

DECLASSIFIED

ONI-2400-004-82
OCTOBER 1982



NAVAL INTELLIGENCE NEWSLETTER



CLASSIFIED BY: MULTIPLE SOURCES
DECLASSIFY ON: OADR

CONFIDENTIAL

DECLASSIFIED
Authority AND 68754

UNCLASSIFIED

III. FEATURE ARTICLES

ONI CENTENNIAL by CAPT W. H. PACKARD, USN (Ret.)

PREFACE

The first three articles of this Centennial Year series touched on a few of the events and activities found in the history of U.S. Naval Intelligence from 1882 to 1939. This final article will include the period before Pearl Harbor, World War II, and subsequent developments.

The Pearl Harbor event has been investigated, written about, and speculated upon ad nauseam. All the investigations and most of the books and early articles on the subject have attempted to blame or clear someone involved in the event. Consequently, this article will not do so, but rather try to note the conditions existing prior to the event. Some of the problems pertaining at the time have already been mentioned in the previous article.

WORLD WAR II PRIOR TO U.S. FORMAL INVOLVEMENT

As of 1 September 1939, the DNI was RADM Walter S. Anderson, and ONI's staff was gradually being increased. An ONI roster, dated 1 December 1939, shows 44 officers and 48 civilians, including 12 activated Naval Reservists and 6 retirees. It should be pointed out that only 11 of these officers were in the Foreign Intelligence Branch, with 4 in the Far East Section. Nine were in the Domestic Intelligence Branch, six in the Public Relations Branch, and two in the Historical Branch. The rest were in Administration, Censorship Training, and Planning.

Naval Attache posts were located at London, Paris, Rome, Berlin, The Hague, Lisbon, Tokyo, Peiping, Rio de Janeiro, Lima, Santiago, Mexico City, Bogota, Guatemala City, and Havana. Other countries were also covered by these ALUSNAs. The ALUSNA at Berlin was also accredited to the Scandinavian countries, for example. A world-wide net for the surveillance of Japanese merchant ships was in effect in 1939. Included in this net was a coast-watcher service on the coast of China, established and directed by the Assistant Naval Attache Shanghai. The movement of Japanese merchant ships towards their home ports was considered a war indicator.

UNCLASSIFIED

With the start of World War II in Europe, Commander Atlantic Squadron, RADM A. W. Johnson, a former DNI, was ordered on 6 September 1939 to establish a Neutrality Patrol to observe and report "movements of combatant vessels of nations in state of war." The first major breach in impartial neutrality was made when German merchant ships were added to the ships to be observed and reported, but those of Allied nations were not. This Patrol was primarily an intelligence gathering operation, chiefly of benefit to the British. Several German merchant ships were captured or scuttled upon being intercepted by the British after being trailed and reported on periodically by ships of the U.S. Neutrality Patrol.

The DNI was well aware of the need for a secret intelligence service, especially in Latin America. A Special Intelligence Section was established in June 1940 to obtain, train, and administer secret agents, and then, in December 1940, the DNI hired W. B. Phillips, an American businessman, to develop a covert intelligence collection organization. He was authorized to establish an office in New York as a "representative of the DNI in matters relating to its (ONI's) Foreign Intelligence Service." Later, when the Office of the Coordinator of Information (subsequently OSS) was established in the summer of 1941, Phillips and the 13 agents he had recruited were shifted to that Office on 15 October 1941.

The ALUSNA Berlin, CDR Albert E. Schrader, USN, maintained a daily record of events from 1 September 1939 to 24 March 1941. He submitted this Berlin Diary in a series of reports to ONI. In that diary, it is indicated that U.S. press representatives in Germany periodically dropped by to give Schrader reports on their observations. One was George Kidd of United Press who was interviewed on 13 September, following his return from witnessing the start of the war from Danzig. (Some of Mr. Kidd's activities as a Naval Intelligence Reserve Officer are mentioned later.)

In April 1940, President Roosevelt directed that a senior naval officer be sent to London for informal discussions with the British Admiralty. RADM R. L. Ghormley was selected for this assignment. Initially designated Naval Attache, his title was soon changed to "Special Observer" because of its unique and probably temporary nature. Officers were also sent by various Navy Bureaus and activities to observe British tactics, procedures, and newly developed weapons and hardware. These officers came under the Naval Attache, and by mid-October 1940, there were 32 officers designated as Assistant Naval Attaches London.

