WAR REPORT
OF THE
OSS
(Office of Strategic Services)

with a new introduction
by

Kermit Roosevelt

Prepared by
History Project, Strategic Services Unit,
Office of the Assistant Secretary of War,
War Department, Washington, D.C.

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I feel that this War Report presents a well-rounded study of the first comprehensive organization for intelligence and unorthodox warfare in the history of the United States. I only regret that limitations of time prevented a fuller recording of OSS operations and experience.

The importance of OSS lies not only in its role in hastening military victory, but also in the development of the concept of unorthodox warfare which alone constitutes a major contribution.

Of even farther reaching importance are the lessons learned and the contributions made to the future of American defense and foreign policy.

The experience of OSS showed above all how essential it is for winning the war and keeping the peace to base national policy upon accurate and complete intelligence. Unorthodox warfare is now recognized as a vital part of our defense system.

WILLIAM J. DONOVAN

INTRODUCTION
to the 1976 edition

Kermit Roosevelt

This first volume covers the history of the Coordinator of Information (COI) and the headquarters history of the Office of Strategic Services (OSS). To read it again, after almost thirty years, is an experience which rouses a wide variety of reactions. These range from interest, amounting at times even to excitement, to something far less intense when the text is necessarily concerned with housekeeping and administrative functions. There is a mixture of fascination and regret—fascination with what the experience and the lessons learned from wartime operations of OSS could have portended for the future, and regret that many of these opportunities seem at the present time about to be thrown away.

The second volume, not yet released but likely to be next year, gives a necessarily brief account of OSS overseas operations.

I came to the history project as a former student who had been working on his Ph.D. in history prior to the war and had interrupted his studies to go to work for General Donovan during the summer of 1941 as one of the very early recruits in office of the Coordinator of Information. My doctoral dissertation, almost but never quite completed, was on "Propaganda Techniques in the English Civil Wars." As a by-product, as the war grew more and more intense in Europe, I had done a draft article on the kind of wartime intelligence and propaganda agency which it seemed to me the U.S. required. This was shown to General Donovan, who was about to be named Coordinator of Information. He requested me to put aside any idea of publication and come to work for him instead.

In my early days in Washington, I came to know well Wallace R. Deuel, former *Chicago Daily News* foreign correspondent, and Conyers Read, the Tudor and Stuart historian, both then with COI and later with OSS. These were my predecessors in attempting this history—Deuel, I believe, working alone, Read with a staff including Geoffrey Hellman of *The New Yorker*. Hellman had a sharp difference of opinion with General Donovan. He felt that editorial independence was essential; Donovan was neither interested in nor impressed by "editorial independence" as it affected OSS, and he had the final say.

I went on to OSS service in the Middle East and Italy, returning home, via hospital ship in the summer of 1945, to find in due course that both Deuel and the Read team had done drafts of histories, each considerably longer than could be considered practical for what was wanted in the way of a War Report. General Donovan, in his move back to the New York Law firm of Donovan, Leisure, Newton & Lumbard, had taken huge stacks of documents, including both these history undertakings, which were stored in a huge safe in his New York office. When I started on the War Report, I was able to obtain some of the contents of this safe, but there were portions of both histories which were never found—at least by me or my staff. So, in spite of

all the previous work that had been done, in some areas, we started from absolute scratch.

In 1947 the attitude towards the publication, even under "Secret" or "Top Secret" classification, of a history of COI/OSS was, in many quarters, extremely negative. General Eisenhower, then Chairman of the Joint Chiefs of Staff, personally overruled objections to publication which went right up to the Joint Chiefs and included a definite nonconcurrency by G-2. General Eisenhower felt that the history should be made a matter of permanent record. At one time there was even consideration given to having a small annex which would contain the nonpublishable, highly classified material, and a slightly sanitized version which could be released for publication.

The preface to this volume of the War Report gives a brief account of the way in which it was organized and the reasons for the limitations on its nature. The final paragraphs list those individuals directly responsible under me for the preparation of the report, and particularly acknowledge the major contribution made by General Donovan, who made himself freely available for help and clarification on any issues that troubled us.

Re-reading the Report now, one cannot fail to be disappointed by the very small number of names mentioned, the identification of individuals responsible for various activities. My preface recognizes that the inclusion of names would have added a "certain interest" to the text. It goes on to say that other considerations were felt to outweigh this advantage. These considerations do not seem as weighty now as they did then. I do suppose that in an official report of this nature, anonymity is a valid general principle. I also note that the use of even a limited number of names in the COI section adds to the meaning and interest of the text.

Section I, The Coordinator of Information (COI), covers the period July 1941 to 13 June 1942. It is in many ways one of the most interesting, even exciting, sections of the whole report. This is partly by contrast—because in this volume, which is devoted to the headquarters setup and activities, there would be little discussion of overseas operations. An exception had to be made with regard to the North African Operation. The account of the COI/OSS role there occupies the last three pages of Section I.

The North African Operation had begun before the existence of COI, and was under the direction of Robert D. Murphy, who had been charge d' affaires in Vichy and was subsequently Ambassador to Belgium and Japan. It derived from the conclusion of the Weygand-Murphy Accord in February 1941, under which the U.S. had agreed to send certain essential materials and supplies to North Africa on condition that they be used there and not reshipped to Europe, where they might benefit the Axis. It was understood also that the U.S. would send to French North Africa certain officials to see that this proviso was not disregarded. In the spring of 1941, twelve Control Officers were selected by G-2, State Department and ONI. They were dispatched in the summer of 1941 to be stationed in Casablanca, Algiers, Oran, Tunis, and Rabat. The career officers already in these cities did not know the real purpose of the control officers, however, and the new group was actually responsible to Murphy in Algiers.

General Donovan was one of those who early saw the Mediterranean not as East-West channel but as a link between Africa and Europe. He had long

been conscious of the opportunity and challenge of the North African situation. When he was instructed to consolidate the undercover intelligence of Army G-2, Office of Naval Intelligence and COI in October of 1941, he already had a plan prepared. Its principal feature was the dispatch of a COI representative to Tangier who would unify the activities of the Vice Consuls and "stimulate" their efforts. This representative would be supported by additional COI personnel. He would also establish a clandestine radio network which could continue to operate in the event of a break in diplomatic relations.

