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*Policy*

Op-20-G-jac

~~TOP SECRET~~

2 January 1946.

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MEMORANDUM FOR Op-20.

Subj: Future status of U.S. Naval C.-I. activities.

Encl: (A) My memo on above subject.

1. Enclosure (A) is submitted in accordance with your request. It contains only the major arguments which from the standpoint of experience, logic, and technical considerations we are in a strong position to defend.

J. N. WENGER  
Op-20-G.

*cc: Info Folder  
Op-32 Encl (A) only.*

*X AN Collab  
Post War  
History*

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~~TOP SECRET~~~~TOP SECRET~~MEMORANDUM FOR OP-02:

Subj: Future status of U.S. Naval Communication Intelligence activities.

1. Before considering the question of the status of C.I. activities, it is essential that the fundamental nature of the C.I. problem be fully understood.
2. The production of intelligence may be divided into two main phases: (a) information and (b) intelligence. The information phase includes the collection, processing, and interpretation (or elucidation) of the source material. The intelligence phase includes the evaluation, synthesis, and dissemination of the information. Generally speaking, the production of information is a highly specialized process requiring different training, experience, procedures, and facilities for each type of source. The production of intelligence, on the other hand, involving, as it does, the synthesizing of all related facts, requires integration of operations for completeness. Thus, the information function in effect leads to separation for specialized operations while the intelligence function requires consolidation for composite results.
3. Because of the specialized procedures or techniques required in the collection or production of information this function should obviously be performed by that agency which, by virtue of its particular experience, capabilities, and facilities, is best equipped for the particular job. In the case of communication intelligence, long experience has indicated that this function can best be performed in close association with communications activities. Regardless of what its product may be, the fact remains that the Communication Intelligence Organization must use communications equipment, facilities, personnel, and techniques. Moreover, now that the entire art is moving into the field of electronics, it must be closely linked with technical research and materiel agencies. To argue that, in spite of this, the organization should be placed under Intelligence because it produces information (or intelligence) is equivalent to saying that all reconnaissance aircraft should be placed entirely under intelligence authorities simply because their

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mission is to obtain intelligence. The fact of the matter is that intelligence comes from many sources; from aircraft, surface vessels, submarines, ground forces, C.I. activities, various government agencies, etc. A more realistic concept of the primary function of so-called intelligence agencies, whether strategic or combat, is that of guiding the collection and production of information, and of receiving, synthesizing, evaluating, and disseminating that information, rather than actually collecting or producing it.

4. It is believed that the great operational success of the U.S. Naval Communication Intelligence Organization in this war was due very largely to the soundness of its operating plan and its organizational status. It exercised complete control over all personnel and facilities necessary to perform its work, and it enjoyed direct relations with those activities serving it or being served by it. This arrangement was, and still is, essential because of the nature of the problem. Unlike those of other intelligence collecting agencies, C.I. operations cannot be confined to any areas or theaters because radio waves know no boundaries except the limitations imposed by their propagation characteristics. Moreover, the very fact that the most rapid communications are being dealt with means that the information in them is frequently urgent and makes the time element in handling them all important. To reduce delays to a minimum, operations must be as direct as possible and on a flash basis. The problem of intercepting every enemy and clandestine transmission throughout the radio spectrum involves the greatest possible extension and the most efficient use of available personnel and facilities. All of this is possible only by absolute central control and the most careful coordination of all facilities.

5. The Army, during the war, attempted to carry out the information phase on a theater basis with at best a very loose coordinating control. The Army employed nearly three times as many persons as the Navy and the results in the production of current operational information fell far short of the latter's accomplishments. At the end of the war, the Army finally realized the impracticability of continuing its system of operation and adopted the Navy's plan of strong centralized control.

6. Another equally important factor in the Navy's success was its system of disseminating operational information. No attempt

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was made to evaluate information in Washington except for local operating authorities or as specifically requested by operating commanders in other theaters. The authority for disseminating information direct to major commands was delegated to Op-20-G. A flash dissemination circuit was established. On this circuit were the U.S. and allied communication intelligence centers and the combat intelligence center of the senior naval commander in each theater. Information produced in each intelligence center was immediately placed on the circuit. This information was passed around to all the C.I.C.'s. Each of the latter took from the circuit all information required for its use, then evaluated and disseminated it to the operating forces. This system presupposed that the only one really in a position to determine the operational information required, and to evaluate that information and disseminate it to the operating forces, was the supreme commander on the spot. He was not only in the position of having the most complete and current information regarding his own forces, but was able to receive enemy information affecting his operations more directly and quickly from the various sources in his theater. This same system was in effect in the British Services.

