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Op-32X

NAVY DEPARTMENT

OFFICE OF THE CHIEF OF NAVAL OPERATIONS

WASHINGTON 25, D. C.

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30 August 1946

MEMORANDUM for Admiral Inglis.

Subject: Proposed Executive Order on Council of Common Defense.

I. DIGEST

1. The proposed executive order has the following provisions relative to intelligence:

- (A) Creates a Council of Common Defense, consisting of SecState, SecWar, SecNav and Chairman, National Security Resources Board, to
 - (1) Integrate our foreign, military and economic policies and
 - (2) To enable the military services and other agencies to cooperate more effectively in matters involving national security.
- (B) Creates subordinate supporting agencies, among which are:
 - (1) Central Intelligence Group
 - (2) Joint War Council
 - (3) Joint Chiefs of Staff
- (C) In addition to the general responsibilities and authority assigned to the Council of Common Defense, the order outlines 10 specific functions, among which are:
 - (1) To control the policies and activities of any organization responsible in time of war, for censorship, psychological warfare and economic warfare.
 - (2) "To require that all Federal foreign intelligence activities be planned, developed and coordinated through a Central Intelligence Group so as to insure the most effective accomplishment of the intelligence mission related to national security."

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- (3) To establish policies on politico-military matters and reconcile and coordinate action by State, War, and Navy.
- (D) The National Security Resources Board, of which SecWar, SecNav and Chairman of the Army-Navy Munitions Board are three of the 11 members, will integrate military and civil mobilization in both personnel and materials.
- (E) The following are the major provisions relating to C.I.G. -
- (1) The Director may be a commissioned officer of the Army or Navy, appointed by the President.
 - (2) The present N.I.A. is replaced by the Council of Common Defense.
 - (3) The present Advisory Board is eliminated. The draft states "Additional (to the Director) members of the group shall be the heads (or their representatives) of the principal military and civilian agencies of the Government related to the national security as determined by the Council of Common Defense." It should be noted this does not specifically designate CNI or CMI as members of the group. ? ?
 - (4) The group functions under the supervision and direction of CCD with the basic mission as outlined in 1 (C)(2).
 - (5) The four specified tasks of the group are quoted in full:
 - "(a) Correlate and evaluate intelligence relating to the national security and provide for the appropriate dissemination within the Government of the resulting strategic and national policy intelligence;
 - "(b) recommend to the CCD the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission, and coordinate such of the intelligence activities of the departments and agencies of the Government as relate to the national security in accordance with the policies and objectives approved by the CCD;

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- "(c) perform, for the benefit of the departments and other agencies of the Government such intelligence services of common concern as relate to the national security and as the CCD determines can be more efficiently accomplished by the group; and
- "(d) perform such other functions and duties relating to intelligence affecting the national security as the President or the CCD may from time to time direct."
- (6) The responsibility and authority of the departmental and other federal intelligence agencies to conduct intelligence activities shall not be affected "except to the extent that the group may relieve them of such authority and responsibility in with the group's basic mission."
- (7) The group will have no police, subpoena, law enforcement or internal security powers or functions and shall not make investigations inside the U.S. or possessions except as provided by law.
- (8) The Director shall be responsible for protecting intelligence sources and methods.
- (9) The group shall make use of the facilities and services of the military and civilian intelligence agencies; and may conduct intelligence projects through, or in co-operation with, such agencies. The other agencies are directed to make services and facilities available to C.I.G. and to participate in the conduct of its projects.
- (10) To extent "recommended by CCD and approved by the President":
 - (a) C.I.G. can inspect departmental intelligence in connection with its planning function.
 - (b) Intelligence possessed by departments shall be freely available to Director, CIG for correlation, evaluation or dissemination.
- (F) The Joint War Council consists of SecMar, Chief of Staff, USA, Commanding General, U.S.A.F.; SecNav, CNO and DCNO(Air).

