designated as Coordinator of Strategic Information," the revision began, after the preamble, with "There is hereby established the position of Coordinator. . .," and was then ended with this brand new line: "William J. Donovan, United States Army, is hereby designated as Coordinator of Strategic Information." The military, however, were soon to

¹⁷ Memorandum from Blandford to Cohen, 24 June 1941, *ibid.*

6-23-41

Master for James ...
6-24-41

MILITARY ORDER

DESIGNATING A COORDINATOR OF STRATEGIC INFORMATION

By virtue of the authority vested in me as President of the United States and as Commander in Chief of the Army and Navy of the United States, it is ordered as follows:

1. ~~There is hereby established the position of~~

Coordinator of Strategic Information, with authority to collect and analyze information and ^{military or otherwise} data, which may bear upon national defense strategy; to interpret and correlate such strategic information and data, and to make it available to the President and to such other officials as the President may determine; and to carry out, when requested by the President, such supplementary activities as may facilitate the securing of strategic information not now available to the Government.

#4 The Coordinator of Strategic Information shall perform these duties and responsibilities, which ^{include those} ~~are essential~~ ~~character~~ of a military character, under the direction and supervision of the President as Commander in Chief of the Army and Navy of the United States.

2. The several departments and agencies of the Government shall make available to the Coordinator of Strategic Information such information and data relating to national defense strategy as the Coordinator, with the approval of the President, may from time to time request.

3. The Coordinator of Strategic Information may appoint such committees, consisting of appropriate representatives of the various departments and agencies of the Government, as he may deem necessary to assist him in the performance of his functions.

4.
THE WHITE HOUSE,
June , 1941.

Fig. 2. Budget Bureau's Draft Order.

knock out the "United States Army," as well as other military aspects of the Order. Indeed, the Army was to strip it of any military character.

To see how that happened, we must turn our attention away from the draftsmen to Colonel Donovan and some of the top people in the Army and Navy. On Friday, the 20th of June, Secretary of the Navy Knox informed Henry L. Stimson, the Secretary of War, that the President was "going to appoint Donovan as coordinator of all military, naval, and other intelligence," and that he, Knox, favored it. Stimson, an old friend of Donovan's, a person who enjoyed discussing the military strategy of the current war with him, noted in his diary that "I told him [Knox] that I was inclined to favor it because I trusted Donovan."¹⁸ Two days later, on a Sunday afternoon, Donovan talked with Stimson about what the latter described as Donovan's coming appointment as "Coordinator of Intelligence." They talked for two hours; Donovan explained his plan; Stimson read "his analysis of what he intended to do," and noted that "I think there is a good chance of very useful service." Stimson further observed that he was "particularly glad that the President has landed on a man for whom I have such respect and confidence as Donovan, and with whom I think we can work so satisfactorily in respect to our own intelligence branches in the Army and Navy."¹⁹ Trouble and doubt, however, lay just ahead—two days, in fact.

Marshall Objects

On 24 June, Stimson had an early conference with his Chief of Staff, General George C. Marshall, who then told him "about a subject which has evidently been worrying him very much and making him extremely angry." That, of course, was Donovan's appointment as "Coordinator for Intelligence." Here it must be interjected that for three months there had been considerable talk within the services, the FBI, State, and other agencies that Donovan was pushing such a project, and there was unanimity among the concerned agencies that such an eventuality ought to be sabotaged. It is, in fact, interesting to note that FDR, in making his decision to set up Donovan as COI, did not consult any of the interested parties, with the possible exception of Donovan's friend at court, Secretary of Navy Knox. Hence, when Marshall is described as having been "worrying very much," it is reasonably safe to assume that he had long been familiar with the rumors circulating in the corridors and that the announcement of the fact simply brought things to the proverbial head. Be that as it may, Stimson tried to re-assure Marshall that "the project did not seem to be so bad." He chewed the matter over in his diary:

