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HON. JAMES FORRESTAL
Secretary of the Navy

on
UNIFICATION OF THE WAR AND NAVY DEPARTMENTS AND
POSTWAR ORGANIZATION FOR NATIONAL SECURITY

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Military intelligence is the product of collecting, analyzing, evaluating, and synthesizing information. Complete, up-to-date, and accurate intelligence, properly analyzed, and made available in usable form, is an essential factor in the effective conduct of the foreign and military policies of the United States, which in turn support our basic national policies. Such intelligence has always been of great importance. With our increased international responsibilities in the postwar world, and the developments, present and prospective, in the field of new weapons, intelligence has become a matter of vital national interest. This fact is recognized in the current recommendations of the Joint Chiefs of Staff for an improved intelligence organization, involving a centralized intelligence agency.

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Collection of essential information is accomplished overtly, sometimes on an exchange basis with friendly powers, or by clandestine means. Attaches, observers, research experts, and secret agents, as well as the press, representatives of commercial firms, and agencies of the civilian departments of the Government provide the required flow of information. The needs of the planning and operating agencies determine the scope of this activity.

Analysis, evaluation, and synthesis are the functions of highly skilled personnel, specialists in military, scientific, technical, industrial, political, economic, and topographic matters, who, through training and experience, are competent to determine the significance or import of information, process it, and present it in the manner required.

Dissemination of the end product, intelligence, is a matter of providing policy makers, planners, and commanders with the intelligence they need, when they need it, and in a usable form.

In peacetime, intelligence with respect to the resources, capabilities, and intentions of foreign powers is of vital importance. Adequate planning requires, also, the maintenance of accurate topographic, hydrographic, and meteorologic intelligence pertaining to possible theaters of operations, and obtainable by routine methods only in the time of peace.

In immediate prewar and wartime periods, there arises an additional need for intelligence of the strength, composition, disposition, and movements of enemy forces and the strategical and technical plans of their commanders. At such times, the ordinary methods of obtaining intelligence within enemy or potentially enemy countries, such as foreign-service officers, attaches, and the press, either cease to exist or are no longer effective.

Intelligence of the espionage systems of all foreign powers is a continuing necessity.

ORGANIZATION AND HANDLING OF INTELLIGENCE IN THE UNITED STATES,
1920-40

During the period 1920-40 the War and Navy Departments, insofar as their intelligence agencies were concerned, tended to operate in separate compartments, with limited exchange of information except insofar as routine military and naval attache reports were concerned. There was little liaison except in joint planning agencies and, on a high level, in the Joint Board. At the operating level there was no joint intelligence activity, no integration of intelligence, and no routine liaison with the State Department. Available funds were grossly inadequate and there was considerable duplication of effort, particularly in the offices of military and naval attaches. Few intelligence agents were employed and some of them were of mediocre ability. Evaluation was largely in the hands of officers untrained in intelligence technique.

An Executive order of June 26, 1939, directed that the investigation of all espionage, counterespionage, and sabotage matters within the United States be controlled and handled by the Federal Bureau of Investigation, the Military Intelligence Service, and the Office of Naval Intelligence. It was not until late in 1939 that espionage and sabotage in peacetime were made punishable under Federal statutes. The Federal Bureau of Investigation immediately undertook the task of training its agents in these newly opened fields, but it was unable to reach an effective status until the latter part of 1940.

BRITISH SYSTEM FOR HANDLING INTELLIGENCE

Faced with the bitter and inescapable tasks of war operations in which the homeland was an active theater, the British developed an organization in which intelligence was separated from security and police operations, but

facilities for the exchange of significant information were maintained.

The British Secret Intelligence Agency serves all government divisions. It draws on all military and civilian agencies for personnel having special knowledge and aptitudes.

Intelligence agencies of the War Office, Admiralty, Air Ministry, Foreign Office, and other governmental divisions process basic information to meet the peculiar needs of their parent services.

Over-all strategic surveys are prepared and published by an Inter-Service Topographical Department.

