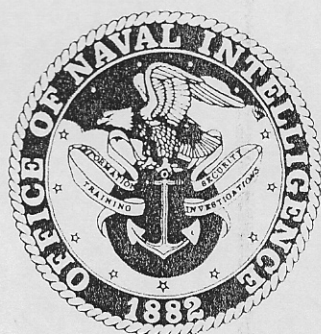


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NAVAL INTELLIGENCE NEWSLETTER



ORIGINAL 1882 DESIGN OF ONI EMBLEM

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III. FEATURE ARTICLE: ONI CENTENNIAL (U) by CAPT W. H. PACKARD, USN, (RET.)A. PREFACE (U)

(U) The January issue of the Naval Intelligence Newsletter carried an article on the establishment of ONI in 1882 and listed significant dates in ONI's history. This issue's article will cover the period from 1883 to 1916, touching on ONI's growing-pains, highlighting Naval Intelligence activities during the Spanish-American War and providing amplifying data for some of the "significant dates" in the first article, for this period.

(U) It will sound strangely familiar to observe that during much of this period, the need for intelligence was recognized by only a relatively small minority in the Navy and Congress. Manpower support from the Navy was difficult to obtain and fiscal support from Congress was not voted for ONI until FY 1900. A general lack of interest in intelligence brought the Navy up to World War I with intelligence files of little value for support to combat operations.

(U) In attempting to visualize conditions in the early years of ONI, it should be remembered that most reports were in longhand letters with freehand sketches where appropriate. Cable service was used sparingly for more urgent exchanges of instructions and reports. Naval attaches had the cable address ALUSNA (meaning American Legation U.S. Naval Attache) followed by the name of the city where located. The acronym ALUSNA continued to be used to mean U.S. Naval Attache long after its utility as a cable address had been forgotten.

(U) For this period, some of the international, technical and economic events and developments that influenced ONI's activities and products included: the depressions of 1893 and 1907; the Sino-Japanese War in 1894 and the taking of Formosa and the Pescadores by Japan in 1895; the start of the Cuban Revolution, also in 1895; the sinking of the USS MAINE and the Spanish-American War in 1898; the Boxer Rebellion in 1900; radio communications introduced into the U.S. Navy in 1903; the Russo-Japanese War in 1904; the start of World War I in Europe in 1914; and the sinking of the LUSITANIA on 7 May 1915.

B. 1883-1897 - REBUILDING THE NAVY (U)

(U) The growth of ONI following the year of its birth was exceedingly slow. In 1883, three more officers were assigned to the Bureau of Navigation for special duty (in ONI) and two were

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detached. LT T. B. M. Mason, the Chief Intelligence Officer, was the only one openly identified as being in the Office of Naval Intelligence. His problems with the technical bureaus were gradually overcome as they found ONI's productive effort of value to their plans for new construction. No funds were requested for ONI, as such, in 1883, but Secretary William E. Chandler, in his annual report to the President for 1883, did announce the establishment of ONI "in order that the Department may be supplied with the fullest and most accurate information as to the progress of naval science in this and other countries."

(U) Four more officers were added to ONI in 1884 and none were detached, bringing its complement to nine by the end of the year. The first request for funds (\$11,560) for ONI was made in 1884 for FY 1886, but Congress did not approve the request and would not do so knowingly for any subsequent request until FY 1900.

(U) With the assignment of five more officers and the detachment of four in 1885, ONI's staffing reached 10 which it averaged for the next 11 years. One of those detached was LT Mason who was relieved as Chief Intelligence Officer by LT Raymond P. Rodgers. ONI's foreign collection capabilities were doubled with the assignment of LT Benjamin H. Buckingham as ALUSNA Paris on 11 November 1885. He was also accredited to Germany and Russia. ONI's domestic collection was expanded by using Hydrographic Branch Offices in the principal ports of the U.S. to obtain from C.O.s of naval ships and Masters of merchant ships information on foreign ports and other items of naval interest.

