

MEMORANDUM FOR: DIRAFSA, THEU AFSA - OOA, OOB, OOC

SUBJECT: Attached paper

1. Since the close of combat operations in World War II the American people have spent many millions of dollars for the production of COMINT. In view of the rather unsatisfactory role played by COMINT in the opening phases of the Korean war, I think some accounting of our stewardship of the funds provided for COMINT activities is in order.

2. The attached paper is a non-statistical account <sup>of that stewardship</sup>. But I think it tells a story ~~that~~ in words that anybody can understand.

3. The paper is forwarded for such action as is deemed suitable in the premises.

**STRIKE TWO!**

1 a. The primary objectives of Communications Intelligence, as stated in the Report of the Committee on the Creation of a Unified Armed Forces Security Agency, are as follows:

- (1) To provide authentic information for planners and policy makers to apprise them of the realities of the international situation, of the capabilities and vulnerabilities of foreign war-making countries, and of the intentions of those countries with respect to war.
- (2) To eliminate the element of surprise from an act of aggression by another country.
- (3) To provide unique information essential to the successful prosecution of war and vital to a shortening of the period of hostilities.

b. Let us cast a glance backward and take a look at a picture which may reflect the extent to which the COMINT objectives were attained 10 years ago; next, let us take a look at today's picture; then let us try to prognosticate what the picture might be in the near future -- if certain elements in the picture are not changed; and finally, let us try to figure out what should be done to bring about the necessary changes.

2 a. In 1941 there were ~~in~~/~~the~~/agencies in the Armed Forces only two agencies engaged in the production of COMINT, one in the Army, the other in the Navy. In each case the Agency, was directly under the signal or communication organization of the service concerned. In the Army, the Signal Intelligence Service was under the Chief Signal Officer of the Army; in the Navy, the Code and Signal Section was under the Direction of Naval Communications. In each case ~~case~~, the Director of Intelligence of the Service

concerned exercised two important functions in respect to the production of the COMINT:

- (1) He supervised from the Staff level the conduct of COMINT activities.
- (2) He received, evaluated, and disseminated the COMIT within his Service and to certain other agencies outside his own Service.

b. ~~In the Army~~  
<sup>under the Chief Signal Officer</sup>  
 The first function stated above, that of staff supervision, was exercised in a rather cursory manner. Very general directives or policies were laid down for the guidance of the COMINT producing units; there was no day-to-day, detailed, and minute scrutiny by Intelligence of the actual operations as they were conducted ~~by the signal or communication officers~~. Only in a very general way was there direction as to priorities and the COMINT units used their own best judgement, to a large degree. In both Services the second function stated above, that of evaluation and dissemination, was regarded and safeguarded jealously as the prerogative of Intelligence and only of Intelligence. In fact, it was made very clear to the producers of COMINT that their product was not COMINT at all; that it was merely raw information which became COMINT only after it had been evaluated by Intelligence. (This view is still zealously maintained by Intelligence.)

3 a. On 7 December 1941 the United States Armed Forces suffered a major disaster because of a Japanese sneak attack at Pearl Harbor. The several investigations conducted during and after the war showed that the Intelligence authorities had been provided with perfectly authentic communications intelligence which, if it had been evaluated and disseminated, properly would at least have prevented our being completely taken by surprise. But the intelligence authorities did not perform their function properly and we were overtaken by a severe disaster the consequences of which went far beyond

those suffered at Pearl Harbor. However, throughout the war that ensued the COMINT producers in the Services provided communications intelligence that was properly evaluated and disseminated, and was vital to a shortening of the period of hostilities.

b. It is clear, therefore, that in World War II the third cited objective of communications intelligence was attained in full measure; the second one was completely missed; and the first one was attained to a degree after the war started but was entirely missed before the commencement of hostilities.

c. Now a few words as to organization. In the Army, The COMINT producers remained under the Chief Signal Officer but shortly after Pearl Harbor, Intelligence began playing a much more active role in its supervisory functions until <sup>by</sup> ~~the~~ <sup>he had taken</sup> the end of the war intelligence took over <sup>the</sup> the whole operation, so that it not only supervised but also conducted the COMINT activities. The Signal Corps was pushed out of the picture and today that organization is still out of the picture. In the Navy, too, the producers of COMINT remained under the Director of Naval Communications but shortly after Pearl Harbor, Intelligence began playing a less active role in the field or was, by certain circumstances, prevented from playing as active a role as was <sup>the Director of</sup> Military Intelligence in the Army. In fact, at the end of the war it would have been said that for all practical purposes Naval Intelligence had been pushed out of the picture. But in the few years that have passed since the end of the war Naval Intelligence has regained much of the ground it had lost in the years following 7 Dec 41 and is now very much in the COMINT picture.

d. So much for the backward glance at the situation. Now for a look at today's picture.