Colonel William O. Eddy, USMCR, was selected to fill this important post. Eddy had a distinguished record with the Marines in World War I, had served as President of Hobart College and had wide experience in Africa. He spoke Arabic fluently. Donovan had heard of him when he was Naval Attaché in Cairo. The paramilitary unit, special Activities/Goodfellow—SA/G, later SO—recruited two men to assist Eddy in Special Operations. These men are not named in this text but they are described. One was a noted anthropologist with extensive knowledge of and experience with the Arabs. The other, a businessman, had worked extensively in Morocco. An intelligence agent was recruited and trained by Special Activities/Bruce (SA/B, later SI). These men followed Eddy, who was assigned as Naval Attaché in Tangiers in December 1941, arriving in North Africa in the spring of 1942. Seemingly routine courier trips to Tangier by the Vice Consuls provided opportunities for required personal conferences, and the British supplied agent radio sets. By the Summer of 1942, the COI clandestine radio network was in operation.

By this time the situation in North Africa had already worsened. Laval's rise to power in Vichy made undercover work by the Americans more difficult. There was no way the allies could move immediately, and it appeared likely that the Axis, assisted by Spain and Vichy France, would act before they had a chance. The morale of friendly elements was deteriorating. Eddy urgently reported the situation to Washington and inquired as to the promised Allied invasion.

General Donovan raised the matter with the Joint Chiefs of Staff at a time when the general reorganization of information and intelligence agencies was pending. JCS proposed to the President, with General Donovan's concurrence, that COI be made the supporting agency of the JCS. (This would have happened at the time of COI's creation had the JCS existed. It was not established until January 1942, and the COI could not have been put under one service, whether the Army's G-2 or ONI.) North Africa presented an easily recognizable example of the manner in which the COI concept of secret intelligence, propaganda, morale, and physical subversion guerrilla action could be used in preparing the way for a large-scale invasion. This constituted a cogent argument that OSS should be placed under the JCS when the COI was split into Office of War Information and OSS in June of 1942. North African operations were to be influential in the JCS decision when the continuance of OSS came into question later that year.

The next Section, II A, pp. 97-120, provides a general survey of OSS development and operations from June 13, 1942, to October 1, 1945. It

includes a summary of Operation Torch, the North African operation, recounting briefly the result of the preparations described above and the additional activities which OSS as a whole undertook in the months after the division of COI. The full account of Torch comes in the Europe–Africa section of this Report, which has not yet been released for publication. The pre-Torch and Torch activities in North Africa received special attention in this volume because they were the main reason OSS survived. Without this evidence to the JCS of its value, it would most likely have been dismembered.

This volume mentions the comprehensive Research and Analysis studies on the target areas, the provision of field photographic personnel to accompany the invasion forces, the fact that OSS representatives formed an integral part of the AFHQ Psychological Warfare Board established by General Eisenhower, and of course refers to the clandestine intelligence radio network which had been in operation from March 1942 onwards. Cells and resistance had been organized, and OSS agents who had been in North Africa for more than a year prior to the invasion accompanied the various task forces. The most important contribution was the fact that the commander of the greatest amphibious invasion in history up to that time was able to receive in a matter of hours secret intelligence by clandestine radio from the area towards which his forces were destined.

The volume goes on to take note of the degree to which the various field bases and field detachments were required to reflect the pattern of OSS branch organization and yet at the same time conform to the field requirements. In their broader aspects these differed, as between the European theater and the Far Eastern theater, in that in the European theaters Strategic Services were most significant in the preparation of territory for large-scale amphibious operations. In the Far East, emphasis was on the development of guerrilla and subversive tactics directed against enemy lines of communications, and OSS units served to take the place of regular military components. The agency was designed to serve the local command but at the same time responsible to the higher authority of the JCS. Thus it was not unusual for local commanders to fear the possibility of divided allegiance on the part of an organization which owed responsibility directly to Washington.

Here the greater difficulty revolved around the firm premise which General Donovan had enunciated from the beginning, namely, that the secret intelligence organization of OSS should be free and independent. This independence of SI was subject to question in all the theaters. The first issue arose with the British in North Africa. It was a constant problem to secure transportation—air drop or submarine—and the false documentation which would allow SI to operate in France and Italy from the Algiers base without being dependent on the British.

It was also necessary to preserve independence from the French with regard to operations into France. In Cairo, the Middle East theater of operations was under British Command, and the independent intelligence operations, particularly those directed towards the Balkans, came into constant question.

There were equally serious problems in the Far East, particularly in China. There the intelligence service of General Tai Li, who was the Donovan of Nationalist China, sought to control all intelligence work. The difficulties arising from this effort are referred to briefly in this volume, but receive far greater attention in the subsequent volume.

General Donovan never lost sight of the fact that, although OSS was in one sense a wartime expedient, it was also an experiment of vital significance which might and should determine the peace-time intelligence structure for the United States. In many ways this is one of the most interesting and one of the most frustrating segments of this report. On 13 October 1944, President Roosevelt asked Donovan to submit his views on the organization of an intelligence service for the post-war period.

General Donovan replied in a memo dated 18 November proposing the liquidation of OSS once the wartime need for it had ceased, but urging the preservation of its intelligence functions for some form of permanent peace-time use. This, of course, involved returning to the original concept of a central authority, reporting directly to the President. Donovan attached a draft directive by which this objective could be accomplished. He argued that the creation of a single authority would not conflict with or limit the necessary intelligence functions within the Army, Navy, Department of State, and other agencies. He suggested that the President might wish to consider the desirability of laying "the keel of the ship" at once. "Although in the midst of war, we are also in a period of transition, which, before we are aware, will take use into the tumult of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions." However, no immediate action was taken. A Washington *Times-Herald* front page "exposure" of the memorandum charging Donovan with proposing the establishment of a political Gestapo may have been responsible.

