

Declassified / Downgrade to

1974

UNCLASSIFIED

Auth: EO 12958

UNCLASSIFIED

Date: 21 Sep 98 Unit: NCFIS 82

NISPACINST
5400.1D

SECTION 4 - BRIEF HISTORY

Prior to 1951, counterintelligence and investigative effort of the U. S. Navy in the Pacific was largely a function of separate commands. At such activities as Naval Forces, Japan and Naval Forces, Philippines, the Assistant Chief of Staff for Intelligence utilized an investigative capability developed within his department. For the most part investigations were conducted by military personnel, aided by indigenous translators. Investigations generally covered crimes of felony gravity, with special emphasis on sabotage, espionage, and subversion.

Soon after the Entry Clearance Program was established for the Trust Territory of the Pacific Islands in 1951, former Special Agent Ray KINNERY was transferred from the District Intelligence Office 4th Naval District to the Staff, Commander Naval Forces, Marianas at Guam. As the first Naval Intelligence Special Agent to be assigned overseas in the Pacific on a permanent basis, he pioneered a program that today has reached increased importance and Fleet recognition. He was followed by Special Agents Vern CARNAHAN and Harold C. "Doxy" SCHILLING in the Philippines. At the onset of the Korean War, the Commander Naval Forces, Far East, headquartered at Yokosuka, Japan, established Unit Intelligence Offices at NAS Atsugi, NAS Iwakuni and the Naval Base, Sasebo, staffed with his own personnel. Shortly thereafter, Special Agent Douglas T. WADA from DIO-14ND, who held a commission in the Naval Reserve as a LCDR, was ordered to temporary active duty and assigned to COMNAVFE. On 16 July 1956, following his release, he reverted to his former status and was officially transferred from Honolulu to Yokosuka as the first Special Agent in Japan.

As other Special Agents reported in the wake of increased requests for investigative assistance in the criminal field along with rising numbers of personnel security investigative requirements, the blueprint for the present organization began to emerge. It became clear that offices similar to the traditional District Intelligence Office would be a necessity in all overseas areas where Naval and Marine Corps personnel were assigned in appreciable numbers.

While minor innovations occurred from time to time, such as the combining of the CNEJ Investigative Section with the Station Intelligence Office, Fleet Activities, Yokosuka,

I-IV-1

UNCLASSIFIED

DECLASSIFIED

Authority NND 13643

UNCLASSIFIED

NISPACINST
5400.1D

they were usually local in nature and had no real impact on the over-all investigative effort in the Pacific.

On 28 March 1961, SECNAV NOTICE 5450 heralded the establishment of the U. S. Naval Investigative Support Group Center in Washington, D. C. and subordinate field elements. CAPT F. A. KLAVENESS, USN, Assistant Director of Naval Intelligence for Security (OP-021) was doublehatted as its first Director.

Under CDR Paul MULVIHILL, the first Officer in Charge, the U. S. Naval Investigative Support Group, Pacific, located in Yokosuka, Japan, served as a headquarters and directed operations of the four original U. S. Naval Investigative Support Activities (NISA); Japan, Marianas, Philippines and Taipei. NISA's Marianas and Taipei were relatively small units with no subordinate elements. The NISA in Japan was the largest and had a number of satellites, including units at Atsugi, Iwakuni, Sasebo, Yokohama and Naha, Okinawa. The NISA at Sangley Point, Philippines directed and supervised a satellite unit at Subic Bay.

In staffing the various activities, military personnel were drawn from the allowances of supporting commands. It was at this time that the NEC-9592 (Enlisted Investigator) Program reached full fruition. On a highly selective basis, volunteers from among the Chief and First Class Petty Officer rates were chosen and assigned to the NAVINVSUPPGRU organization, where they received professional training. It was envisioned that each activity would have at least one officer, a limited number of contract Special Agents and sufficient enlisted agents to satisfy local requirements.

On 4 April 1962, USNAVINVSUPPACT Taipei was redesignated a Support Unit and placed under USNAVINVSUPPACT Philippines.

On 22 August 1962, CDR David C. REID, USNR, relieved CDR MULVIHILL as Officer in Charge of the U. S. Naval Support Group, Pacific. The following year, on 31 October 1963, the name was officially changed by SECNAV NOTICE 5450 to the U. S. Naval Counterintelligence Support Group Pacific. There were no changes in the field other than substituting the name "Counterintelligence" for "Investigative" in the title.