4 a. The disastrous experience of Pearl Harbor and the investigations referred to above should have had some salutary effect, on the intelligence authorities, so that, presumably, we should at least be in a better position now as regards all intelligence and in particular, COMINT, than we were before Pearl Harbor. Are we? Let us see.

b. As regards North Korea, did COMINT provide authentic information of the type referred to in Par. 1 a (1) ? None whatever. Did COMINT eliminate the element of surprise from an act of aggression? Again, not at all. <sup>Indeed, it</sup> ~~Can be said~~ <sup>surprise, although COMINT was not used prop-</sup> ~~not clear~~ <sup>erly,</sup> that from an intelligence point of view, the U.S. was in a worse position before the outbreak of hostilities in Korea than it was before Pearl Harbor; <sup>In the Korean situation the case was not even an</sup> because in the Pearl Harbor situation there was, at least, a good deal of COMINT applicable to the situation, although it was not used properly; <sup>surprise, there</sup> COMINT or would not opportunity to test whether it would have been used properly -- there was no COMINT to begin with!

c. The question arises: how and why could or did such a retrogression in intelligence potential occur?

4 a. On 20 July 1946 the Joint Committee on the Investigation of the Pearl Harbor Committee submitted its final report (Senate Document No. 244). The following recommendation has been extracted from its set of five principal recommendations (p.253):

"That there be a complete integration of Army and Navy intelligence agencies in order to avoid the pitfalls of divided responsibility which experience has made so abundantly apparent; that upon effecting a unified intelligence, officers be selected for intelligence work who possess the background, penchant, and capacity for such work; and that they be maintained in the work for an extended period of time in order that they may become steeped in the ramifications and refinements of their field and employ this reservoir of knowledge in evaluating material received . . . Efficient intelligence services are just as essential in time of peace as in war, and this branch of our armed services must always be accorded the important role which it deserves."

/ My emphasis/

b. The following is the introductory statement to the series of 25 recommendations concerning "supervisory, administrative, and organizational deficiencies in our military and naval establishments revealed by the Pearl Harbor investigation" (p.253):

"The Committee has been intrigued throughout the Pearl Harbor proceedings by one enigmatical and paramount question: Why, with some of the finest intelligence available in our history . . . -- Why was it possible for a Pearl Harbor to occur? /Committee's emphasis/ . . . Fundamentally, these considerations reflect supervisory, administrative, and organizational deficiencies which existed in our Military and Naval establishments in the days before Pearl Harbor . . . We desire, however, to submit these principles for the consideration of our Army and Navy establishments in the earnest hope that something constructive may be accomplished that will aid our national

~~Consequently, it is demanded that USIA should be put under the joint command of the Joint Chiefs of Staff.~~

defense and preclude a repetition of the disaster of December 7, 1941

[My emphasis]

c. The following are two of the set of 25 recommendations referred to in Par. b above:

"1. Operational and intelligence work requires centralization of authority and clear-cut allocation of responsibility." (p.254)

"8. The coordination and proper evaluation of intelligence in times of stress must be insured by continuity of service and centralization of responsibility in competent officials. ... Nevertheless, there is substantial basis, from a review of the Pearl Harbor Investigation in its entirety, to conclude that the system of handling intelligence was seriously at fault and that the security of the Nation can be insured only through continuity of service and centralization of responsibility in those charged with handling intelligence". [My emphasis] (p.257)