On 25 August 1945, Donovan returned to this subject in a memorandum to the Director of the Bureau of the Budget. He set a schedule for the liquidation of the OSS but went on to urge once again the necessity of a centralized peacetime intelligence structure. Noting his own plan to return to private life, he spoke as a private citizen concerned with the future of his country:

> "In our Government today, there is no permanent agency to take over the functions which OSS will have then ceased to perform. These functions while carried on as incident to the war are in reality essential to the effective discharge by this nation of its responsibilities in the organization and maintenance of the peace. . . .
>
> "It is not easy to set up a modern intelligence system. It is more difficult to do so in a time of peace than in a time of war.
>
> "It is important therefore that it be done before the War Agency has disappeared so that profit may be made of its experience and 'know-how' in deciding how the new agency may best be conducted."

To this letter, he attached a statement of principles which should, in his opinion, govern the establishment of a centralized foreign intelligence system for the United States.

The first of these stated that each department of the government should have its own intelligence bureau for collecting the material necessary to its functions. No department should be authorized to engage in secret intelligence which would cover all fields, but each should depend upon the central agency for such service in appropriate cases.

Its second point was that there should be established a national central foreign intelligence agency having the authority to:

a) Service all departments of the government.
b) Procure and obtain political, economic, psychological, sociological, military, and other information which may bear on the national interest and which has been collected by the different Governmental Departments or agencies.
c) Collect when necessary supplemental information either at its own instance or at the request of any Governmental Department by open or secret means from other and various sources.
d) Integrate, analyze, process, and disseminate, to authorized Governmental agencies and officials, intelligence in the form of strategic interpretive studies.

The third principle—which does appear to have been violated on occasion by the successor agency (CIA)—was that the central agency should be prohibited from carrying on clandestine activities within the United States and should be forbidden to exercise any police functions arising either within the U.S. or in foreign areas. (This latter point has been observed.)

The fourth principle was that the agency should be independent of any department of the Government, since it is obligated to serve all and must be free of the natural, often unconscious, bias of an operating department.

As the sole organization responsible for secret intelligence functions, it should be authorized, "in the foreign field only, to carry on services such as espionage, counterespionage and those special operations (including morale and psychological) designed to anticipate or encounter any attempted penetration and subversion" of national security by foreign powers.

In conclusion, it was stated in time of war or unlimited national emergency, all programs of such an agency in areas of actual or projected military operations should be coordinated with military plans and be subject to the approval of the JCS, or, in the event of the consolidation of the armed services, the Commander-in-Chief.

This letter was widely circulated to key officials in Washington including President Truman. Its recommendations were substantially adopted, not immediately nor all at once, but within five years the CIA was operating under the broad charter General Donovan had proposed.

There follow some brief comments on various branches, based on the War Report but directed at subsequent developments.

First, on Research and Analysis (R & A), the functions of which were defined in practice rather than by fiat. It was primarily a service so conceived that it could be of value to many agencies but subject to none. It served the operating branches of the OSS but did most of its work for various agencies of the JCS, the State Department, the Armed Services, and others. Its transference to the State Department after the war appears to

have removed much of its strategic importance, which derived from the fact that it was independent of any existing department but was placed at a strategic level high in the Government, where it could maintain an objective and independent approach. It was in an organization free of policy-making responsibilities and therefore separate from any particular point of view advocated in any other quarter or agency. This detachment, and hence, authority, has been lost in its transfer to the State Department.

Second, on Secret Intelligence (SI), there is this principal observation: The quality of secrecy gives an intelligence organization the benefit of surprise on the offense; on the defense, it deprives its opponents of this invaluable asset. There is no formula for the successful accomplishment of espionage, and SI was thus a process rather than a system. A summary of SI operations concludes: "The development of SI was at once an accomplishment and an experience. The immediate value of the accomplishment lay in its service to the prosecution of the war; the ultimate value of the experience can only be realized in its significance for the future." This is a point to which we shall return later.

There were various individual units in SI which deserve separate comment. The Labor Unit was established by General Donovan in 1942. Its objective was to support and strengthen Europe's working men and women who were the core of resistance to the Axis, particularly behind enemy lines, and to enlist their aid in espionage and sabotage. The selection of personnel was critical to success. The staff not only had to know labor problems and the point of view of labor leaders so that it could earn their confidence, but, at the same time, rivalries between the various factions of trade unionism made it impractical to draw from the unions themselves. Therefore, the principal officers in the Labor Unit were lawyers with considerable labor experience, including as chief one who had acted as counsel for many important unions; another was a former Chief Trial Examiner for the National Labor Relations Board; yet another had served in various Government agencies and as counsel for the LaFollette Senate Committee investigating anti-labor practices.

Also worthy of mention was the Ship Observer Unit (SOU), which was created in December 1942 to secure strategic information about military, naval, economic, and political conditions in enemy-occupied and neutral territory. Working through seamen's organizations, ship operators, and other maritime channels, SOU was able to get far more information from these people than representatives of the Army, Navy, or FBI who interrogated them on arrival. There was a natural distrust on the part of the seamen, who tended to regard the Army, Navy, or the FBI almost as they regarded the police.

It is noteworthy that the first OSS agent in Germany was infiltrated by the Labor Section. The War Report comments: "The value of labor's contribution to secret intelligence and unorthodox warfare should be recognized and developed promptly." The Labor Unit was not preserved as a separate element in CIA. In the 1950's its central purpose was vigorously pursued, but since then interest and activity have been declining. This should be corrected, if not immediately then as soon as reasonably possible; certainly in the event of war this would be a most important field of activity.

Third, the Section on foreign counterespionage (X-2), which begins on page 188 of this text, deserves serious study in the light of what has been done to the counterespionage program by recent congressional investigations. One has to believe—or rather fear—that serious questions now exist regarding the future of the counterespionage function in the U.S. Government. It had, perhaps, been unrealistically "secluded" from other operational elements in CIA. Therefore the resignations or forced departures of senior staff personnel in the course of 1975 and the total inexperience of the Director taking over in 1976 combine to threaten a dangerous vacuum.

Counterespionage is clearly *one* of the most important, if not *the* single most important, element in any national intelligence program. The task of reforming and redirecting a counterespionage element in the CIA is an urgent requirement—which one can only hope will receive the urgent attention it should command.