But it has come to Marshall evidently in the wrong end to, and he saw behind it an effort to supplant his responsibilities and duties in direct connection with the Commander-in-Chief. There is certainly a danger in this proposition in case both men are not tactful and fair to each other but I think it probably can be avoided—those risks I mean—and certainly the proposition of checking up the Intelligence which we get from our military G-2 and Navy Information Service [sic] ought to be accomplished. I mean there are many economics and other bits of information through the world which would bear directly upon the military intelligence and its accuracy which comes to us. I afterwards had a talk with Knox about it. He of course is a

¹⁸ Henry L. Stimson Diary (Yale University, New Haven, Conn.), Vol. 34, entry for 20 June 1941.

¹⁹ *Ibid.*, 22 June 1941.

close friend of Donovan and he is very hot for the project and thinks that it is all wrong to be suspicious of it.²⁰

Marshall must have gotten his point across, as is shown by the following quotation from Stimson's diary for 25 June; it is a long one, but the reader will surely find it interesting:

Either this morning or yesterday Marshall came in to voice his objections to the Donovan proposition and they were very vigorous—relating to the danger of giving to any other military man than the regular channels access to the President with military information. I had been thinking of the matter myself and had come to the conclusion that, although the purpose of getting a collection of economic, political, and other information available to check off against our present G-2 information was a very laudable and fruitful project, yet this plan of Donovan's may be not the right way to do it. So, when a little later Benjamin V. Cohen came in to see me at the suggestion of the President with a draft Executive Order for my examination and criticism, I looked at it with care and worked the thing out in my own mind, with the result that I finally told Cohen that I thought it was such bad planning from the standpoint of military administration that I should not favor it unless Donovan was kept in a purely civilian capacity; that I disapproved wholly of having him made a Major General simultaneously with this assumption of this position of Coordinator of Information. The proposed draft was full of language treating the function as if it were a military one. I told Cohen that this plainly resulted in giving the President two Chiefs of Staff; one, the regular one and one, an irregular one, because no military man could go to the President with military information without giving at the same time some views in the nature of advice based upon that information. I told Cohen that I thought the thing might be worked out if the Coordinator were kept purely as a civilian. I told him also that I was a friend of Donovan's and that I sympathized with his ultimate ambition to get into the fighting if fighting came and that I would have no objection to recommending him at that time as a Major General; but that I was wholly against combining in his person the function of being a Major General and being a Coordinator of Information.

Cohen seemed to realize the strength of my argument and said he would go over it and take the military phrases out. I suggested particularly that they should also add a phrase to the effect in substance that nothing in the duties and responsibilities of the Coordinator of Information should in any way interfere with or impair the duties and responsibilities of the regular military and naval advisers to the President as Commander in Chief of the Army and Navy.

Later in the morning I called up Knox who had been very warmly seconding this project to put Donovan into this position and I told him of my views on the subject as thus expressed. Knox, who had been quite rampant on the subject in favor of immediate action on behalf of Donovan saw my point and cooled down.²¹

The Navy Secretary may have "cooled down," but he did not remain quiet. The same day that he talked with Stimson—whether before or after is not known—he asked the President to send a letter to Secretaries Hull, Morgenthau, and Stimson and to Attorney-General Jackson "outlining just what the Coordinator of Strategic Information will do." He explained that all those regular departments "have their hackles up over the danger that somebody is going to take something away from them." He also indicated that he had "already encountered some misunderstandings in the Navy Department over the premature publicity given out concerning Bill Donovan's new job." Nor was he "able to completely convince the Navy people that the major project" the President had in mind "was one of coordination, analysis and digestion of information

²⁰ *Ibid.*, 24 June 1941.

²¹ *Ibid.*, 25 June 1941.

procured from various Departments." Finally, he expressed the thought that the letter he proposed would "make it a good deal easier for Bill when he gets on the job."²²

Three days later, FDR asked Harold D. Smith, the Director of the Budget, "to do the necessary for my signature."²³ But before pursuing that matter let us return to Ben Cohen as he left Stimson and went back to his office and the Budget Bureau to revise the military order to make Marshall and Stimson less unhappy with its character and provisions. (Figs. 3A, 3B.)