CLASSIFIED

Information on foreign aviation reached BUAER via ONI from Naval and Military Attaches for Air, foreign representatives of the National Advisory Committee for Aeronautics (NACA), and from certain foreign contacts of U.S. aircraft manufacturers. The NACA representative in Paris was LCDR J. J. Ide, USNR. When Paris was overrun in the summer of 1940, NACA closed its Paris office and LCDR Ide was called to active duty and assigned to BUAER in December 1940 to head its Technical Information Section. This Section later became the nucleus for the Air Intelligence organization in the Navy, first under DCNO for Air in August 1943 and then to ONI as OP-16-V in January 1944.

In the spring of 1941, arrangements were made with the State Department for the assignment by the Army and Navy of Control Officers or Vice Consuls to locations in North Africa to collect intelligence information. By the summer of 1941, ONI representatives had been assigned, one each to Casablanca, Oran, and Tunis, and two to Algiers. Later a Vice Consul was sent to Dakar as an ONI representative.

It was expected that if and when general mobilization was called, it would stimulate acts of sabotage at naval facilities and at plants having Navy contracts. So, SECNAV, on 19 May 1941, ordered that the expansion of the Intelligence Service in the Naval Districts would continue in an orderly and progressive manner until it reached a state of readiness equal to mobilization. Thus it would be ready to meet any hostile reaction when general mobilization was implemented.

The Special Observer in London, in the spring of 1941, requested that an officer be sent by BUAER to England to learn British techniques of extracting information from aerial photos taken over enemy territory. LCDR R. S. Quackenbush, Jr., was selected to make this study. When he discovered the scope of the task, he requested additional officers, both Navy and Marine, be sent over to increase the number who would be trained in this work. He also stressed the need for a photo interpretation school in the U.S. As a result, CNO, on 12 September 1941, authorized the establishment of such a school, under BUAER, at NAS Anacostia. LCDR Quackenbush was named the first officer in charge of that school.

The Special Intelligence Section was also responsible for Prisoner of War (POW) interrogation. In the summer of 1941, it started drawing up plans for this collection effort. A Joint Army-Navy Committee was formed to

UNCLASSIFIED

crew tried to scuttle the ship, but the OMAHA was successful in bringing it into San Juan. From documents found in the ship and from subsequent interrogation of the crew, valuable information was obtained by the Special Intelligence Section on German blockade running, such as routes and rendezvous points for ships making for French ports.

On 28 April 1941, the Public Relations Branch with its personnel was moved from ONI and placed directly under SECNAV. The District Commandants, shortly thereafter, were directed to transfer their public relations offices organizationally from the DIOs and to set them up as separate activities directly under the Commandant. These moves did not reduce the significant workload placed on the Security Section of ONI which continued to be responsible for, among other duties, security clearance of all Public Relations projects. Fortunately, the Security Office in ONI was located conveniently adjacent to SECNAV's Public Relations Office, and the two officers assigned to the Security Office continued to provide timely clearance

In 1941, there were nine officers assigned to ALUSNA Tokyo for language training. Before they made their usual summer departure from Tokyo to the mountains or the seashore, they were instructed to have their personal effects ready for departing Japan on a moment's notice. The ALUSNA had been exchanging communications with ONI, pointing out that the language students did not have diplomatic status and, in case of war, they would undoubtedly be seized and confined for the duration. He recommended that they should leave Japan and continue their studies in Hawaii or any other place where there were teachers of the Japanese language. In late July, ONI agreed, and the students were phoned and told (in Japanese) to return to Tokyo as soon as possible. Most of the students had their household possessions in storage in Yokohama, and, after a good deal of negotiating and difficulty with local officials, they were evacuated by ship from Kobe, arriving at Shanghai on Labor Day.