Fourth, Special Operations (SO) and Morale Operations (MO) were wartime functions having little application during times of peace. In fact, MO, although it served usefully in the European Theater, never really got off the ground in the Far East. It had developed some interesting plans for Japan but these were never brought into operation because of the war's end. In any future conflict, SO would most likely be a military responsiblity and one hesitates to guess where or how the special "black" propaganda of MO would be handled.

Finally, there must be some mention made here of Training. The section on Training, from p. 233 through p. 243, is one of the more interesting, if not wholly convincing, sections of this volume of the Report. Why this should be so is illustrated by a paragraph (p. 240) on the assessment program, which is described as most effective in providing a psychological evaluation of the candidate but less effective in determining his suitability for any given assignment. This was due partly to the lack of field experience by the staff and partly to the uncertainty as to where the student's actual assignment would be. Overseas training, of which I had personal experience, was generally good on weapons—often irrelevant but most welcome when needed—and most spotty on anything else.

Training in clandestine fields clearly cannot be left until outbreak of hostilities require greatly expanded operations. This is one of the major responsibilities laid upon CIA. There is no way that an outsider can judge the effectiveness with which it is being met. Fear that it is less than adequate in some fields, particularly in counterespionage, is unavoidable; private and public pressure to assure adequate standards is clearly demanded.

OSS must be viewed primarily in terms of its contribution to the war. But it is also important to evaluate its contribution to future developments. "If the experience gained with OSS leads to acceptance of the role of an intelligence agency, this in itself will constitute a major contribution of OSS to the future security of the country," as the War Report observed.

An article entitled "Secret Service and the Democracy" has recently been published by a veteran of the British Intelligence Service, John Bruce Lockhart. He dismisses America's World War II experience very briefly and almost derisively: "American jumped from isolation to a world power in two or three years. They had no foreign policy, they had no Secret Service.

When they were suddenly plunged into the reality of world affairs their innocence and ignorance was almost total. OSS's contribution during the war (with the possible expection of Allen Dulles's contacts in Switzerland) was very small. This was the situation at the end of the war."

I believe this volume of the COI/OSS history goes far to disprove the statement that OSS's contribution during the war was very small. The second volume will solidify this position. However, the main concern and interest of Mr. Bruce Lockhart's article is the nature of Secret Services in the context of the present day. His comments are mainly critical, more of the national governments than of the services themselves.

Leaving aside the differently oriented services of the Soviet Union and Red China, and of the small one-party states which make up the majority of the United Nations, we can limit our attention to the secret services of western-type democracies. Their objective is simply to identify and combat the strengths and intentions of enemies, at home and abroad. They must operate within the framework of the national law, and endure the attention of the national information media—far more critical and important to the services than international media.

One can dismiss, I believe, the argument that a democracy does not need, or should not have, a secret service. Whenever a secret service has done its country harm—as has certainly on occasion been the case in the United States—the fault has clearly been that of the Government, not the secret service as separate from the Government. In a democracy the secret service will be as good or as bad as the government that directs it. The causes that lie behind the CIA's current difficulties are basically governmental, not agency, responsibilities. And essentially these are due to governmental failure to recognize the capabilities and limitations of a secret service.

There are certain obvious conclusions, which have not yet been fully understood or accepted by the different elements of the United States government. First, there must be a simple, clear system to provide approval for operations with any element of political risk. We seem to lack not only such a system but even a mechanism for judging whether and what political risk is involved.

Second, the priorities for clandestine operations must be set at the highest level of the executive branch. In theory, this should be the responsibility of the National Security Council. In practice, one must really wonder whether this responsibility, in the 1970s, is being properly exercised.

Third, the collection and the evaluation-collation of intelligence must be separated so that what is collected can be judged independently and objectively by persons who were not involved in the collecting. We have seen in the Bay of Pigs fiasco the damage that can result from failure to assure that independent judgment will be available to top levels of government.

Finally, the U.S. must face up to the paramount need which it has avoided for some 200 years: There must be some form of Official Secrets Act to protect a secret security agency against the kind of public exposure which had become virtually a daily occurence in the mid-1970s. Investigation of violations should be done on a secure, confidential basis.

The U.S. has never had such an act, and I believe it urgently requires one. If the nation's clandestine intelligence service is kept small, if it is firmly

excluded from paramilitary operations (which are almost impossible to keep truly covert), and if it is properly controlled so that the Constitutional liberties of citizens will not be violated by its operations, then the Government has every right to insist that these operations are kept fully secret and that these secrets are fully protected by law.

WAR DEPARTMENT
OFFICE OF THE ASSISTANT SECRETARY OF WAR
STRATEGIC SERVICES UNIT
25TH & E STREETS, N.W.
WASHINGTON 25, D.C.

5 September 1947.

SUBJECT: War Report, Office of Strategic Services.

TO: Director, SSU.

The project to prepare a War Report of the activities of the Office of Strategic Services was assigned to me by SSU Special Order 57. Following Admiral Leahy's memorandum of 26 July 1946, the staff for the History Project was assembled and work begun. Mr. Kermit Roosevelt was engaged as chief historian and directed the organization and preparation of the Report. After his departure on 1 May 1947 the final phases of editing and preparation were completed by the staff of the History Project.

The security classification of the Report is subject to determination by Joint Security Control. A glossary of certain terms and abbreviations used in the Report has been included in Volume I.

The bulk of the source material for the Report has been assembled in the files of the History Project and integrated into the OSS Archives, which, after 1 July 1947, were transferred to the jurisdiction of the Central Intelligence Group.

(Signed) Serge Peter Karlow,
(Typed) SERGE PETER KARLOW,
Executive Officer for History Project.

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(11 July 1941—13 June 1942)

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THE OFFICE OF STRATEGIC SERVICES—OSS

(13 June 1942—1 October 1945)

CHARTS

WASHINGTON EXHIBITS

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JULY 1949

Preface

This Report of the operations of the Office of Strategic Services has been prepared at the request of Admiral William D. Leahy on the behalf of the Joint Chiefs of Staff.

