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Op-921B/dtn
Ser 0011-55
16 Aug 1955

Op-923

Via: Op-921
Op-92C___, Op-92B___

Expansion of Counterintelligence Resources

Ref: (a) Op-92BIB memo of 29 Jul 1955 ser 00051-55

1. The recommendations of the Hoover Commission Task Force on Intelligence, and the comments thereon of the Secretary of the Navy, are quoted for information:

a. "Recommendation (Page 156): 'That the Navy put its counterintelligence program on a wider base so as to bring its world-wide protection up to an adequate level.'

"Comments: Counterintelligence is one of several essential programs in the Naval Intelligence effort. An expansion of activities in this field is concurred in and is considered desirable in order to achieve an adequate level of world-wide counterintelligence protection and to meet the Navy's anticipated responsibilities. However, to finance and man this expansion from current Navy appropriations would necessitate a complementary and unacceptable decrease in other essential Navy activities.

"In order to meet the recommended expansion, an increase in the Naval Intelligence budget specifically earmarked for this purpose as well as an increase in personnel ceilings (military and civilian) at headquarters and in the field will be required. In the meantime, in anticipation of the requisite budgetary support, planning for the required program augmentation has been initiated and measures preparatory to the augmentation itself will be accomplished to the extent that this can be done without material dislocation of other Navy or Naval Intelligence programs." (Underlining supplied for emphasis.)

b. "Recommendation (Page 292): 'That the Department of the Navy give due consideration to the requirements for additional competent and trained counterintelligence personnel in order to provide adequate security of its personnel and facilities.'

"Comments: On page 150 of the report, the Task Force noted a requirement for doubling or tripling of allotted funds to bring ONI's world-wide counterintelligence program up to an adequate level. Any enlargement of the personnel resources for the counterintelligence effort should include both military and civilian personnel which would require an increase in funds specifically earmarked for Naval Intelligence, an increase in its manpower ceilings, and, with respect to military personnel, authorization for the Navy to utilize more officer specialists in time of peace."

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2. Reference (a) established a requirement for action appropriate to the recommendations and for periodic progress reports thereon.

3. The manifold and detailed problems involved in developing and inaugurating a program which is appropriate to the approved recommendations cited above, and which will provide maximum counterintelligence protection to the Navy at minimum cost, will require the full-time attention henceforward of an aggressive and senior officer. Typical of the problems which have to be handled at the outset are:

a. The drafting of functional statements for the various elements which will comprise the program.

b. Determination of the precise numbers of personnel (naval, contract agent, analytical, clerical) that are required, and a corollary allocation schedule, developed with full recognition of the degree of need among the various naval elements.

c. Development of a training curriculum and of the support requirements for training.

d. Development of recruiting sources (including a full review of the possibilities of increasing the number of available specialist officers).

e. Preparation of appropriate budgetary justification studies (looking towards a supplemental Fiscal '56 appropriation request if proper, or, at the least, inclusion of the program requirements in the Fiscal '57 budgetary request).

f. Exploration of the various jurisdictional concepts with a view to preparing the staff work necessary to achieve such changes in existing agreements and directives, or interpretations thereof, as may be appropriate.

Once the planning phase is over, the duties incident to program management and operations will become even more demanding. It is therefore requested that an officer of the rank of Captain (1100 or 1630) be assigned, on a permanent basis, to the Security Division for this program. In this connection, it is noted that ODR Kotrla (who has been ordered to 921G) has been selected for promotion to Captain. Since this rank is considered too high for the 921G billet, it is recommended that ODR McIntosh be retained as 921G and that Kotrla be assigned to 921B for duty in connection with the program. Recommendations for a formal billet for Kotrla (including billet description, etc.) will be submitted later.

Respectfully,

S. E. JONES
CAPTAIN, USNR

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