

SECRET



NAVY DEPARTMENT

OFFICE OF THE CHIEF OF NAVAL OPERATIONS

WASHINGTON 25, D. C.

Op-32-D-3

MEMORANDUM

14 October 1947

From: Op-32-D-3
To: Op-32-D
Subject: Special Observer Plan - C.I.A. Relation to.

1. Subject plan is not regarded as within cognizance of C.I.A. and has not been communicated to C.I.A. formally, although known to certain individuals in C.I.A. employ, principally because of previous service as S(I) officers.

2. Special Observers are used for service in foreign areas, on the basis of residence or protracted stays abroad, in contrast to round-trip travel. Their reports are made to Naval Attache's for transmission to ONI. Therefore, they are not within U. S. Contact Register cognizance. Note: C.I.A. will accept responsibility for collecting foreign information within the continental U. S. from registered and approved contacts.

3. About 85% of all Special Observer approvals are inactive Naval Reserve or Marine Corps Reserve officers, selected because of specialized training and knowledge of "naval interest", plus full security qualification. Practically every inactive S(I) officer presently abroad in private business is on the Special Observer roster. This selection is deliberate, in furtherance of the Intelligence Reserve Training program, to maintain individual skills and experience. Note: Ordinarily an officer's absence from the U. S. cuts off his utilization in organized or volunteer reserve capacity.

4. Special Observers do not enter into covert operations abroad. They provide "eyes and ears" overt service to the NA's, normal to their civilian occupations, but usually based on special briefing. Therefore, they are not in conflict with C.I.A.'s operations in the field of covert intelligence abroad. In fact, they are prohibited from covert activities, lest they jeopardize their civil employment or their own safety.

5. Present roster of approved Special Observers exceeds 400. Coverage is world-wide, except for Russia. Intelligence results obtained to date have demonstrated the value of the original plan approved 28 Aug. 1945.

D. Frothingham

D. FROTHINGHAM
Captain, USNR

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