I-IV-2

UNCLASSIFIED

DECLASSIFIED

Authority NND 73643

UNCLASSIFIED

NISPACINST
5400.1D

About the same time it was decided to phase out the 9592 Program and replace enlisted investigators with career civilian Special Agents. It was the consensus of the decision makers that the Special Agent, with his education, training and experience, was in a better position to fulfill the investigative and counterintelligence responsibilities of the Navy. It was also recognized that duty as an enlisted investigator was rendering a disservice to the incumbent in that there were few opportunities to continue this line of work when the individual returned to CONUS.

To give more direct support to Commander in Chief U. S. Pacific Fleet, particularly in counterintelligence matters, the U. S. Naval Counterintelligence Support Group, Pacific, was relocated from Yokosuka to Pearl Harbor in July 1965. At the same time, Captain Thomas L. STEVENS, USNR, who had relieved CDR REID as Officer in Charge on 25 June 1965, was given Additional Duty on the Staff of CINCPACFLT as Fleet Counterintelligence Officer. Mr. Clyde J. ROACH preceded the group to Pearl Harbor in March to arrange procurement of space and equipment. During this interim period, Mr. ROACH reported for duty to CINCPACFLT, and is believed to be the first Navy civilian assigned to the Staff in the history of that organization.

SECNAV NOTICE 5450 of 4 February 1966 disestablished all District Intelligence Offices and the USNAVINTSUPPGRU organization, and created the Naval Investigative Service. It was not until midyear that the directive was finally implemented. This directive also established the Naval Investigative Service Offices Japan, Marianas and the Philippines, each under a Commanding Officer. Subordinate units, designated U. S. Naval Investigative Service Resident Agencies, continued to be maintained at Atsugi, Iwakuni, Yokohama, Sasebo, Naha, Subic Bay, Taipei and Saigon. On 31 May 1966, SECNAV NOTICE 5450 redesignated NISRA Saigon from a subordinate element of the Philippines to independent NAVINVSERVO status. On 18 July 1966, LCDR William H. J. MANTHORPE, USN, assumed office as the first Commanding Officer, NAVINVSERVO Vietnam. A U. S. Naval Investigative Service Resident Agency, Danang, was established, and plans developed to open satellite offices at Hue, Cam Ranh Bay, Chu Lai, Vung Tau/Cat Lo and Can Tho. It was decided to support Naval elements in Bangkok by NAVINVSERVO Vietnam Special Agents as required on a Temporary Additional Duty basis.

I-IV-3

UNCLASSIFIED

DECLASSIFIED

Authority NND 73643

UNCLASSIFIED

NISPACINST
5400.1D

When Captain T. L. STEVENS, USNR, was detached on 22 June 1966 for duty as the Deputy Director, Naval Investigative Service, he was temporarily relieved by Commander Robert T. MAC ONIE, USN, who served as Commanding Officer in addition to his regular duties on the Staff, CINCPACFLT. He was relieved by Captain C. D. EVERHART, USN, who reported for duty on 30 August 1966.

The first inspection/orientation of U. S. Naval Investigative Service Offices in the Pacific Fleet Area occurred in November 1966, when Captain E. G. RIFENBURGH, the Director, Naval Investigative Service, accompanied by CAPT EVERHART, Mr. J. W. LYNCH, Head of Investigations, Mr. J. F. McDONNELL from the Headquarters SEC Department, and Mr. E. S. RICHEY, then Supervising Agent, NISO Chicago, visited the Pacific Fleet Area Office and the Offices in Guam, Philippines and Vietnam.

In May 1967, Office representatives participated in the annual joint CINCPACFLT-Japanese Maritime Self Defense Force conference held at Pearl Harbor. A number of formal counter-intelligence presentations were made by Naval Investigative Service personnel.

A Technical Services Detachment, Pacific (TSD-PAC) came into being in September. This organization was formed as a detachment of the Technical Services Division, Headquarters, Naval Investigative Service. It was established under the command and operational direction of the Commanding Officer, U. S. Naval Investigative Service Office, Pacific Fleet Area, and physically located at NAVINVSERVO Honolulu, at the Pearl Harbor Naval Shipyard.

Early in October a Resident Agency was established in Hong Kong to give more timely investigative assistance to the Seventh Fleet Units and to support the Rest and Recreation Program there.

An experiment undertaken at the beginning of the Fiscal Year was formalized in November, when a merger of Supply and Fiscal functions of the Pacific Fleet Area and Honolulu Offices took place officially. By combining personnel and equipment, a single unit was established which provided budget, supply, fiscal and payroll services to both offices.