As proposed, a Japanese language course for naval officers was established in the U.S. It convened on 1 October 1941 at Harvard and the University of California at Berkeley, after ONI representatives, LCDR A. E. Hindmarsh and Dr. Glenn Shaw, had determined that these Universities had the best Japanese language instructors. The Berkeley course, with all instructors, was moved to the University of Colorado at Boulder in June 1942 when all persons of Japanese ancestry (which included most of the instructors) were ordered evacuated from the California coastal area. The course at Harvard was terminate

UNCLASSIFIED

So, the war approached with ONI's collection facilities significantly expanded, but its foreign intelligence processing capabilities tragically out of balance and focused almost exclusively on strategic intelligence. The volume of incoming information, including communications intelligence (COMINT), had become too great to be methodically processed or even selectively screened.

CNO's war warning message was issued on 27 November 1941, and on 3 December, ONI sent messages to CINC Asiatic Fleet, CINCPACFLT, COM 14 in Hawaii, and COM 16 in the Philippines advising that the Japanese diplomatic offices in Washington and New York as well as in London and Paris were burning their files. At the same time, ONI sent instructions to all endangered posts (with information copies to the above commands) to destroy their codes and classified papers. There was no doubt that war with Japan was imminent, but it was not clear where or when it would commence. Of the various potential targets, geographic location made Pearl Harbor one of the least likely. Furthermore, a Japanese move south was positively indicated by numerous items of intelligence. It must be acknowledged that Japan's deception plan to cover their Pearl Harbor attack was well conceived and executed, and it was highly successful, partly because it was consistent with the U.S. high command's estimate.

WORLD WAR II WITH U.S. OFFICIALLY INVOLVED

On 8 December 1941, there were still only four officers, three civilian analysts, and one clerk assigned to the Far East Section of ONI. Two of the analysts were Japanese linguists and the third was a Chinese linguist. ADM Kimmel's intelligence staff consisted of two officers and one yeoman. There was no intelligence staff for Atlantic forces. The Far East Fleet had two officers assigned as its intelligence staff; one of these was working with the Radio Intelligence Unit on Corregidor. As can be seen, Naval Intelligence was not prepared to meet the operational intelligence needs of the operating forces.

In the Pacific, it was obvious that a much larger intelligence organization was needed, but ADM Nimitz, who became CINCPACFLT on 31 December 1941, did not want to expand his staff to the degree necessary. So, other organizations were formed to meet Fleet Intelligence requirements and placed under the administrative control of COM 14 and under the operational control of CINCPAC. The Radio Intelligence Unit Pearl was already so assigned. Three officers were added to the Fleet Intelligence Office to permit setting up a

UNCLASSIFIED

arrangements were made for complete correlation and exchange of information between the two Tracking Rooms. COMINCH became additionally Com 10th Fleet and the primary source of operational intelligence (OPINTEL) for ASW in the western Atlantic. A daily exchange of U-boat tracking information was established with the British, most of the information being derived from COMINT.

The success of intelligence in the Atlantic had its ups and downs in direct consonance with the success of COMINT. In the Pacific, its success has been well recorded in various books. So, it is proposed to recount a few of the vignettes of World War II naval intelligence that are possibly not as well known.

U.S. Naval Group, China, was established early in 1942 with CDR Milton E. Miles in charge. Based on verbal orders from ADM King, he was to set up a network of weather reporters and coast watchers and to harass the Japanese in China. He established his headquarters in Chungking and achieved close collaboration with GEN Tai Li, the Nationalist Chinese Intelligence Chief. In due course, approximately 2,500 U.S. personnel were assigned to COMNAVGRPCHINA. An estimated 100,000 Chinese were trained as guerillas, intelligence collectors, and counterintelligence agents. Weather and intelligence reports were sent out daily to CINCPAC, COMSOWESPAC, and the 20th Bomber Command. Close liaison was established with the 14th Air Force and guidance given to its mining efforts along the China coast to force Japanese shipping out into waters patrolled by U.S. submarines. Approximately 900 AF/USN aviators and plane crew members were rescued, representing 90 percent of all those who bailed out or ditched in Japanese occupied Chinese territory.

The embassy staff in Tokyo was locked up in the embassy compound on 8 December 1941 where they would remain until evacuated on 17 June 1942. On 18 April 1942, the day of the Doolittle raid, the air raid sirens started at about 1100, but this was not taken as unusual, air defense drills being a fairly frequent event. The Naval Attache, CAPT Smith-Hutton, and his Assistant, LCDR M. R. Stone, among others, went up on top of one of the Embassy apartment buildings to see the show. At about 1130, they saw a plane flying very low, east to west, over the northern part of the city, about 6 miles from the chancery. They thought they heard faint gunfire but couldn't be sure, and then they saw a cloud of black smoke coming up from an area that appeared to be approximately under where the low flying plane had just passed. They could only assume that the Japanese were putting more realism in their drills. It was sometime later that the Japanese announced that the planes were American.