The British Security Service consolidates security interrogation, investigations, and controls over resident, travelers and merchant seamen, war plants security, and all other security measures outside of strictly army, navy, or air force jurisdiction. It cooperates closely with the British Secret Intelligence Agency and the several service intelligence agents.

Police work, in cases involving intelligence activity, is performed by Scotland Yard only upon request of one of the intelligence agencies.

It always has been British policy to supply its intelligence agencies with ample funds. In the prewar period the amounts available to them exceeded by many times the appropriations which were made available ^{to} corresponding United States agencies.

WARTIME DEVELOPMENT IN THE UNITED STATES

Following the declaration of the national emergency in September 1940, and prior to the attack at Pearl Harbor, the Army and Navy Intelligence services received increased funds and accelerated their activities, but lack of trained personnel, incomplete coordination, and absence of facilities

for the conduct of secret intelligence operations abroad persisted as obstacles to effectiveness. The impact of war drove home to the War and Navy Departments the fact that neither service had an adequate intelligence service.

Necessity forced upon the several departments concerned the establishment and maintenance of close and continuous liaison with the Department of State and with intelligence and counterintelligence agencies of other departments, with the result that subversive and sabotage activities were held to an astonishing minimum.

The first step toward coordinating intelligence efforts was taken in July 1941, when the Office of Coordinator of Information, established by Presidential order, was authorized to collect and analyze all information and data bearing upon national security, to correlate such information and data, and to make it available to the President and to such departments and officials of the Government as the President might determine. One year later the Office of Coordinator of Information was designated the Office of Strategic Services and placed under the jurisdiction of the Joint Chiefs of Staff.

The functions of the Office of Strategic Services were to collect and analyze such strategic information as might be required by the Joint Chiefs of Staff for military operations and planning, and to conduct special operations not assigned to other Government agencies, including counterintelligence and sabotage activities in foreign countries outside the Western Hemisphere. Appropriations of the Office of Strategic Services exceeded by many times any previous allotments for intelligence purposes and large numbers of officers and enlisted personnel were furnished to it by the Army and the Navy.

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Following the establishment of the Joint Chiefs of Staff, demands of the Joint Staff Planners for coordinated intelligence upon which to base plans for combined sea, land, and air operations necessitated the formation of a Joint Intelligence Committee as an agency of the Joint Chiefs of Staff. This committee, composed of representatives of the Office of Naval Intelligence, Military Intelligence Service, Assistant Chief of Air Staff (Intelligence), Department of State, Office of Strategic Services, and the Foreign Economic Administration, synthesized intelligence received from all sources for the use of the Joint Staff Planners and the Joint Chiefs of Staff, furthered joint intelligence activities, and was helpful in resolving difficulties arising from the uncoordinated efforts of the agencies represented by its members.

The Joint Intelligence Committee has carried on much of its work through the following subcommittees:

- (a) Technical Industrial Intelligence Committee which coordinates requests for industrial intelligence from United States Government agencies.
- (b) Joint Subcommittee on Technical Information which advises on the release of technical information to foreign powers;
- (c) Joint Topographical Subcommittee which assists in matters of topographical studies, maps, and charts;
- (d) Joint Intelligence Study Publishing Board which edits and publishes Joint Army-Navy Intelligence Studies;
- (e) Intelligence Archives Section which maintains central files of incoming intelligence reports and documents pertaining to captured German equipment and industrial processes.
- (f) Weekly Summary Editorial Board which issues a weekly summary of enemy trends requiring counter-action;
- (g) Publications Review Subcommittee which maintains a constant review of all intelligence publications to eliminate duplication.

In November 1942 Admiral King and General Marshall directed the Director of Naval Intelligence and the Assistant Chief of Staff, G-2, to

explore the possibility of merging the Naval Intelligence Service and the Military Intelligence Service and, as a step in that direction, to determine which functions of these services could be undertaken jointly, or by one of them in behalf of both. Under the stimulus of this directive and with the aid of the Joint Intelligence Committee, numerous joint intelligence activities were established and have functioned with effectiveness.