Admiral Leahy's memorandum dated 26 July 1946 observed that there was in existence "no comprehensive official war record of the operations of the Office of Strategic Services in the field of intelligence research and coordination, clandestine intelligence procurement, counter-espionage, sabotage, guerrilla warfare and psychological paramilitary operations". During the existence of OSS preparation of a comprehensive history had been begun. To complete it upon the scale at which it started would have required a large staff and many years, and the project was discontinued upon the liquidation of OSS in October 1945. Accordingly, it was directed that a small staff be assigned in the Strategic Services Unit to prepare an official war record within the space of approximately six months.

The terms of this assignment automatically placed certain limitations upon the nature of the Report. It could not be a detailed account of every project undertaken, every operation mounted or every administrative change made by OSS. Rather, it must present a selection of typical or especially significant operations and activities through which might be given an accurate general picture of the work of the organization.

In making such a selection there was danger that, by inclusion of a high percentage of spectacularly successful operations and the neglect of many less interesting or less successful operations, a false picture would be given. We have sought to avoid this danger as far as possible by a critical commentary which places the operations described in the context of the whole, and by the selection of a certain number of operations which indicate the failures made by OSS.

Selection, then, was governed by two principles: (1) that continuing security interests be not endangered, and (2) that the incident be sufficiently important in itself or as an illustration of the nature of OSS activities to warrant its inclusion.

The Director of OSS and certain individuals who played an important personal role in the establishment of the Office of the Coordinator of Information (the predecessor of OSS), are mentioned by name in the first part of the Washington section. Otherwise, names have not been used in this Report. It is recognized that the inclusion of names would have added a certain interest to the text. Other considerations were felt to outweigh this advantage. First was the matter of length; it would have been difficult to draw the line at which anonymity should prevail. Time and space would have been occupied which, in view of the limitations upon both, did not seem justified in an official classified report. There were also problems of security to be considered. Finally, it was felt that objectivity in tone would be better attained by the elimination of personalities wherever possible.

This Report recounts the genesis and development of a new organization performing functions which were in many cases foreign to American thought and experience, even to American instinct. The purpose of COI-OSS as originally conceived was to conduct propaganda, collect and analyze intelligence, and, in the event of war, wage unorthodox warfare in support of the armed forces. Such unorthodox warfare would include not only propaganda and intelligence but also sabotage, morale

and physical subversion, guerrilla activities and development and support of underground and resistance groups.

War came five months after the new organization had been established. This naturally produced a change of emphasis resulting from the urgency of military needs. The necessarily slow development of deep cover penetration which characterizes classic peacetime intelligence methods had to yield to rapid procurement of intelligence of immediate use to the armed forces. Infiltration of the enemy homeland by individual saboteurs which might never succeed (particularly in view of the haste in which they would have had to be planned) was obviously less important to theater commanders than support of resistance groups already operating in areas where the Allies were soon to land.

The coming of war also impressed upon responsible officials the need for a counter-espionage service to perform a task the nature and scope of which were new to American history.

Propaganda, too, is subject to different urgencies once war has begun. Propaganda of ideas, in which truth should be the weapon and conversion the objective, must make room for "black" propaganda which, through judicious mixture of rumor and deception with truth as a bait, fosters disunity and confusion to support military operations. Half a year after Pearl Harbor the original propaganda function of COI was removed; the adjustment of the early concept of the COI-OSS task to this change was a difficult one.

Even apart from its field operations, OSS was a peculiarly complex and many-sided organization. The modifications and adaptations which were necessary to meet the varying circumstances of war—both in theaters of operation and at the political center where strategy was decided—complicate the problem of simplified exposition.

This Report is presented in three sections: Washington, Europe-Africa-Middle East, and Far East.

The Washington section takes up first, as a separate unit, the account of COI as an executive agency, and of the events leading to its dissolution. Thereafter, the establishment of OSS and its development under the JCS is described. The conflict and complications which attended the definition of its functions and the general acceptance of its status form the main topic of this section. The process of definition was affected by both external and internal factors, resulting in the establishment of functional branches and the welding of these branches into an effective whole.

Once the Washington organization had become established and accepted, its role was largely that of servicing its overseas bases and its Washington "customers". These apparently separate tasks were actually closely related. OSS could not service such authorities as the White House, the Joint Chiefs of Staff, State, War and Navy Departments, unless its outposts had strong support from the highest U.S. authorities in the field—theater commands or embassies. Such support in turn depended to a great extent upon recognition in Washington of the value of OSS services.

The Europe-Africa-Middle East section describes large-scale direct intelligence and special operations from major bases in the military theaters, and indirect penetration from smaller bases in neutral countries. The bulk of OSS field personnel in the Europe-Africa Theaters was employed in assisting or working with native resistance groups either on intelligence procurement, sabotage or supply.

The most extensive intelligence networks were set up in France and Italy. Partisan forces in both countries, supplied in large measure by OSS, and assisted by OSS personnel, inflicted serious losses upon the Germans and diverted forces which would

otherwise have been used against the Allied armies.

The pressing requirements of theater commands for intelligence from areas of imminent military operations and support to resistance groups in those areas meant that it was not until the Allies approached the German borders that direct penetration of Germany was undertaken by OSS or British services on any appreciable scale.

The basic reason for the lack of a greater number of OSS agents operating in Germany, was the refusal of the British to permit American agents in late 1942 and early 1943 to be sent from England to that area. This is understandable. British intelligence was concerned with the protection of the home front. It had perfected its counter-espionage organization so that Nazi agents had great difficulty in penetrating its security. Officials did not wish to risk the possible infiltration of agents dropped into Germany from England, who, through capture or by initial purpose might disclose information to the enemy.

A few OSS representatives in strategic centers conducted indirect penetrations of Germany and produced some of the most valuable intelligence of the war.

In many cases the theoretical conception of OSS methods of operation was altered by the exigencies of the situation and the requirements of military strategy. Other operations, however, could have served as models of the original conception. Outstanding examples of intelligence, sabotage and guerrilla activities supported the landings in Normandy and Southern France. The exploitation of source "Wood" by OSS/Bern provided a classic example of indirect penetration of an enemy country—except that it might be rejected as too good to be true.