7. The U.S. Army attempted to carry out a different scheme altogether. The communication intelligence operations were decentralized. However, effort was made to evaluate all intelligence in Washington for the operating commanders and send to them selected information and appreciations which the intelligence authorities at the War Department considered they should have. This not only resulted in great delay in supplying information to field commanders but also gave them a possibly incomplete picture because evaluation was carried out very often without the more complete local knowledge which the field commanders possessed. A comparison of the results achieved during the war will show very clearly that the Navy did primarily an operational and tactical job and supplied a great percentage of the communication intelligence of current operational value, whereas the Army did primarily a strategical job.

8. There is serious danger for the Navy in the proposed merger of the Army and Navy C.I. activities. While the Army has finally come to the Navy's plan of centralized control and operation, there are still fundamental differences in the concepts and philosophies of the two organizations. The Army has placed all of its activities under intelligence authorities in the belief

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that because they produce information or intelligence they must per se be part of the intelligence organization. The Navy on the other hand has continued to maintain its C.I. activities in that organization where they can function most effectively by virtue of common or allied techniques, personnel, procedures, facilities, etc. The Army apparently believes in centralized evaluation of all intelligence. The Navy believes that the tempo of operations is such that operational information must be gotten to operating commanders in the quickest possible time. It believes, moreover, that operating commanders on the spot should not be restricted to selected information but must be given all available information, and that they, and they alone, can properly determine what they need and evaluate it in the light of their more complete and more recent knowledge of the local situation.

9. The increasing tempo and the global nature of military operations have necessarily brought more and more of the vital military information to the rapid radio channels of communications. Furthermore, these channels have proven unique intelligence sources in that they carry authoritative information regarding the plans and intentions of the enemy as opposed to that which merely concerns his strength and disposition, and which might be obtained from other sources such as reconnaissance. These channels are therefore the most important sources of intelligence to tap and it is vital that the Navy maintain such free and direct access to them as necessary for its operations. Any merger of the communication intelligence activities of the two Services is certain to bring conflicting demands as to emphasis and priorities.

10. A good example of the type of serious differences which might arise is that which occurred between the Army and Navy in the field of research. The Navy laid great stress on electronic research as applied to C.I. problems. The Army gave relatively little attention to this work. In consequence, at a most critical stage of the European war, the Navy was the only organization which had adequate machinery for dealing with the enemy's high-grade communications. Not only was the Navy called upon to work on enemy naval communications but had to deal with German army and airforce problems in great volume. It played, for example, a very considerable part in the intelligence that was produced at the time of the Normandy invasion.

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It should be said, moreover, that the Navy's research was initially undertaken not only independently of the Army but over the strenuous objections of the British. Had the Navy not acted entirely independently at this time, not only the U.S. Services but the British as well would have been entirely unable to cope properly with the situation.

11. Last spring the Navy prepared a very carefully considered plan for coordination of the Army and Navy C.I. activities. This plan would make maximum use of Army and Navy facilities on common problems and at the same time preserve that measure of control which is essential to the Navy for the accomplishment of its mission. It would leave the Navy free to determine emphasis and priorities at every step on its special problems. It is believed that this arrangement would be preferable to any plan of complete merger, such as the Army is advocating, as long as the Services remain separate entities with individual missions and special spheres of operation.

12. In opposition to the Navy's plan for coordination the example of G.C.&C.S. is frequently cited. The British had in G.C.&C.S., during the war, what appeared to be a consolidated communication intelligence organization. At first glance it looked very attractive and seemed to offer many advantages. However, as we became more and more familiar with it we learned that it had serious shortcomings. In the first place, it was not actually consolidated in the accepted sense. True, it was an inter-service organization and certain facilities were employed on a common basis. Yet separate processing activities were maintained for the Navy, Army, and diplomatic problems. Furthermore, instead of having the vertical split which existed between the Army and Navy, the British organization had several horizontal splits which created serious difficulties that the British never succeeded in overcoming during the war. Although the processing was under the general direction of the Foreign Office, the interception was carried on by the individual services and numerous controversies arose as to direction of these activities. Communications were also provided by the services and the British had such great difficulty in obtaining them that the U.S. Naval Communication Service had to step in toward the end of the war and supply their communications for the Pacific.

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Numerous difficulties arose between the Foreign Service and the Navy over the operation and control of the main naval C.I. center in the Far East. It appeared that, although the Foreign Office had control over the main inter-service center near London, the outlying centers came under the immediate control of local military and naval authorities, and were never operated on an efficient basis. So much difficulty arose, in fact, over the British naval unit located in Australia that the British asked the U.S. Navy to take control over it. It was then combined with the U.S. Naval Unit in that area and operated on an efficient and satisfactory basis thereafter.

*/s/ Joseph R. Reiman*  
*3 January 1946*