The first German naval prisoners captured by U.S. forces were from the U-352, sunk off the Carolina Capes on 9 May 1942. Interrogation was conducted by ONI's Special Activities Branch (OP-16-Z), formerly the Special Intelligence Section. This was the first in a long list of German U-Boats and ships from which survivors were obtained and interrogated with valuable results. Information on past operations of U-boats, their tactics, new equipment, morale, and unit disposition were of particular value to COMINCH.

UNCLASSIFIED

Combat Intelligence. Advance information on the German acoustic torpedo, the snorkel, and radar decoys permitted expeditious development of counter-measures. Negative information was also important such as refuting previous reports that German Type XXI submarines were being equipped with V-1 rocket launching platforms for an attack on New York City and other U.S. ports.

In July 1943, the COMINCH Fleet Intelligence Officer, RADM Roscoe E. Schuirman, became the Assistant Chief of Staff for Combat Intelligence (F-2), and on 25 September, 1943, he relieved RADM Harold C. Train, as DNI, serving thereafter in both billets. This proved to be an effective arrangement because the line of demarcation between the duties of the two organizations previously was not sharply defined. In general, ONI supplied the strategic intelligence, and COMINCH Intelligence was devoted primarily to tactical (operational) intelligence. Being joined at the top assured better coordination and mutual support. COMINCH Intelligence, being informed on forthcoming plans, was able to guide ONI in its productive efforts.

Four German-speaking POW interrogators were sent from ONI's Special Activities Branch (OP-16-Z) to Europe in February 1944 to be ready for the cross-Channel landings in France. They joined COMNAVEU's Special Intelligence Unit and spent the next 3 months with nine other officers in various courses of instruction including a 2-week commando drill period. In late May, they were assigned to various U.S. Army units and ordered to staging areas in the south of England. Those from ONI were assigned as follows: LTs George Kidd and John Lambie to G-2, VII Corps; LTJG Hank Hardenburg to G-2, 4th Division; and LTJG Philo Dibble to G-2, 1st Division. It was then that they first learned where they were to land, and they spent the remaining time being briefed and reading all available reports on the Normandy landing areas.

On D-day, 6 June 1944, Kidd and Lambie spent most of the morning interviewing crews of LCVPs as they returned to the transport, to learn of landing conditions, beach defenses and obstructions, and the intensity of enemy fire. At 1400, Kidd was sent ashore with a German-speaking Army officer to get information on the identity of opposing German units. About a mile inland they found a forward hospital unit caring for several wounded Germans. From them, they were able to identify several of the enemy units and passed the information back to G-2, VII Corps in the transport.

Kidd spent the night at the home of a French farmer, and, on 7 June, resumed interrogation of POWs on the beach where they were being held awaiting evacuation to England. Information particularly sought was on the location of boats and submarines that might be used to attack transports of the landing force. Kidd wrote longhand reports on his findings and sent them to the USS BAYFIELD, flagship of CTF U.

On 8 June, Lambie and Hardenburg came ashore and, with Kidd, fixed up a German dugout on the beach as an interrogation cubicle. Dibble landed on Omaha Beach on 6 June, was pinned down on the beach for several hours by tena-

UNCLASSIFIED

cious German resistance, and it was several days before he could contact the others of the OP-16-Z group. On 10 June, LCDR Leslie Riggins of COMNAVEU Intelligence Section, LT Irwin Kitchin (another OP-16-Z interrogator), and YN3 Robert Steere who spoke German and French, came ashore as members of the Cherbourg Port Party.

For the next 3 weeks, until Cherbourg was captured, the naval interrogation team worked in loose coordination, checking POW enclosures for German naval personnel. About 2,000 naval prisoners were found and interrogated. Some were of little interest, but others provided considerable information on German defenses along the coast of the Cherbourg peninsula. Captured German documents were beginning to arrive in quantity, and the OP-16-Z group alternated helping to review them aboard the BAYFIELD.