By December plans had become firm for the establishment of a Resident Agency in Sydney, Australia, to support the R&R

I-IV-4

UNCLASSIFIED

DECLASSIFIED

Authority NND 13643

UNCLASSIFIED

NISPACINST
5400.1D

Program there. As with the Office in Hong Kong, it was under the U. S. Naval Investigative Service Office, Philippines. This element became operative on 20 February 1968 with the reporting of Special Agent Charles JETT.

On 23 January 1968 an event took place which was to have a far reaching impact upon the personnel and resources of the office. The USS PUEBLO (AGER 2) was captured by units of the North Korean Navy and CINCPACFLT named CAPT EVERHART as the action officer for the preparation of plans for the intelligence debriefing of the crew upon their return. From that point on not a day passed without a significant portion of the office effort being devoted to this task. This, of course, was in addition to the normal routine, which in no way diminished.

OPNAV NOTICE 5450 of 6 May 1968 formally changed the activity title to U. S. Naval Investigative Service, Pacific and the U. S. Naval Investigative Service Office, Honolulu was added as the fifth major subordinate command. Subsequently, the "U.S." was dropped from both organization names.

On 23 December the PUEBLO crew was released from captivity and the detailed plan for their repatriation and intelligence debriefing, culminating nearly one year of preparation, was activated. By mid-January 1969 the task was completed and adjudged an overwhelming success by the highest Navy authorities.

In recognition for his part in the preparation of detailed planning in connection with USS PUEBLO crew repatriation, Mr. C. J. Roach received the Meritorious Civilian Service Award in a ceremony conducted in the office of the Commander in Chief U. S. Pacific Fleet.

On 1 July, all Special Agents were converted from Contract Status to U. S. Civil Service. Simultaneously, and for the first time in history, premium pay was authorized for overtime work. While funds did not permit full compensation for the work beyond normal schedules, it did provide for partial recognition and was in line with the treatment afforded investigative personnel of other U. S. Government law enforcement agencies.

On 15 July in a brief, but formal Change of Command ceremony, Captain C. D. Everhart was relieved by Captain A. J. Casucci. Admiral John J. Hyland, Commander in Chief U. S. Pacific Fleet was the guest speaker.

I-IV-5

UNCLASSIFIED

DECLASSIFIED

Authority NND 73643

UNCLASSIFIED

NISPACINST
5400.1D

When Captain Casucci was suddenly transferred to CINCPAC to relieve the Deputy J-2, RADM M. H. Rindskopf, USN, the office experienced another Change of Command. CDR Charles K. Kane, USN, Commanding Officer, Naval Investigative Service Office, Honolulu was double-hatted and held the position for 5 months until in early January 1970, he was in turn relieved by Captain F. C. Satterthwaite, USN, who became NAVINVSERVPAC's sixth Commanding Officer.

Another honor was bestowed upon the command when the Secretary of the Navy presented the Meritorious Unit Commendation to NAVINVSERVPAC. Admiral T. H. Moorer, CNO, signed the citation. Admiral John J. Hyland, Commander in Chief U. S. Pacific Fleet made the actual presentation.

1970 and 1971 were strikingly similar and characterized by fiscal austerity, realignment of assets and retrenchment. Slashes in the Department of Defense budget together with political demands for a reduction in overseas military strengths caused continual review of Naval Investigative Support requirements by Captain Satterthwaite and his Staff. In Vietnam, offices at Danang, Chu Lai, Vung Tau/Cat Lo and Cam Ranh Bay were disestablished in keeping with overall troop withdrawals. The status of the Saigon office reverted from a NAVINVSERVO to a NAVINVSERVRA under NAVINVSERVO Philippines on 30 April 1972. Elsewhere, the Naval Base at Sangley Point was given back to the Philippine government and most NAVINVSERVO Phil personnel there were transferred to Subic Bay where a NAVINVSERVRA existed, or to form the nucleus of a new office in Manila. The size of the office in Taipei was sharply reduced, the offices at Kaohsiung and Hong Kong closed, and the office in Sydney, Australia phased out. In Japan, NAVINVSERVRA Yokohama and NAVINVSERVRA Foreign Liaison were eliminated, the offices at Sasebo and Atsugi scaled downward, while Iwakuni and Okinawa were augmented to keep pace with Marine Corps build-ups in those areas. All changes were accomplished with a minimum of disruption, inconvenience to personnel and without any diminution of support to command.

