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OFFICE OF COMMANDANT FIFTEENTH NAVAL DISTRICT BALBOA, CANAL ZONE

SECRET

10 July 1941

Finished-HULA-FIRECEIVED S-C FILES

Copy No.

Admiral Harold R. Stark, USN Chief of Naval Operations NAVY DEPARTMENT Washington, D. C.

My dear Betty:

Referring to your secret letter 0-10 HT of 3 July 1941, my answer to your question, "Are the measures that we (Army and Navy) have taken adequate to prevent sabotage?" is "no". The question, "If not, why not?" opens a larger field and needs the formulation of some basic facts to assure a mutual understanding, thus:

Sabotage of the Canal can be accomplished from the following:

- (a) Ships The danger from ships is real and will continue in spite of all inspections as long as any other than Navy ships transit the Canal. consider Army transports and United States merchant ships sources of great potential danger in view of the complete lack of discipline in these ships and the fact that they are controlled by their crews instead of by their officers.
- (b) Land The protection given by the Army against the infiltration of persons intent on sabotage is great, and the chance of breaking through this line of defense by individuals is small, and I doubt if they would be able to reach their target.
- (c) Water The water police protection leaves much to be desired. By this route the lower gates at Gatun and at Miraflores are constantly menaced though the approaches are constantly watched and guarded by machine guns. A harbor police, not now employed due to lack of men and boats, is desirable but of course may not be a sure cure.
- (d) Government Employees The protection against government employees is in the hands of the Governor and great care is exercised to keep all save

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trusted employees from sensitive points. Great care is exercised over the men admitted to lock controls, yet there is always present the chance of our being fooled.

(e) Air - I have considered the danger from air to be "attack" rather than "sabotage". However, introducing these few notes as under "attack", I believe the Canal to be wide open to this attack from seaward and will so continue to believe until the bases in the Caribbean and in the Pacific are completed, manned, and operating.

I believe the method of "Transit Guards" in ships to be wholly ineffective and futile, but in it the Army now employs 500 men and twenty to thirty officers. They are working hard, but as to preventing sabotage it has no effect.

In the above, I have taken "sabotage" to mean "the damage of machinery or wrecking of industrial plants as by strikers or malcontents". Taking up then, as a separate and distinct part of "safeguard", possibly not intended by your letter, the second phase or "to defend from organized attack of considerable power", I believe the Canal to be wide open to attack from three dimensions, and the "why" of this condition is due to a lack of men and materials for defense.

In looking up the materials which we believe that the Navy needs here to carry out its obligated part in the general mission of holding the Canal and keeping it in continuous operating condition and also of protecting shipping in the Coastal Zone, I find that we have listed our needs as follows:

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You will, of course, understand that we have divided up the task between the Army, Navy, and Panama Canal, so that the Army's job is to defend the Panama Canal against sabotage and hostile attacks, and to support Naval forces; the Panama Canal's job is to protect, operate, and maintain the Panama Canal, its adjuncts and appurtenances, in order to insure continuous service at required capacity; and the Navy's job is to patrol the Coastal Zone and to control and protect shipping therein, and to support the Army forces. You will see that this division of labor leaves the Navy very little to do in and for the Canal itself. I have taken the word "support" in a liberal way as meaning that I was to help the Army to the limit of my capacity with whatever forces I had available. When the Army has requested us to take over a task which was greater than the forces at my command would permit me to undertake, I had, when the request seemed logical, requested the additional forces, as you will see by my various telegrams and letters, for example: My 0006-1133 of 6 September 1939; my 00030-1133 of 30 September 1939; my secret message 252359 of 25 July 1940; and my secret letter 5892-00 of 29 April 1941, Item 61, Activity 13.

I trust sincerely that I have felt the purport of your letter and that I have given you something that may beyef some value to you although it is nothing as cheerful as I wish that I were able to write.

Very sincerely yours

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HUS F.H. SADLER

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WAR DEPARTMENT OFFICE OF THE CHIEF OF STAFF WASHINGTON

SECRET

JUL 25 1941

Dear Betty:

Finished-HULL-File.

I am returning your letter from Admiral Sadler which I have read with interest. His concern over the lack of personnel and boats at his disposal to carry out the responsibilities of the Navy under the Joint Defense Plan, is shared by General Van Voorhis.

The cooperation between Sadler and Van Voorhis has apparently been excellent, but no amount of improvisation and willing cooperation on their part can make up for shortages in personnel and equipment needed for the effective operation of Inshore Patrol, Inner Harbor Patrol and Ship Transit Guards. The principal equipment shortage appears to be craft suitable for patrol work. I hope you can find the means to correct this shortage.

I rather doubt Sadler's statement that the Canal is open to attack from three dimensions. I believe that the Canal is reasonably well protected against an attack by land or against the fire of hostile vessels. Deficiencies still exist in our defenses against air attack but I am taking measures as rapidly as possible, to improve this condition. A substantial shipment of antiaircraft guns will go to Panama before the end of the calendar year. The Panama Air Force has recently been augmented by fifty-five pursuit planes. Our parachute and air-borne units should be able to prevent hostile occupation of landing fields near the Canal, once they are equipped with the necessary transport planes.

Sincerely yours,

Chief of Staff.

Admiral Harold R. Stark,

Chief of Naval Operations.

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