OSS was often assisted in the development of its own techniques by experienced British agencies. This was especially important in the field of counter-espionage, where OSS was given full information on British operations, and access to techniques and records built up through years of observation and research.

In the Far East Theaters, OSS found itself operating in areas where American military forces were comparatively small. Supply and climate difficulties and the fact that Occidentals were so rare in the East made undercover operations by Americans almost entirely out of the question. The result was that in those Theaters guerrilla and para-military operations predominated. Native forces were recruited, trained and led, and OSS detachments found themselves on occasion serving as line units.

In SEAC, under British Command, there were initial difficulties in undertaking strategic intelligence procurement and subversion. On the contrary OSS/China was, during the last eleven months of the war, more completely integrated with the American Theater Command than any other OSS mission had ever been. Consequently, it was able to supply a majority of the intelligence received by U.S. forces in China, train Chinese guerrilla units, operate intelligence and sabotage teams behind enemy lines, and conduct black propaganda while at the same time meeting Washington requirements for strategic information.

* * *

The written sources, reports and administrative records upon which this Report has been based, are assembled for the most part in the History Project Files which are in the OSS Archives. Bibliographic notes supporting individual sections of the Report will be found in the same files. In addition to the written records consulted, a number of former key personnel of OSS were interviewed in an effort to keep to a minimum errors resulting from time and personnel limitations. General Donovan was consulted on all phases of the preparation of this Report, and his comments were of invaluable assistance.

Under my general supervision, responsibility for the organization of the Washington section was undertaken by Mr. Wayne Nelson; for the Europe-Africa-Middle East section by Mr. John C. L. Hulley; and for the Far East section by Mr. Edmond L. Taylor.

Mr. S. Peter Karlow directed the final phases of the Project. As Executive Officer, he had assembled the staff and organized the collection of basic files and source materials. In addition to preparing certain drafts for the first two sections, he supervised the final editing of the Far East section and, throughout, attended to the variety of details necessary to assure adequate facilities and liaisons for the work of the Project staff.

Drafts for certain specialized activities were prepared by several former members of OSS. In particular, Dr. John Waldron wrote drafts of the histories of the X-2 Branch in Washington and Europe-Africa-Middle East. Mr. Samuel Halpern prepared the draft on OSS in China.

Miss Delia T. Pleasants and Miss Mary Louise Olsson assisted Mr. Nelson on the Washington section; Miss Maryette A. Coxe prepared portions of the Washington and Field sections. In addition, Miss Barbara Bronson assisted Dr. Waldron on X-2, and Major Jane M. Tanner, WAC, and Captain Emily L. Shek, WAC, gave assistance on the Europe-Africa-Middle East, and the Far East, sections respectively.

Among the former members of OSS who served as consultants for varying periods of time were: Messrs. Walter Lord, Edward J. Michelson, William A. Underwood, Richard de Roussy de Sales, Colonel William R. Peers, and Lt. Colonel William C. Wilkinson, Jr.

In addition to his work on the Washington section, Mr. Nelson assumed responsibility for the final checking of editorial details. He was assisted in particular by Miss Pleasants, Miss Coxe and Miss Mary Louise Olsson who spent long hours checking and proof-reading the manuscript. Special mention should be made of the high caliber of clerical work and the devotion to duty of Mrs. Gladys J. Lane and Miss Charlene Olsson.

KERMIT ROOSEVELT,
Chief, History Project

Introduction

The Office of Coordinator of Information (COI) was established on 11 July 1941. It was announced to the public as an agency for the collection and analysis of information and data. Actually, through COI and its successor, the Office of Strategic Services (OSS), the United States was beginning its first organized venture into the fields of espionage, propaganda, subversion and related activities under the aegis of a centralized intelligence agency.

In themselves, these various functions were not new. Every war in American history has produced divers examples of the use of spies, saboteurs and propagandists. Every major power, except the United States, has used espionage, for example, in peace as well as in war, for centuries. The significance of COI/OSS was in the concept of the relationship between these varied activities and their combined effect as one of the most potent weapons in modern warfare.

This concept evolved from two missions performed for President Roosevelt in 1940 and 1941 by the man who guided COI/OSS throughout its existence—William Joseph Donovan.

In July 1940 Secretary of the Navy Knox proposed to the President and the Secretary of State that someone be sent to England to study the situation, with particular reference to the work of the German fifth column in Europe. He further suggested his friend, Donovan, as the man for this job. Since Donovan was then in Washington, appearing before the Military Affairs Committee of the Senate on behalf of the Selective Service Bill, he was immediately called to the White House where he conferred with the President and the Secretaries of State, War and Navy. He was asked if he would go to England to study the methods and effects of Germany's fifth column activities in Europe. In addition, the President wished him to observe how the British were standing up at a time when their fortunes were at their lowest ebb and they faced Germany alone. Donovan agreed to undertake the mission, and other departments of the Government asked him to obtain specific information on various other subjects.

In his varied career Donovan had been uniformly successful as college athlete, lawyer and public official. As a soldier, he had established one of the most distinguished records of World War I. He had observed the beginnings of Fascist aggression in Ethiopia in 1935 and the Axis testing ground of Spain in 1936. His wide range of knowledge and experience eminently fitted him for the broad mission of inquiry and appraisal which the President desired.

Donovan departed for England in mid-July 1940. Though he was there for only a few weeks, the relationships which he established with British leaders were to be of great significance to the future agency. There he became convinced that the British would hold out; that America must help, at least in the matter of supplies; and that fifth column activity had become a factor of major importance in modern warfare. These convictions served to strengthen British confidence in him, and he was initiated into the mysteries of the British organizations which dealt with secret intelligence and the various elements of unorthodox warfare.

He returned to America on 4 August 1940 and immediately reported to his friend, Secretary Knox. A few days later he reported to the President. Thereafter, the British sent to America in response to Donovan's requests a series of reports on vari-

ous phases of British experience in the new war.