In late June, LT Kidd found a POW who had worked for several years as a civilian at the German Navy Mine Testing Command at Kiel and had firsthand information on the new German pressure mines, a subject on the "most wanted" list. Kidd, after trying unsuccessfully to get this "hot prospect" flown to England, took him personally across the channel in an LST and delivered him safely to the Interrogation Center at Kempton Park. Kidd then went on to London to alert COMNAVEU Intelligence Section and the mine experts of his find, before returning to Normandy.

Another member of COMNAVEU's Special Intelligence Unit for the Normandy campaign was LT Joseph Kaitz who had come from the Investigations Section of DIO-3ND. He landed at Omaha Beach on D-day with the 1st Division. His duties were mainly safecracking to retrieve enemy documents from secure storage facilities.

On 20 July, the Special Intelligence Unit became CTG 125.8 under the administrative supervision of CTF 125 (Commander U.S. Ports and Bases, France), but it operated under directives of the COMNAVEU Intelligence Section. Its first office was set up in Cherbourg, and LCDR George O'Neill reported as the TG Commander. On 5 October, it was transferred to COMNAVFORFRANCE, its headquarters were moved to Paris, and its title was changed to COMNAVEU Forward Intelligence Unit. Many of its officers were transferred to the Naval Technical Mission Europe when the latter was activated in early 1945.

ONI's counterintelligence responsibilities and activities in World War II were similar to those in World War I (see July article), but better defined by a "Delimitation Agreement" which provided for the coordination and cooperation of the FBI, ONI, and MID in this field. The District Intelligence Offices again were manned almost exclusively by Reserve Officers. Unit Intelligence Offices were established at all U.S. ports and naval activities. The few cases of actual sabotage uncovered were usually committed by individuals motivated not by the enemy but by malice toward supervisors, feeble mindedness, or petty personal reasons. Coastal surveys to determine potential landing areas for enemy agents, and the establishment of patrols

UNCLASSIFIED

and informants accordingly, paid off in cases such as that of Colepaugh and Gimpel who were landed from U-1230 at Winter Harbor, Maine. The FBI was informed by DIO sources and the two agents were apprehended in New York within a week.

An interesting situation which has received varying degrees of publicity over the years relates to DIO-3ND's use of underworld characters as part of its effort to maintain security in the port of New York. The DIO, CAPT Roscoe C. McFall, USN (RET), met with the New York District Attorney, Frank Hogan, on 7 March 1942 to determine the possibility of carrying out such a source recruitment. LCDR (later CDR) Radcliff Haffenden was designated to manage the program for the DIO, and arrangements were made for his contact with Charles (Lucky) Luciano, New York vice king, then serving time at Sing Sing prison. Haffenden reportedly asked Luciano's help in getting the word to his underworld contacts that they should cooperate with Navy representatives. Subsequent stories implied that Luciano's release from prison and deportation to Italy in 1945 was based on the valuable contribution he made to the U.S. war effort. (No information or investigative reports have been found to confirm or refute the claimed value of Luciano's contribution. The papers of the Herlands Commission which investigated this case in about 1954 indicate Luciano was at least cooperative.)

Radio direction finding, radio jamming, and radio deception were used in World War I. The development of radar opened up the noncommunications field of electronics, and electronic warfare became an important element in World War II operations. The need for electronic intelligence (ELINT) to support electronic countermeasures was demonstrated in 1943 when a countermeasure was needed against the German HS-293 radio-controlled glide bomb. The Naval Research Laboratory (NRL) developed intercept receivers, signal analysis equipment, and recorders to be installed in U.S. destroyer escorts DAVIS and JONES. Their intelligence collection effort was successful and, based on data thus obtained, NRL developed and procured equipment which protected Allied ships against these bombs during the subsequent Mediterranean and Normandy landings. Based on ELINT developed on German radar characteristics, towed radar decoys were designed by NRL for use in deception in support of the above Allied landings. Initial efforts in radar countermeasures (RCM) in the Pacific were almost a complete failure because of the undeveloped state of Japanese radar and the paucity of radar contacts. Three badly damaged Japanese radars were captured on Guadalcanal and shipped back to NRL for the development of counterdevices. By late 1943, RCM intelligence information on known Japanese radar characteristics, locations, and tactics was being disseminated within the Pacific Fleet.