Ben Cohen's Revisions

First of all, it remained a Military Order, but eleven times Cohen struck the word "strategic" from the document, and replaced it, depending on the context, by "defense" or "national security." This changed Donovan's title to "Coordinator of Defense Information" and related his activity to "national security" rather than the "hard" subject of military strategy. He did retain the line that the Coordinator "shall perform his duties and responsibilities, which include those of a military character, under the direction and supervision of the President as Commander in Chief of the Army and Navy of the United States," but he added the sentence requested by Stimson, namely, that nothing in those duties would in any way interfere with "the duties and responsibilities of the regular military and naval advisers of the President as Commander in Chief. . ." As we shall see, only this last sentence actually survived.

The Budget Bureau cleaned up the paper, and on the 27th returned a copy to Cohen and sent other copies to both Stimson and Knox. In the letters to the Secretaries, Blandford said he understood that the drafts were to be used "as a basis of discussion with your associates . . . over the week end." He hoped that the order could be put in final form for the President when he returned from Hyde Park early the next week. He was, however, to be disappointed.²⁴

For almost a week, Secretary Stimson, General Marshall, and Assistant Secretary of War John J. McCloy continued to chew over the subject. On Monday, the 30th, when FDR returned to Washington, Stimson was noting in his diary that the Donovan business was "a troublesome matter even with the best of luck. I am afraid of it." That evening he told the President on the telephone that he had decided "it would be a great mistake" to set up the COI with Donovan as a military man. As a civilian, yes, but Stimson asked the President to do nothing about it until they had a chance to discuss it.²⁵

The next morning Stimson had a long talk with Marshall again—at least the third, possibly the fourth—and his brief account leaves us with unsatisfied curiosity. He said he explained to the General "how important it was for his own—Marshall's—sake that there should not be a sharp issue made on this."²⁶ May one not conclude that Marshall continued to express Army opposition to the very existence of COI? Certainly he remained very hostile to the idea.

Stimson spent "a good deal of the morning and afternoon" of the next day, 2 July, talking over the matter with both the General and Assistant Secretary

²² Knox to Roosevelt, 25 June 1941, Roosevelt Papers, OF 4485(OSS) Box 1.

²³ Roosevelt to Smith, 28 June 1941, *ibid.*, PPF 6558 (William J. Donovan).

²⁴ Smith to Stimson, 27 June 1941, BOB Records, Folder 210.

²⁵ Stimson Diary, Vol. 34, 30 June 1941.

²⁶ *Ibid.*, 1 July 1941.

6-24-41

Knopf & Johnson

Master for 6/27/41

MILITARY ORDER

Defense

DESIGNATING A COORDINATOR OF STRATEGIC INFORMATION

By virtue of the authority vested in me as President of the United States and as Commander in Chief of the Army and Navy of the United States, it is ordered as follows:

June 1, 1941

1. There is hereby established the position of Coordinator of ^{*Defense*} strategic information, with authority to collect and analyze information and data, military or otherwise, which may bear upon national ~~defense strategy~~ ^{*Security*}; to interpret and correlate such strategic information and data, and to make ~~it~~ ^{*such information and data*} available to the President and to such other officials as the President may determine; and to carry out, when requested by the President, such supplementary activities as may facilitate the securing of ~~strategic information~~ ^{*important for national security*} not now available to the Government.

2. The several departments and agencies of the Government shall make available to the Coordinator of ^{*Defense*} Strategic Information such information and data relating to national ~~defense strategy~~ ^{*Security*} as the Coordinator, with the approval of the President, may from time to time request.

3. The Coordinator of ^{*Defense*} Strategic Information may appoint such committees, consisting of appropriate representatives of the various departments and agencies of the Government, as he may deem necessary to assist him in the performance of his functions.

Fig. 3A. Ben Cohen's Revisions.