6 a. Exactly four years have passed since the Joint Committee submitted its report. In calling attention to the supervisory, administrative, and organizational deficiencies in our military and naval establishments, the Committee noted in its introductory statement that "It is recognized that many of the deficiencies revealed by our investigation may very probably have already been corrected as a result of the experiences of the war." The tacit assumption was incorrect even then; it has no basis in fact even today. Have all the deficiencies revealed by the investigation been corrected? By no means -- not even the most important ones. Has the Joint Committee's "earnest hope that something constructive may be accomplished that will aid our national defense and preclude a repetition of the disaster of December 7,

1941" been realized? The Korean debacle speaks for itself. Nothing has yet been accomplished to give effect to the most important recommendation. A constructive in the field of intelligence was accomplished, and as a result

COMINT failed in attaining its first two objectives. And, since the protection of COMINT is one of AFSA's primary responsibilities, it is legitimate to

Consider the following:

The Joint Committee recommended that there be

b. Down now have "a complete integration of Army and Navy intelligence agencies in order to avoid the pitfalls of divided responsibility", as recommended by the Joint Committee. Far from it - we now have three such agencies in the Department of Defense instead of two, as was the case before Pearl Harbor: the Air Force, established as a separate Service after Pearl Harbor, also had to have its own intelligence organization. The situation is <sup>really</sup> far worse than before Pearl Harbor in respect to this question of integration of intelligence agencies. Whereas before Pearl Harbor there were for all practical purposes, only two such agencies in the Government as a whole, in the U.S. there are now at least fifteen operating agencies and/or coordinating bodies having something or other to do with intelligence in general and COMINT in particular:

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|---|---|
| 1) Director of Intelligence,<br>U. S. Army                  | (9) Navy Security Agency (OP-202)   |
| 2) Director of Intelligence,<br>U. S. Navy                  | (10) Air Force Security Service (AFSS)  |
| 3) Director of Intelligence<br>U. S. Air Force              | (11) Central Intelligence Agency  |
| 4) Joint Intelligence<br>Committee (JCS)                    | (12) Office of the Special Assistant to<br>the Secretary of State for Research<br>and Intelligence. |
| 5) Intelligence Advisory Com-<br>mittee (Interdepartmental) | (13) Director of Intelligence,<br>Atomic Energy Commission  |
| 6) Armed Forces Security Agency<br>(AFSA)                   | (14) Federal Bureau of Investigation  |
| 7) Armed Forces Security Agency<br>Council (AFSAC)          | (15) United States Communications<br>Intelligence Board   |
| 8) Army Security Agency (ASA)                               |   |

c. Each of these agencies is constantly and conscientiously striving to maintain its own prestige and prerogatives; not only that, but all those engaged in intelligence operations compete with one another for funds, and the funds are quite limited for intelligence. (But there is plenty of money to erect a continental radar fence to give warning, about 30 - 60 minutes, of an air attack on the U.S.)

d. Have the Defense agencies followed the recommendation "that upon effecting a unified intelligence, officers be selected for intelligence work who possess the background, penchant, and capacity for such work"? Far for it. ~~(it would almost seem, in fact, that possession of these traits actually disqualifies an officer for such assignment.)~~ Have they ~~not~~ been "maintained" in the work for an extended period of time in order that they may become steeped in the ramifications and refinements of their field and employ this reservoir of knowledge in evaluating material received"? Let these facts speak for themselves:

Since Pearl Harbor the Army, for instance, has had six Directors of Intelligence; not a single one of them had <sup>any real</sup> ~~any day's~~ working knowledge or actual <sup>long practical</sup> experience in the field of intelligence before his assignment to the position. In the past five years there have been two Directors of Naval Intelligence; and the Air Force, since its establishment as a separate Service only three years ago, already has its second Director of Intelligence, the first one <sup>being</sup> ~~leaving~~ in office less than one year. (Incidentally and in this connection it is of interest to note that the CIA, created early in 1946, has its third Director already, and talk about a fourth became current months ago.) And ~~who is said to be the most likely or already selected successor to the present incumbent -- a man well experienced in Intelligence? Not at all.~~

~~(C'd) From from joint meeting with the Army, or a Joint Inter-Agency Committee [and] of the two by the two during the investigation of the Japanese  
Japanese operations directed by the Japanese were~~

~~and he is an old and sick man, to boot.)~~ In former days there might have been some excuse for selecting as Directors of Intelligence officers from some arm such as Infantry, Cavalry, etc., but since Intelligence has come to be so complex technically and so vital strategically, it would seem that experience in the field should be a sine qua non for the selection of a director of Intelligence. How can there be any good basis for the selection of Directors of Intelligence in the absence of a separate technical corps therefor? Would one expect the Signal Service of the Army, or the Communication Service of the Navy, or services of the Air Forces communications to be operated satisfactorily if there were no such organizations as the Signal Corps, the Naval Communications Service, or Air Communications, and if the men selected to be the heads of those organizations knew nothing about communications before their selection?