Joint Intelligence Collection Agencies, staffed by specially trained officers of the Military and Naval Intelligence Services, were set up in the Mediterranean, Africa-Middle East, India-Burma, and China theaters. These agencies coordinated the collection of information in the field and the dissemination of intelligence to theater commands and to a Joint Intelligence Agency Reception Center in Washington where it was reevaluated, synthesized, and transmitted to the Joint Staff Planners and interested agencies and departments of the Government.

The success of the Joint Intelligence Collection Agencies emphasizes the necessity for joint effort in the integration and dissemination of intelligence to all interested agencies as well as to theater commands. This need was met by the development and publication of Joint Army-Navy Intelligence Studies (JANIS), starting in 1943. The whole field of strategic intelligence thus became a collaborative effort embracing the Office of Naval Intelligence, Military Intelligence Services, Assistant Chief of Air Staff (Intelligence), Office of Strategic Services, the Board of Geographical Names, Coast and Geodetic Survey, Hydrographic Office, Joint Meteorological Committee, Office of Chief of Engineers, and Office of the Surgeon General, United States Army, as well as the Weather Service Division of the Army Air Forces.

Coordination was established in the collection and dissemination of graphic and photographic intelligence, the interrogation of prisoners of war, the preparation of weekly intelligence reports, the collection, evaluation, and dissemination of technical and air intelligence, the analysis of air targets, the assessment of enemy shipping losses and the enemy oil position, as well as in the exploitation of captured enemy documents.

WEAKNESSES IN THE PRESENT SET-UP

The joint intelligence undertakings which stemmed from the necessities of war indicate what can be done under stimulus of war, and with ample funds. However, there is still considerable duplication of effort on the part of the intelligence services of the State, War, and Navy Departments, much of which could be eliminated. Moreover, such progress as has been made toward unification of effort may be difficult to maintain under peacetime conditions.

The Joint Intelligence Committee cannot be considered a permanent organization, and the Office of Strategic Services is in process of liquidation. Intelligence of scientific, technological, and ideological developments affecting the war-making potential of foreign countries cannot be obtained wholly by overt methods. We know of no facilities that have been established for clandestine intelligence operations abroad in peacetime.

A high percentage of the extensively trained and experienced personnel now engaged in intelligence functions will return soon to civilian pursuits. If the importance of an adequate peacetime intelligence service is not recognized and adequate provision made for the utilization of sufficiently

trained personnel in the reduced military forces of the postwar era, retrogression to the situation which existed during the period following World War I is a likely result.

CONCLUSIONS AND RECOMMENDATIONS

All of the considerations herein brought forth are, of course, heavily underscored by the pivotal position which the United States has come to occupy in world affairs. As the sphere of our responsibilities has widened, and our interrelationships with other nations have been extended, our need for accurate, comprehensive, and up-to-date information has become more acute.

Complete merger of the intelligence services of the State, War, and Navy Departments is not considered feasible since each of these departments requires operating intelligence peculiar to itself. Intimate and detailed knowledge of the objectives and problems of each service is obviously indispensable to successful operation. Although each of these departmental services must be maintained on a highly efficient basis and supplied with adequate funds, it has been demonstrated that many of their functions can be performed more effectively as joint undertakings.

In the light of the lessons learned in wartime, it is apparent that (1) further coordination of intelligence relating to national security is highly desirable; (2) such activities of common concern as can be more efficiently conducted by a common agency should be so handled; and (3) there must be synthesis of departmental intelligence on the strategic and national policy level. Manifestly these three functions can be accomplished most effectively in a common intelligence agency, provided

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suitable conditions of responsibility are maintained toward the departments primarily concerned with national defense.

It is, therefore, recommended:

(1) That there be established a Central Intelligence Agency to coordinate and, as far as practicable, unify all foreign intelligence activities and to synthesize all intelligence concerning military, political, economic, and technological developments abroad for the benefit of those responsible for the determination and execution of governmental policy pertaining to national security.

(2) That courses of instruction in intelligence be established at appropriate levels of military education in order to indoctrinate officers with the importance of the function of intelligence to our national security.

(3) That only thoroughly trained intelligence personnel be selected for intelligence duties, including those of military and naval attaches.