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- (1) The JWC mission is to coordinate -
 - (a) "under civilian control national security policies, plans and programs of the military departments preparatory to submitting them to CCB for further coordination with those of other federal departments and agencies;"
 - (b) "the operating policies, plans and programs of the military services with particular reference to training, personnel, assignment of forces and establishment of unified field commands."
- (2) The tasks assigned JWC support the mission in detail, one of which stresses establishment of unified field commands in time of peace or war when necessary.
- (3) A significant paragraph under JWC is quoted in full:

"The composition, basic organization and functions of the armed services are matters of such fundamental importance as to require delineation by statute. Consequently any conclusions of JWC in regard to them shall be forwarded in the form of recommendations to CCB for further transmittal to the President and to the Congress."
- (4) The JCS is normally under JWC, but at discretion of the President may function under his immediate direction as C-in-C of Army and Navy. JCS is the implementing agency of JWC.
- (1) The JCS mission and objectives are the same as at present, except being placed on a permanent basis. Four of the significant tasks are (a) formulation and integration of strategic plans for military forces; (b) integration of military programs; (c) strategic and military direction of the military forces; and (d) formulation of plans for coordinating activities of military forces.

II. DISCUSSION

2. Placing censorship, psychological warfare and economic warfare under CCB directly may relieve ONI of the responsibility for procuring and training Naval Reserve personnel for censorship (now Op-32-D5) and psychological warfare (now held "in trust" in Op-32Y). In any event we would know definitely that such personnel will not be under ONI

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upon mobilization. By its membership CGD could insure close cooperation between any censorship or psychological warfare activity and the intelligence units, ONI, MIS or CIG. Through the JWC and JCS operational control also could be exercised over them in time of war.

3. The requirement for planning, development and coordination of foreign intelligence activity through CIG is a stronger statement of policy than at present. However, control over CIG is exercised by CGD which has virtually the same membership as NIA. By specifying ONI and CMI as members of the Group it would be possible to exercise adequate control to prevent scuttling or perversion of the intelligence agencies of Army and Navy so as to destroy their effectiveness in the field of operational intelligence.

4. Abolition of the Advisory Board is one of those things which might be turned to a good purpose if ONI and CMI are specified as members. The Group has more power over CIG than is set forth for the Advisory Board under the present charter.

5. In the statement of tasks of CIG the phrase "strategic and national policy intelligence" is used to delineate the basic responsibility of CIG. This theme should be exploited to the maximum to include specific phraseology giving Army and Navy absolute control over operational intelligence, especially in time of emergency or of war. Such control need not preclude utilization of CIG facilities, but on the contrary should make those facilities available in accordance with operational needs. This control is extremely necessary for the greatest use of Communication Intelligence in war or pertaining to disposition of hostile forces.

6. This control over CIG could be exercised through JWC. It would be more desirable that it be exercised through JCS.

7. JIC is not specifically mentioned. The powers of JWC or JCS are adequate to establish a JIC. It is desirable JIC be specifically designated as an agency, for it would be the logical channel for coordination and control over ONI, MIS and CIG activities required for production of operational intelligence with the necessary security. The lack of any channel between JCS and CIG at the present is one of the grave weaknesses of the intelligence set-up, particularly with reference to covert foreign intelligence.

8. CIG would be sectionalized so that its strategic and national functions can be continued under all circumstances, but at the same time provide covert foreign intelligence services needed by JCS, Army, Navy in war in such manner as is consistent with responsibilities of the armed forces and the theatre commanders.

9. The requirement that other departments make their intelligence freely available to CIG is sound. It will break down barriers and recalcitrance most effectively so CIG can adequately serve all hands.

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III. RECOMMENDATIONS

10. The following is recommended:

- (a) That GMI and GNI be specifically designated as members of the Central Intelligence Group and that the text be revised to read in effect that the GMI, GNI and other heads (or their representatives) of the intelligence agencies involved in national security shall be the members of the Group.
- (b) That the principle of control by JCS of the operational intelligence needed by the armed forces, including control of and utilization of CIG facilities related thereto in time of emergency or war be specifically stated in the executive order.
- (c) That in time of war JCS shall control the assignment of military or naval service personnel to CIG.
- (d) That CIG organization include a section or division for activities relating to operational intelligence as set forth in 10 (b).
- (e) That CIG shall have the responsibility of providing to the Army and Navy the operational intelligence produced in the fields assigned to CIG.

Respectfully,


R. K. DAVIS.

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