(U) Also in 1885, ONI was assigned the task of preparing detailed war plans for "campaigns covering all contingencies of active naval operations." Being already responsible for assembling information on foreign as well as U.S. forces, needed in such planning, it seemed sensibly simple that ONI should take on this added task.

(U) The Naval War College was established by a SECNAV General Order dated 6 October 1884, and its first class convened in September 1885. The new college and ONI had much in common. They both studied world-wide progress in naval science and conveyed that knowledge to officers of the Navy to enhance their capabilities to develop and employ the new ships and weapons of the Navy. Much of what ONI produced was needed by the War College, not only in its courses but also to give currently factual conditions, and thus timely realism, to its classroom considerations and solutions of strategic and tactical problems.

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The same group that opposed the establishment of ONI also opposed the War College; but, through mutual assistance, they were both successful in attaining their common objectives and in surviving in a generally hostile environment.

(U) ONI's production during its early years was aimed primarily at supplying the technical needs of the bureaus in their design of new ships for the Navy. The Secretary of the Navy's annual reports contained lengthy discussions on foreign naval developments, based on information supplied by ONI. In his report of 1889, he evaluated ONI and its Naval Attaches: "When the first cruisers were being designed, the Department took steps to supply its wants of experience by the systematic acquisition of information as to naval progress abroad. The establishment of the Office of Naval Intelligence and the assignment of naval attaches to duty in Europe -- have been of incalculable assistance to the work of reconstruction; and it is proper to refer especially to the untiring and successful efforts of CDR F. E. Chadwick, the first attache sent out, whose extraordinary ability and judgment -- have had a lasting influence upon naval development in this country."

(U) Another noteworthy production during this period was an unclassified "General Information Series". It was given a 3,000 copy distribution, being sent to: all officers on the active list of the Navy (for their instruction); large public libraries; Naval Attaches for barter purposes with foreign naval officials; and to Senators and Representatives to meet specific requests of their constituents, both private and corporate. The most highly regarded in this series was the annual "Notes on Naval Progress," the Jane's Fighting Ships of that day. Even the British Parliament used it as a reference when it wanted information on the fleets of foreign powers. The series was terminated in 1902 to permit ONI's limited staff to concentrate on higher priority work.

(U) Lack of appropriated funds continued to be a problem for ONI, but not insurmountable. Clerks were borrowed from other offices and, because ONI was tied so closely to the decisions of both the Navy and Congress relating to the rebuilding of the Navy, it was considered proper to support ONI and its naval attaches from the appropriation "Increase of Navy," when no other funds were available. In 1888, Congress sanctioned an appropriation under "Pay, Miscellaneous" which provided funds for "the cost of special instructions at home or abroad in maintenance of students and attaches, and (for) information from abroad and the collection and classification thereof -- -."

This gave the Naval Attache System its first legislative recog-

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dition. This also gave the attaches an expense account for funds needed in the collection of information. Up to this time, an attache was ordered to his post "without pay" which meant no pay beyond that of his rank.

(U) A third Naval Attache was posted in 1888 when LT Nathan Sargent arrived at the Embassy in Rome. He was additionally accredited to Austria-Hungary.

(U) CAPT A. T. Mahan, USN, having been relieved as President of the Naval War College, reported to the Bureau of Navigation for special duty on 30 September 1889 to serve as an advisor to the Secretary of Navy and to prepare outline plans in case of war with various foreign nations. Though not assigned to ONI, he used its files and conferred regularly with CDR Charles H. Davis, then Chief Intelligence Officer. (He also wrote some of his personal letters on ONI stationery.)

(U) In October 1889, ONI and the Navy Department Library and War Records Office were separated when the latter was transferred to the Office of the Secretary. However, one year later, ONI was also transferred and both were placed under the Assistant Secretary, James R. Soley.

(U) In 1889, the Secretary of the Navy, Mr. Tracy, established a Board of Construction composed of the Chiefs of Bureaus of Ordnance, Equipment, Construction, Steam Engineering, Yards and Docks, and the Chief Intelligence Officer. This board served as a "standing committee of advice in reference to questions arising in the design and construction of new ships." The work of this board, as of 1892, according to Tracy, had been indispensable to the department in its efforts towards the reconstruction of the Navy. The deliberations of the board were influenced in large measure by the information supplied by ONI through the Chief Intelligence Officer.