This two year period was also characterized by a concentrated effort on the part of NAVINVSERVPAC assets to provide requisite services to command in the neutralization of unprecedented dissident activity targeted against Naval units and activities. Counterintelligence services as a whole were substantially greater. Criminal investigations numerically reduced commensurate with reductions of USN/USMC in WestPac.

I-IV-6

UNCLASSIFIED

DECLASSIFIED

Authority NND 13643

UNCLASSIFIED

NISPACINST
5400.1D

On 29 December 1971, Secretary of Defense Melvin R. Laird released a memorandum which announced the establishment of a Defense Investigative Service. The pronouncement followed an earlier White House mandate and forecast dramatic changes for the Naval Investigative Service. Although details were scarce, it was planned that the new organization would be staffed and functioning before the end of 1972 and that initially the Defense Investigative Service would be committed to the conduct of Personnel Security Investigation. Its impact on NAVINVSERVPAC elements in WestPac was expected to be minimal for FY 73.

The austerity of 1970 and 1971 was to continue through the next two years. When Captain F. C. SATTERTHWAITTE was detached on 1 July 1972, Commander Charles M. CHITTY, JR., USN, Commanding Officer, Naval Investigative Service Office, Hawaii was double-hatted and served both commands until 25 August 1972, at which time Captain Ralph E. WOOD, USN, relieved him at Naval Investigative Service, Pacific.

On 1 October 1972, the Defense Investigative Service was established and the Naval Investigative Service, by Department of Defense decree, gave up approximately 40% of its total worldwide assets, including personnel and equipment, to the new organization, which by character, was designed to relieve the Services of personnel security investigations. Hawaii was no exception and a proportion of the Naval Investigative Service's Special Agents, clerical personnel, vehicles and other equipment were transferred to the local Defense Investigative Service District Office.

By early 1973, the Director, Naval Investigative Service had determined, as an economy/efficiency measure, to disestablish Naval Investigative Service Office, Hawaii, effect a merger with Naval Investigative Service, Pacific and place the operating units at Pearl Harbor, Kaneohe, Barbers Point and Camp H. M. Smith under the combined headquarters. Although a number of delays were experienced, the plan was finally implemented on 30 September 1973.

On 25 January 1974, Commander Charles M. Chitty again became interim Commanding Officer as Captain Ralph E. Wood prepared to retire. The event coincided with the annual inspection of the Director, Naval Investigative Service which saw Captain Barney Martin and Associate Director, J. W. Lynch head a team of headquarters personnel conducting the inspection.

I-IV-7

UNCLASSIFIED

DECLASSIFIED

Authority NND 73643

UNCLASSIFIED

NISPACINST
5400.1D

By 6 February, the final phase of the consolidation took place as renovation of office spaces was completed.

Following the consolidation, on 12 March the Interdepartmental Intelligence Committee (IIC) was hosted for the first time by Naval Investigative Service Pacific Headquarters.

Mr. John Langager, Head, Technical Services Division, Naval Investigative Service Headquarters visited from 22-26 March 1974.

The highlight of the Spring occurred on 15 May 1974 when eighteen Japanese built Toyota sedans were delivered to Naval Investigative Service Office, Japan for distribution to WestPac Resident Agencies. After years of requesting foreign-made vehicles for foreign areas only to be rebuffed for one reason or another, this welcome event was accomplished largely through the personal effort of Mr. John Langager.

OPNAV INSTRUCTION 5450 of 23 May 1974 reduced Naval Investigative Service, Pacific geographic area of responsibility and removed the offices in Japan and Philippines from the operational chain of command.

On 5 July 1974 Supervising Agent Thomas J. Nolan was detached. Ten days later, Special Agent M. Sherman Bliss reported as Supervising Agent.

On 5 August 1974, Captain A.R. JUSSEL, USN reported aboard as Commanding Officer, arriving from Naval Intelligence Command Headquarters in preparation for his third assignment in the Pearl Harbor area.

It was expected that Fiscal Year 1975 would witness the fruition of well-conceived plans of previous years and that the field offices could operate on fixed budgets based upon reasonable operational requirements, but this was not to be. As a result of a sagging national economy, and unwillingness of Congress to approve Department of Defense recommendations, cutbacks of Navy funds and general all-around uncertainties, Naval Investigative Service was unable to meet anticipated goals and field offices in Hawaii, as elsewhere, finished the calendar year in a manner reminiscent of other years, deferring planned actions and hoping for better conditions "next year".

I-IV-8

UNCLASSIFIED

DECLASSIFIED

Authority NND 73643