~~Answered~~ Q. Is ~~there~~ <sup>or agency</sup> ~~any~~ <sup>collected</sup> mechanism today whereby the data produced by Armed Forces technical operations in the whole field of intelligence may be correctly evaluated and properly disseminated by a centralized authority? Not so far. The Korean <sup>little or</sup> debacle speaks for itself in this regard.

b. Two years after the Pearl Harbor investigation had been completed <sup>Joint Pearl Harbor Congressional</sup> and none of the Committee's recommendations had been adopted, a plan was submitted for the establishment of at least a central evaluation and dissemination organism for the COMINT produced within the Armed Services. An organization called CONSIDO was proposed. The plan was discussed at length, but <sup>no action</sup> ~~nothing~~ ~~has so far been taken~~ appears to have been happened — CONSIDO was "AD hoc-ed" to death, by the agencies concerned.

e. In connection with the question of the non-existence of a ~~one~~ separate corps for intelligence activities in the Services, attention is invited to Enclosure A, <sup>one of the</sup> Report of the Committee on Military Affairs on "Investigations of the National War System," which was submitted on 17 December 1946. The final recommendation that report is entitled: "A report on the system currently employed in the collection, evaluation, and dissemination of intelligence affecting the war potential of the United States." The ~~fourth and final recommendation~~ in this report reads as follows: [redacted]

And the ninth and final recommendation of the Committee reads as follows: [redacted]

f. The Army authorities took note of the foregoing recommendation and no doubt <sup>set out</sup> sympathetically to examine "the question — with no action as yet leading to the establishment of an Intelligence Corps. I believe the subject ~~now~~ is dead — killed by the authorities directly involved, viz., the Director of Intelligence.

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8a. It has been noted that, the most important of the recommendations made by the <sup>Joint</sup> Congressional Committee on the investigation of the Attack on Pearl Harbor, viz., that advocating that there be "a complete integration of Army and Navy intelligence agencies" has not yet been adopted by the Services. There is reason to hold the opinion that one of the direct results of the failure to adopt and to give effect to the recommendation was that COMINT failed in attaining its first two objectives. And since the production of COMINT → to bring about a concomitant failure in the COMINT field; AFSA did not produce the necessary information that might → COMINT failed to attain its first two objectives. And since the production of COMINT is one of AFSA's primary missions it is legitimate to hold the opinion that AFSA played a vital role in the failure of COMINT to attain the first two objectives of COMINT.

b. The following question is therefore also by ~~but~~ warranted. Why did AFSA play such a role?

b. Such an opinion warrants challenge. Why did AFSA play such a role in the failure mentioned, in the <sup>case of the</sup> Korean war? Because it did not produce the COMINT. Why not?

The answer given

course, is that Korean communications were very low on the priorities list for AFSA operations, and that AFSA does not establish these priorities. Such an answer may satisfy AFSA authorities but it would hardly satisfy the American people who pay for AFSA's activities.

b. In respect to AFSA's responsibility in the failure of COMINT to attain, in the Korean affair, its first two objectives, Gander should compel the admission that AFSA itself is not altogether blameless, <sup>because</sup> for one of the primary desiderata in COMINT operations is technical continuity. This should be maintained regardless of intercept and processing priorities set by <sup>I think that</sup> Intelligence. Maintenance of technical continuity is AFSA's responsibility. It is not only important as an aid to the large-scale or wartime production of COMINT, should that become necessary, but also it serves as a sort of thermometer of conditions in <sup>any</sup> <sup>area</sup> <sup>to</sup> which the COMINT pertains. Had AFSA been maintaining technical continuity on North Korea, it is possible or

(An action on such a large scale as that which is now become quite obvious in Korea could hardly have been launched without long preparation and extensive communications.)