(U) With the outbreak of the Cuban revolution in 1895, much of ONI's effort was shifted to accumulating information on the Spanish Navy and Spanish coastal defenses including her colonies. Naval Attache Paris was additionally accredited to Spain. The possibility that the U.S. might become involved also influenced ONI's war planning considerations. In 1896-97, LCDR Richard Wainwright, then Chief Intelligence Officer, took steps to overhaul ONI's files and index cards to separate obsolete matter from current material so that information would be more easily retrievable by the on-loan clerical staff. (The number of assigned officers had been reduced to five by 1897 as more officers were needed for sea duty.)

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C. 1897-1898 AND THE SPANISH-AMERICAN WAR (U)

(U) LT William S. Sims, USN, who had been a prolific reporter as the Intelligence Officer in the USS CHARLESTON in the Far East, was accordingly selected to be the next Naval Attache, Paris, arriving there in early March 1897. Though accredited to Russia and Spain, he had been informed during his briefing in ONI that he need not concern himself with Spain as his assignment there would soon be withdrawn and a new Naval Attache would be appointed to that post. In the interim, information could be obtained from American consuls in that country. Finding that many of these consuls were Spanish citizens, he requested funds for setting up his own agents there. In due course, funds were supplied, and he recruited observers of many nationalities and professions in most major Spanish cities and ports. LT George L. Dyer, USN, was ordered as Naval Attache, Madrid, in July 1897 and so served until war was declared with Spain in April 1898. Sims' net remained active during this period and provided valuable information throughout the Spanish-American War. It also provided a channel for planting misleading information on American intentions. For example, when Sims reported that the Spanish planned to send Admiral Camera and his ships from Spain through the Suez Canal to threaten Admiral Dewey at Manila, the Naval War Board told Sims to leak information to the Spanish that a U.S. fleet was to be sent to blockade Spain and molest its commerce. Accordingly, Admiral Camera was recalled to protect the Iberian Peninsula.

(U) When Congress declared war on Spain on 25 April 1898, there were four officers in ONI plus a retired Ensign, Edward E. Hayden, who had been recalled to active duty on 23 April. Also on 25 April, the Superintendent of the Coast Signal Service, CAPT John R. Bartlett, USN (Ret.), reported for additional duty as relief for the Chief Intelligence Officer, CDR Richardson Clover, and he so relieved him on 1 May. By 1 July, only CAPT Bartlett and ENS Hayden plus the usual borrowed clerks and messengers remained in ONI. (That ONI would be thus emasculated in wartime will seem incongruous when compared to its expansion in subsequent wartime situations. However, without radio, there was no way to carry on the rapid exchange of operational intelligence. Counterintelligence was not yet an ONI responsibility, and everything ONI knew about Spanish ships had already been distributed to the forces afloat. So, it is not difficult to sense the view which probably then pertained that limited officer manpower could not be wasted on any shore-based office having no urgent wartime function.)

(U) On the day after war was declared, ONI was shifted

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back to the Bureau of Navigation (BUNAV). BUNAV was open day and night throughout the war to receive and act on information as received and to keep the members of the Naval War Board informed. This board, established on 25 April, was composed of RADM Montgomery Sicard, as President of the Board; the Chief of BUNAV, CAPT A. S. Crowninshield, USN; CAPT A. T. Mahan, USN (Ret.); the Chief Intelligence Officer, CDR Clover, until he left for sea; and LT(jg) A. H. Cobb, USN, Secretary of the Board. Theodore Roosevelt was a member until 9 May when he terminated his membership preliminary to resigning as Assistant Secretary of the Navy on 10 May.

(U) Most of the cables to and from the Naval Attaches were in cipher, and it was ONI's responsibility to cipher and decipher this traffic. During the five months of the war, approximately 300 outgoing and 800 incoming cable messages were so processed, a considerable additional task for ONI's extremely limited staff.