The results of his investigations on the subject of fifth column activities were turned over to Edgar A. Mowrer, veteran Chicago Daily News correspondent, who wrote a series of articles on the subject which appeared under the joint signatures of Donovan and Mowrer. Secretary Knox wrote an introduction for these articles and they were disseminated throughout the world by the three leading American news agencies and widely distributed in pamphlet form. It was at the instance of the President that Donovan's name was associated with these articles.

In November 1940, President Roosevelt called Donovan to Washington once more, and asked him if he would undertake a mission to make a strategic appreciation from an economic, political and military standpoint of the Mediterranean area. He accepted with alacrity, for one of the concrete ideas which had developed in his mind was the importance of the Mediterranean in World War II.* In August 1940 he had stressed particularly the necessity of some kind of agreement with the French in order to secure American interests in Northwest Africa. In discussing the mission, the President suggested that Donovan find occasion en route to see General Weygand and to discuss the question. However, Donovan proposed that it would be better for him to proceed to southeastern Europe and the Eastern Mediterranean first; he felt that he would be in a better position to confer with Weygand after such an opportunity to study the situation. He therefore suggested that Mr. Robert D. Murphy initiate the discussions.*

Donovan departed on 6 December 1940 for England. During the succeeding three and a half months, he visited Gibraltar, Malta, Egypt, Greece, Bulgaria, Yugoslavia, Turkey, Cyprus, Palestine, Iraq, Spain and Portugal. On 18 March 1941, he returned to the United States. On the following day, again accompanied by Secretary Knox, he made the first of a series of calls at the White House to report to the President.

He stressed three major points: First, the gravity of the shipping problem; second, the dangers and opportunities which the situation in French Northwest Africa represented for the United States; and third, the extraordinary importance of psychological and political elements in the war and the necessity of making the most of these elements in planning and executing national policies.

Both on this mission and his earlier mission in 1940, Donovan had studied the manner in which the Germans were exploiting the psychological and political elements. They were making the fullest use of threats and promises, of subversion and sabotage, and of special intelligence. They sowed dissension, confusion and despair among their victims and aggravated any lack of faith and hope.

Yet, Donovan reported, neither America nor Britain was fighting this new and important type of war on more than the smallest scale. Their defenses against political and psychological warfare were feeble, and even such gestures as were made toward carrying the fight to the enemy were pitifully inadequate. Preparation in the field

* Donovan felt that many people were prone to think of the Mediterranean as an East-West channel for shipping. He believed it should be thought of primarily as a no-man's-land between Europe and Africa, two great forces, or potential forces, facing each other from the North and South. Germany controlled, either directly or indirectly, most of the northern "battle line" of this front on the Continent of Europe. It was imperative in Donovan's view for the British—or the British and the Americans—to control the southern front along the Mediterranean shore of Africa.

* As a result of Donovan's attempts to stiffen resistance in the Balkans, the French, under German pressure, refused to permit him to enter French territory and he was therefore unable to see General Weygand.

of irregular and unorthodox warfare was as important as orthodox military preparedness—Donovan urged upon the President the necessity for action.

There was another situation which had impressed itself upon Donovan. On each of his two missions he had been asked on all sides to secure information. Information was pouring into Washington from many sources in that critical period. But it was fragmentary, and it was not humanly possible for the men who were responsible for formulating policy to assimilate the growing mass of material. In London he had found that there existed a central committee where much information was analyzed and available. However, the procedure was cumbersome and ineffective, and there was no central depot where all the information on a given subject was collected, analyzed and available in digestible form.

The greatest victim of the situation in Washington was the President himself. In the summer of 1941 he appointed a committee of Cabinet members, consisting of Stimson, Knox and Jackson, to consider the intelligence problem generally and recommend a plan of action. The committee consulted with Donovan and he expounded to it his concept of an over-all intelligence agency with propaganda and subversive attributes. The committee's report to the President recommended the establishment of such an organization.

In early June, therefore, the President asked Donovan to make specific proposals for the implementation of his ideas for psychological warfare and the development of an intelligence program. Donovan prepared and submitted to the White House on 10 June 1941 a paper (Exhibit W-1) entitled "Memorandum of Establishment of Service of Strategic Information".

In this memorandum Donovan set forth the relation of information to strategic planning in total warfare. He pointed out the inadequacy of the intelligence set-up then existing and stated: "It is essential that we set up a central enemy intelligence organization which would itself collect either directly or through existing departments of the government, at home and abroad, pertinent information." Such information and data should be analyzed and interpreted by applying to it the experience of "specialized trained research officials in the relative scientific fields (including technological, economic, financial and psychological scholars)."

"But there is another element in modern warfare," he continued, "and that is the psychological attack against the moral and spiritual defenses of a nation. In this attack the most powerful weapon is radio." In this type of warfare, "perfection can be realized only by planning, and planning is dependent upon accurate information."

The elements of physical subversion which had been included in the recommendations to the Cabinet committee, were not specifically set forth.

The President accepted these proposals as a basis for action and directed that an appropriate order be drafted. The order, however, was not to be specific as to the functions proposed for the new agency; both the President and Donovan agreed that, in the delicate situation then existing, it would be preferable to have no precise definition appear. On 25 June 1941 an order was drafted (Exhibit W-2) which would establish the agency as the Office of Coordinator of Strategic Information. This order was designed to be issued by the President in his capacity as Commander-in-Chief of the armed forces and its entire tone was military in nature.

The 25 June draft was circulated among State, War and Navy Departments at Donovan's request. It met particularly vigorous opposition from the Army and Navy on the ground that the new agency might usurp some of their functions. Therefore, it was decided to establish COI as a part

of the Executive Office of the President.* The new order (Exhibit W-3) was not designated as either a military or an executive order; it referred to Roosevelt's position as President, as well as Commander-in-Chief, and expressly reserved the duties of his military and naval advisers. It deleted the previous reference to the Army in appointing Donovan as Coordinator.

Aside from the general authorization to collect and analyze information and data, the order of 11 July 1941 merely stated that the Coordinator should "carry out, when requested by the President, such supplementary activities as may facilitate the securing of information."