even probable that a decrypt now and then would have shown the rising temperature and direction in which the wind was blowing. Upon indications of a storm, intercept and processing priorities would soon enough have been changed by Intelligence. I believe that the theory on which priorities are being established is ~~is~~<sup>a lot</sup> out of phase with what it should be. Instead of Intelligence setting the priorities for AFSA's as regards intercept and processing, AFSA should set priorities for Intelligence.

c. Priorities for AFSA's COMINT operations are set by the Intelligence authorities, and the latter receive guidance from the National Security Council. What is the composition of the NSC? The President, the Secretary of State, the Secretary of Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, and the Chairman of the National Security Resources Board. The NSC, among other things, sets policy and presumably in so doing it must employ Intelligence. It is hard to see how policy could be formulated without it. Who provides the members of NSC with the necessary intelligence? Why, the very same officials who are supposed to receive, evaluate, and disseminate intelligence to the members of the NSC -- The Directors of Intelligence! (And with rare exceptions, and for the reasons found by the Joint Committee on the Investigation of the Attack on Pearl Harbor, those officials were not and still are not technically competent to do the job, regardless of how competent they may otherwise be as general or flag officers). In short, it appears that the intelligence which the members of the NSC need in order to establish valid policy determines what intelligence they will get -- a closed circle leading nowhere and having its analogy in the spectacle of a cat chasing its own tail! There was no intelligence or at least no COMINT relating to KOREA and hence United States policy before the

outbreak of the Korean war disclaimed all military interest in Korea, consequently there was no Intelligence interest in that area; consequently USCIB had no interest; consequently, the USCIB priorities committee had no interest; consequently, Korea was No. 15, category B on the priorities list; consequently, AFSA had very little COMINT interest; consequently and finally no Korean COMINT was produced. Is the vicious circle clear? And what were the consequences of continuing to follow the vicious circle? The first and second objectives of COMINT were again missed altogether. Pearl Harbor -- "Strike one!" Korea -- "Strike two!" Three strikes -- and we're out! Will there be a third strike?

Q a. In Par. 1b above, I proposed that we take a backward glance, then take a look at the present picture, and finally try to prognosticate what the future picture might look like unless certain changes are made in the situation. One thing is clear. The situation is one which gives rise to the very definite fear that there may easily be a third strike. If so, will it be possible for AFSA to attain the third and final objective of COMINT? Perhaps. Might it not be better to avoid, if possible, strike three? Certainly. How can this be done? I do not know the answer to that question in detail. But of this I am sure: the proper basis for finding the answer can be laid only by getting rid of the three present Directors of Intelligence, or by getting AFSA out from under their incompetence, or, finally, by AFSA in pursuing its own way, if possible, without or despite their "guidance"/certain respects. I remember, in this connection, how in the days of 1938-39 the Signal Intelligence Service under the Chief Signal Officer worked on Japanese, German and Italian communications; and when it came to the attention of G-2 that we were working on the latter two, German and Italian, G-2 expressed displeasure, raised eyebrows, and wanted us to concentrate everything on Japanese.

The SIS went on working on German and Italian. Suddenly, in 1941, G-2 had to have German and Italian COMINT. Luckily (?) SIS could give G-2 something. It was not the vision of G-2 which made that possible.

b. AFSA is having many difficulties in carrying on its job.. In fact at the moment -- and this is becoming clearer each day -- there is considerable doubt about whether it will hold up under the strain, or fold up. Who for the most part are at the root of and are causing AFSA these difficulties? The Directors of Intelligence. Who ~~are~~ are the culprits in the failure to establish long range a centralized evaluation and dissemination organization for the AFSA product? The same men.

c. When will it become evident to the Commander-in-Chief that we need a thorough housecleaning in the whole field of U.S. Intelligence and perhaps a Czar in that field to over-ride inter-service and inter-agency rivalries, bickerings, and competition for funds, prerogatives and prestige? Or is it too late already?

8 a. There is reason to believe that a complete consolidation of facilities and integration of operations in the Intelligence field could work, and work successfully, if the entire problem were handled, realistically, at the highest governmental level. The following are absolute prerequisites~~to~~ to such success:

(1) The designation of an energetic, forceful, and intelligent man who has had actual experience in the fields of intelligence and who would be given full command of all intelligence activities of the United States.