(U) ONI's collection resources during the war with Spain included the operating forces and three Naval Attaches, particularly LT Sims in Paris and CDR F. M. Barber, USN (Ret.) in Berlin. Besides Sims' agent net, previously mentioned, CDR Barber had an agent, an American named Dr. Breck, who traveled throughout Spain as a German citizen and supplied several valuable reports. There were also U.S. Consuls in various foreign neutral ports, some of whom were helpful.

(U) At the start of the war, the prime question for the Navy was: Where are the enemy's naval forces and what are their capabilities and intentions? It was known that Spain had three major forces disposed as follows: one in Spain under RADM Camara, one in the Philippines under RADM Montojo, and one assembling in the Cape Verde Islands under RADM Cervera.

(U) On 30 April, two volunteer Ensigns from BUNAV, William H. Buck and Henry H. Ward, departed the U.S. with orders to follow Admirals Camara and Cervera, respectively, and to keep the Navy Department informed of their movements. They arrived in Liverpool on 8 May and adopted assumed names and identities as British subjects. LT John C. Colwell, ALUSNA London, arranged for the purchase and provisioning of two British yachts in which Ensigns Ward and Buck each departed separately on a "pleasure cruise". Ward stopped briefly at Brest to cable the Navy Department (via a cover address) his anticipated schedule and then proceeded to Lisbon where Buck had already arrived. Ward then set out for Cadiz where a delay by heavy weather gave him time to reconnoiter that port completely before going on to Gibraltar to cable his information to the department. Buck also proceeded

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to Gibraltar from where he was able to keep track of Camara's movements and eventually to follow him to Suez and back to Spain. He left his yacht in Gibraltar and returned to the U.S. Ward headed west on 27 May, arrived at St. Thomas on 11 June and cruised along the north coast of Puerto Rico to San Juan. His papers were reviewed with suspicion by Spanish officials, and he was required to leave after only a few hours' stop which was long enough to identify the few ships present. He then returned to St. Thomas to make his report. On 9 July, he was ordered to Curacao and Aruba to check out a report that supplies were being assembled there for the Spanish. He found this report to be incorrect and on 17 July took a mailsteamer to New York. From hindsight, this was an unnecessary effort, and Buck and Ward could have been more usefully employed in ONI. However, if other ONI sources had failed or if Cervera had delayed his move to the west or backtracked to the east, Ward and Buck would have been valuable backup sources.

(U) Another backup source on the movement of Admiral Cervera was a scouting line established east of the Windward Islands across the most logical route from the Cape Verde Islands to the West Indies. Unarmed auxiliary cruisers USS HARVARD, YALE and ST LOUIS (formerly passenger liners, all of 20 knots and favorable endurance) were deployed for this task. The HARVARD sighted some of Admiral Cervera's forces as they passed Martinique and cabled the department from Martinique on 11 and 12 May of these sightings. As a result of these reports, the department no longer needed to hold Commodore Schley and his forces at Hampton Roads to protect the Atlantic Coast, and he was ordered on 13 May to proceed to Charleston, S.C., to be ready to reinforce RADM W. T. Sampson.

(U) On 14 May, the U.S. Consul at Curacao reported Cervera's forces arriving there for coal. Also in cable from the Naval Attache London it was reported that British colliers were probably to meet the Spanish fleet off the north coast of Venezuela. So, on 14 May, the department cabled Schley to continue to Key West.

(U) All of these sightings, as well as the department's orders to Schley, were passed on to Sampson. However, the department was never sure through which cable station Sampson could be reached. So, these reports were sent through several stations, but Sampson repeatedly advised that he wasn't getting any information on the Spanish ships. Cervera's fleet arrived at Santiago on 19 May, but no U.S. ship was there to sight the entry nor could it be confirmed from seaward that any of Cervera's

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ships were there. It was not until 13 June when LT Victor Blue of the USS SUWANEE returned from a shore reconnaissance (by foot and mule) with complete and accurate information on Cervera's ships in Santiago Harbor, and Sampson could then concentrate his ships for the Battle of Santiago, 3 July.