Between January 1943 and April 1945, LCDR Ralph G. Albrecht, USNR, of OP-16-Z, as "CDR Robert E. Norden, USN," made 309 radio broadcasts to officers of the German Navy, particularly submarine officers, to undermine their morale. The success of these psychological warfare broadcasts was apparent from German naval POWs who stated that they listened to them regularly. Norden's reports of German submarine losses and other related factual news items, before German official disclosures, gave him a high listener rating, at least in the German

UNCLASSIFIED

Navy. Some of the information used in the Norden broadcasts and which gave them validity came from the censorship of prisoner of war mail by OP-16-Z. One POW wanted to meet CDR Norden. To fulfill this request, LCDR Albrecht had to borrow a commander's uniform jacket and was thus able to stimulate the cooperation of this POW. The German Ministry of Marine frequently found it desirable to attempt to refute information in the Norden broadcasts. Whether successful or not, this action did indicate the Ministry's concern for the undesirable effect the Norden program was having on German naval morale.

It is hoped that this random collection of a few of the many involvements of Naval Intelligence in World War II gives an indication of the variety and scope of that involvement.

DEMOBILIZATION

In contrast to the end of World War I, ONI and most of the elements of Naval Intelligence developed in World War II continued active through demobilization. (Of course, POW interrogation was terminated.) In ONI and the DIOs, many of the officer billets became civilian billets, and many demobilized officers continued to perform their duties in a civilian capacity. When COMINCH was dissolved, OPINTEL was transferred to ONI, and the Fleets and other major operational commands retained an intelligence staff element. The Communist threat became the dominant concern for the counterintelligence effort, and background investigations soon exceeded the capacity of the DIOs to handle in a timely manner. To continue wartime joint action in air intelligence, a Joint Army-Navy Air Intelligence Division (JANAID) was approved by the JCS in November 1945, ONI's Air Branch providing the naval element. Photo interpretation and the Photo Intelligence Center were transferred from ONI to BUAER, because of the cut in ONI funds. The Naval School of Oriental Languages at Boulder closed on 1 September 1946, the Naval Intelligence School at Anacostia having opened on 1 July 1946. In the reorganization of OPNAV at the end of the war, ONI was placed under DCNO Administration and designated OP-23. This regression lasted only until August 1946 when ONI was shifted to the Operations Division of OPNAV and designated OP-32, "in order that in the future there may be the closest practicable coordination of intelligence, strategic planning, and operations."

CONCLUSION

This concludes the series of four articles on the History of Naval Intelligence for the four Centennial Year issues of the Naval Intelligence Newsletter. Obviously, a complete history of the full hundred years could not be covered in the relatively few pages available. However, it is hoped that these articles have shown that Naval Intelligence, during the first 64 years that have been touched upon, did contribute significantly to the Navy's planning and operational effort and, in turn, to the Nation's security and defensive posture.

UNCLASSIFIED

In the subsequent 36 years, the history of Naval Intelligence becomes much more complex with the expansion of technology, the addition of representation from the U.S. Air Force and AEC to the Intelligence Community, the Korean and Vietnam conflicts, and numerous military and political maneuvers in reaction to the Cold War. The establishment of the Defense Intelligence Agency, the Naval Intelligence Command, and the Naval Investigative Service introduced policy and functional changes. Many of the Intelligence activities for this latter period are still classified. Furthermore, with the exception of the Korean action, an analysis of these activities now would not have the objectivity which only time provides.

As a final comment, the writing of a history is the processing of intelligence after the fact. It is only as good as the records (sources) that were and are kept as time progresses. For the historians of the future who attempt to update the History of Naval Intelligence, every official action is important and should be recorded in logs or memorandums for the record. These in turn become a useful reference when working up the Annual Reports required of all commands. The same basic intelligence question pertains for history (and the Annual Report): Who did what, where, when, how, and why, and what was the immediate result? For history, one adds the question: What were the long range results? It is this final aspect of history which requires time to mature and which enhances its value as potential guidance in the formulation of today's decisions.

III-11
(RB)

UNCLASSIFIED

DECLASSIFIED
Authority MD 68754