(2) His rank and authority over the individual Service or Agency intelligence chiefs should be clear and unquestionable. The delegation, to such a commander, of almost dictorial powers over all the activities should be subject only to the authority of the President.

(3) He should be maintained in office continuously, subject only to the successful performance of his mission.

(4) He should be given full responsibility for the collection of raw material, its processing into readable form, and the evaluation, and dissemination of the final product.

(5) In each of the Services there should be established a separate corps for intelligence operations, so that intelligence can be made a Service career and not a headache to those assigned to intelligence work for other arms or services.

b. Action on a proposal such as the foregoing might involve the disclosure of more information than has ever before been made public. For example, certain disclosures might have to be made as to COMINT. But it would seem that public admission of the fact that COMINT can be and often is a primary potential weapon would be a small price to pay for having an effective organization which, when established, could take care of itself as regards publicity, especially in view of the existence of Public Law 513. It is true that security restrictions played a large part in the failure to use COMINT properly in the case of Pearl Harbor disaster. The same restrictions may be in part to blame for the present plight of COMINT activities. They have largely prevented the story of the part played by these activities in our winning World War II from reaching the highest level persons who, in the final analysis, control them. It seems time to acknowledge that such activities are being conducted. The

high level personnel of other countries undoubtedly know that fact. Why not tell our own people -- and thus gain the public support we need for these activities?

9 a. There is, however, in my opinion not enough time left to put across such an idea as is briefly outlined in Par. 8 a. DIRAFSA should go ahead on his own initiative and do certain things.

b. In my mind there is no question that JCS 2010 affords a basis for resolute action in these respects:

(1) Putting the residual cryptologic services in their proper place in the scheme of things. Were it not for the strong support of the Directors of Intelligence, the Service Cryptologic Agencies could not behave as they do. The Directors of Intelligence exercise their influence by virtue of their presence on AFSAC, a control body now intermediate between AFSA and the JCS, and a body that has proved to be so intractable as to impede AFSA's progress. I know that JCS 2010/6 establishes a clear-cut channel for relations between DIRAFSA and the JCS and that this channel involves AFSAC. I wish to point out that in the basic document JCS 2010, the council was intended to be such an advisory body internal to AFSA. The pertinent paragraph <sup>Par. 2c</sup> / Par. 2c/ reads: "An Armed Forces Communications Intelligence Advisory Council (AFCIAC) shall be established within the Armed Forces Security Agency." I think that that is exactly what was intended, for Par. 3a of JCS 2010 states: "Subject to the authority and direction of the Secretary of Defense, the Joint Chiefs of Staff will exercise direction, authority and control over the Armed Forces Security Agency". It does not say that this "direction, authority and control" will be exercised through AFCIAC. In JCS 2010 AFCIAC could not recommend; not control. But instead of being a creature of AFSA, AFSA has become a creature of AFSAC! How was this done?

By AFSAC itself, in reality, even though JCS 2010/6 was approved by the JCS. The anomalous, if not absurd, situation that now exists is that the Directors of Intelligence, who should be puppets of the JCS and thus, in turn, of DIRAFSA, so far as regards cryptologic activities, are pulling the strings and controlling decisions of their masters, the SCS, in those activities. What I mean to point out is that AFSA, an agency of the JCS, and directly under their control, is now being dictated to by officials on a level lower than the JCS. DIRAFSA, instead of being in a position to dictate to the Directors of Intelligence as regards matters in the cryptologic field, is taking dictation from these Directors.

E. In the various fields of intelligence is there any body which has  
the final authority and is competent technically to establish valid priorities

in the collection and processing of intelligence? Obviously, the answer is in the negative, for there seems to have been a plethora of sources for such intelligence which, if it had been produced and correctly evaluated would, in all probability, have indicated quite clearly what was brewing in Korea.

~~that which in Korea~~  
action on such a large scale as is now obvious could hardly have been launched without long preparation and extensive communications. Had ~~the latter been~~  
~~intercepted and processed~~, it is quite possible that we could have had ample forewarning of what was impending and at least the authorities would have been able to plan intelligently (COMINT objective No. 1) and perhaps they would not have been taken by surprise (COMINT objective No. 2). I assume (at the moment), that COMINT objective No. 3 is being sought satisfactorily.