(U) In the Far East, ONI support for Commodore Dewey was almost nil. No U.S. Naval ship had visited the Philippines in years, and ONI's most recent information on that archipelago was dated 1876. There were no U.S. Naval Attaches anywhere in the Far East. In anticipation of war with Spain, Dewey took his Asiatic Squadron to Hong Kong in order to be at the nearest port and cable station external to the Philippines. From there, he cabled the U.S. Consul at Manila, Oscar F. Williams, to obtain the latest information on Spanish fortifications, underwater mines and other defenses of Manila and to advise on any movements of the Spanish fleet. Williams did his collection assignment well and stuck to his post until 23 April, in spite of threats to his life and repeated advice, beginning on 15 April, to proceed to Hong Kong. Dewey's Aide, Ensign F. B. Upham, USN, also picked up valuable information by impersonating an inquisitive traveler and boarding steamers as they arrived from the Philippines. From these reports and those from Williams, Dewey believed he had a valid appreciation of the Spanish forces and harbor defenses. Williams arrived in Hong Kong on 27 April, joined Dewey in his flagship, USS OLYMPIA, and departed in that ship one hour later for Manila, where he would be able to see how the information he had supplied would be used.

(U) Because of the demonstrated need for improved intelligence on the Far East, LT Albert L. Key, USN, was designated ALUSNA Tokyo and Peking on 10 September 1898.

(U) With the end of hostilities, three officers were returned to ONI from the fleet, including CDR Clover to complete his tour as Chief Intelligence Officer. CAPT Bartlett and ENS Hayden were detached. With only three officers at the end of 1898, CDR Clover stated that ONI could not meet its requirements to keep posted on improvements in naval science abroad or overcome the filing backlog left over from the Spanish-American War.

D. 1899-1916 - THE DOLDRUMS (U)

(U) In 1899, Congress appropriated funds (\$9,000) for FY 1900 which allowed ONI to employ five clerks, one translator, one assistant draftsman and one laborer. The officer complement was increased to seven.

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(U) Those who had pushed for the establishment of a General Staff in the Navy were partially successful when Secretary Long issued General Order 544 on 13 March 1900 setting up a General Board composed of Admiral of the Navy, George Dewey, as Senior Member, plus eight other members including the Chief Intelligence Officer and his principal assistant. War planning was taken over by the board, but ONI retained the responsibility of working with the board "in the preparation of detailed plans covering all contingencies of active operations by naval forces afloat and on shore."

he (U) LT William S. Sims, USN, was detached on 1 June 1900 as ALUSNA Paris and assigned as Intelligence Officer on the staff of the Commander in Chief, Asiatic Fleet. As such, he submitted a steady flow of reports, particularly on the British development of continuous aim gunfire using telescopic sights. These reports were seen by President T. Roosevelt and led to an improvement in the accuracy of U.S. Naval gunnery.

p d (U) in 1903, the installation of radios in ships of the Navy was commenced which, in due course, made possible the near-real-time distribution of intelligence to the operating forces, and solved one of the frustrating problems encountered in the war with Spain. Though probably not considered at the time, radios also would become a new security problem and eventually a new source of intelligence information.

i- (U) The Russo-Japanese War in 1904 brought about the assignment of LT Newton A. McCully, USN, as Assistant Naval Attache to Russia. It was hoped that he would be permitted to visit the war zone and observe Russian Naval operations. He reached the Far East in April but was not allowed to visit any ship or repair facility. So, most of his reports were based on second-hand information obtained from his British, French and other foreign counterparts who were not similarly restricted. McCully was accorded this least favored treatment because the Russians felt that the U.S., particularly President T. Roosevelt, was strongly pro-Japanese.

(U) A major reorganization of the Navy Department took place in December 1909, when it was divided into four divisions: Personnel, Material, Inspections and Operations of the Fleet. The latter was senior division and was headed by Admiral Richard Wainwright, a former Chief Intelligence Officer. ONI was assigned to the Operations Division.

(U) In 1910, Japanese language training was initiated by assigning four junior officers to ALUSNA Tokyo for that purpose.

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This program was interrupted in 1913 when the Secretary of the Navy established the policy of having as few naval officers as possible on shore duty. Language student billets were among those eliminated.

(U) The title "Chief Intelligence Officer" was changed to "Director of Naval Intelligence" on 11 November 1911.

(U) Censorship was added to ONI's responsibilities by a General Order dated 16 December 1911. This required that all articles written by persons in, or employed by, the Navy, containing detailed information concerning the naval establishment, were to be reviewed by ONI to insure that they didn't contain any information that might be of possible assistance to a foreign power. Censorship of photographs was added to this responsibility by the 1913 Navy Regulations.

(U) The first use of aerial photo reconnaissance in combat by the Navy took place during the Vera Cruz incident in April 1914 when LT P. N. L. Bellinger, USN, made a flight to photograph that Harbor, using a hand-held personal camera.

(U) At the outbreak of World War I in July 1914, interest in Russian affairs was revived, particularly their participation in that war, and CAPT Newton A. McCully, USN, was again assigned to St. Petersburg, Russia, this time as Naval Attache. He arrived on 6 October 1914, terminating the double accreditation of ALUSNA Paris. Double accreditation of Tokyo and Peking was also terminated in September 1914 when full time ALUSNAs were assigned to each of those posts. Pioneer naval aviators, LT John H. Towers, USN, 1ST LT Bernard L. Smith, USMC, and LT Victor D. Herbster, USN, were assigned as Assistant ALUSNAs London, Paris and Berlin, respectively, in October 1914, to observe and report on the wartime use of aircraft.

(U) The five desks of ONI, in 1914, were still set up by subjects: Ships, Communications, Ordnance, Personnel, and Engineering. With eight officers and eight civilians, their time was spent primarily on filing information, mostly from newspapers, periodicals and ALUSNA reports. The latter were increasing with the additional officers assigned thereto.

(U) When the post of Chief of Naval Operations was created on 3 March 1915, ONI was designated as the Division of Naval Intelligence, one of nine divisions of Naval Operations. Incident to this change, steps were initiated to make a comprehensive reorganization of the naval intelligence service. A plan was developed by CDR Dudley W. Knox, USN, and MAJ John H. Russell,

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USMC, ONI staff officers. It was approved by the Secretary of the Navy and put into effect on 1 October 1916. It divided ONI into four parts: Division A, "Organization and Control of Agencies for the Collection of Information"; Division B, "Coding and Decoding"; Division C, "Collating of Information for Statistical Study"; Division D, "Disseminating and Archives".

(U) One of the new divisions of Naval Operations was a War Plans Division, thus terminating ONI's 33-year direct involvement in that function, but adding another customer for ONI's production.

(U) The sinking of the LUSITANIA on 7 May 1915 shifted the U.S. from a neutral to a pro-Allies country. ONI thereupon started planning for its activities if U.S. participation in that war materialized. This included a War Information Service and a capability to observe the activities of potential German agents in the U.S.

(U) On 31 March 1916, Secretary of the Navy, Josephus Daniels, requested \$50,000 in confidential funds for the collection of information "at home". The Naval Appropriation Bill of 29 August 1916 included \$30,000 for that purpose. On 27 July, the DNI, CAPT James H. Oliver, USN, submitted detailed confidential plans to CNO "for the establishment of the information service and the collection of information for the use of the officer in charge of Naval Districts." Assistant Secretary of the Navy, Franklin D. Roosevelt, was the prime mover to have ONI engage in the domestic investigative business, and on 22 September he referred these plans to the General Board. Admiral George Dewey favorably endorsed them on 5 October, and they were approved by the Secretary of the Navy on 6 October. ONI thus became the first among federal intelligence agencies authorized to have undercover agents. The Naval District Information Service was inaugurated with an "Aid for Information" designated in each District. Domestic Intelligence was placed under Division A of ONI, to supervise counterintelligence activities within the U.S. (As will be seen in the July Naval Intelligence Newsletter, counterintelligence became the major activity of ONI in World War I.)

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