Donovan asked for three guarantees: That he should report directly to the President; that the President's secret funds would be made available for some of the work of COI; and that all departments of the Government be instructed to give him such materials as he might need. To all of these conditions the President agreed.

The order of 11 July read as follows:

By virtue of the authority vested in me as President of the United States and as Commander in Chief of the Army and Navy of the United States, it is ordered as follows:

1. There is hereby established the position of Coordinator of Information, with authority to collect and analyze all information and data, which may bear upon national security; to correlate such information and data, and to make such information and data available to the President and to such departments and officials of the Government as the President may determine; and to carry out, when requested by the President, such supplementary activities as may facilitate the securing of information important for national security not now available to the Government.

2. The several departments and agencies of the government shall make available to the Coordinator of Information all and any such information and data relating to national security as the Coordinator, with the approval of the President, may from time to time request.

3. The Coordinator of Information may appoint such committees, consisting of appropriate representatives of the various departments and agencies of the Government, as he may deem necessary to assist him in the performance of his functions.

4. Nothing in the duties and responsibilities of the Coordinator of Information shall in any way interfere with or impair the duties and responsibilities of the regular military and naval advisers of the President as Commander in Chief of the Army and Navy.

5. Within the limits of such funds as may be allocated to the Coordinator of Information by the President, the Coordinator may employ necessary personnel and make provision for the necessary supplies, facilities, and services.

6. William J. Donovan is hereby designated as Coordinator of Information.

(Signed) Franklin D. Roosevelt.

THE WHITE HOUSE,
11 July 1941.

* A contributing factor to this decision was the necessity of securing supplies, office equipment, etc. As part of the Executive Office, the new agency could call upon the facilities of such agencies as the Office for Emergency Management (OEM).

Section I

THE COORDINATOR OF INFORMATION - COI
(11 July 1941 - 13 June 1942)

A. GENERAL SURVEY

11 July 1941 - 31 January 1942

The order of 11 July was not a definitive charter for COI. Both Donovan and the President had agreed that it was "advisable to have no directive in writing" for specific functions.* Words like "military", "strategic", "intelligence", "enemy", "warfare", "psychological", "attack", etc., which had figured basically in Donovan's memorandum of 10 June, were carefully avoided both in the order and in the White House announcement which accompanied it.

On 11 July, therefore, Donovan received executive authorization to proceed with the implementation of his ideas, subject to the approval of the President and the exigencies of the general situation.

In the month which intervened between the decision to establish COI in some form and the issuance of the final order, Donovan had already taken steps toward two specific and two general problems. The specific problems were the creation of a propaganda service and a service to collect and analyze intelligence. The general problems which he had approached were those of organization and administration.

In June Donovan had discussed the propaganda question with Robert E. Sherwood,** noted playwright, who had assisted the President in preparing his speeches in the election campaign of 1940 and had independent entree to the White House. Sherwood had been associated with Donovan on the Fight for Freedom Committee and was attracted by his realistic appreciation of the world situation and the steps he proposed taking. He immediately agreed to take on the job of organizing and directing COI propaganda functions and, when the 11 July order was issued, had been engaged for a month in considering personnel and plans.

The problem of collection and analysis of information and data was one which could best utilize the talents of experienced scholars. In June Donovan had discussed with Archibald MacLeish, Librarian of Congress, the cooperation which might be extended by the Library in setting up a research section. On 29 June MacLeish had advised him that the Library stood ready to render every possible assistance when called upon.

In June also, Donovan had secured the services of Elmo Roper, widely known for his public opinion surveys, but perhaps better known in the business world as an expert on problems of organization and management. Donovan wanted him to advise with the chiefs of various branches and divisions which would be set up in establishing their various organizations, beginning with the propaganda branch. Thereafter he would return to the first branch and

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* See p. 30 below.

** As stated in the Preface, it is necessary to mention certain personnel by name only in the COI period to clarify certain aspects of the formation and early development of the agency.

successively to the others to check up on the manner in which they were functioning. Thus Donovan early sought to assure organizational efficiency.

A third recruit who agreed to come in on 23 June was Thomas G. Early, Secretary of the Civil Aeronautics Board. His experience indicated familiarity with government procedures and Washington personalities which would be valuable to a new agency seeking to find its way in the mushrooming growth of Washington in 1941. As Executive Officer of COI (following 11 July), Early was responsible for the administrative functions of the new agency.

The first problem of policy was the delimitation of functions between COI and other agencies. With only the research and analysis function specifically set forth in the authorizing order, additional activities had to be separately defined by the President. Only the few who had been initiated in Donovan's ideas and concepts and his conferences with the President and the Cabinet committee realized the import of the phrase "and to carry out, when requested by the President, (such) supplementary activities."

In the realm of propaganda this was accomplished by letter of 14 July,* wherein the President set forth the relative responsibilities of the Office of Civilian Defense (OCD) and COI:

> Under this plan, you (F. H. La Guardia, head of OCD) will be responsible for developing and executing the programs necessary to sustain the morale of our people within the national boundaries. Colonel Donovan will assume responsibility in respect to international broadcasts relating to the achievement of morale objectives abroad.

Thus in the summer of 1941 it was decided by the President that domestic and foreign propaganda should be separate. In view of subsequent debate on this question, note should be taken of the different concepts of the course American propaganda should follow which perplexed the Foreign Information Service (FIS) of COI from its inception. "Propaganda" and "psychological warfare" were confused in the minds of many; the question of the definition of "psychological warfare" became a subject of much argument even after the organization of OSS. A contributing element to the confusion in the use of these two terms was the British phrase "political warfare" by which was meant both open, or "white", propaganda and subversive, or "black", propaganda.

Many people believed that American propaganda should not be exploited at all for subversive purposes, and conceived of it purely as a weapon of truth in spreading the American doctrine. Sherwood, while he thought of propaganda primarily as a positive factor and a weapon of conversion, acknowledged the desirability of also using "black" propaganda. However, he was concerned about the possibility of military domination of propaganda and believed that control must remain in executive or civilian hands.

Donovan always contended that propaganda was really a part of "psychological warfare", which he believed consisted of all means, physical as well as moral, which could be used to break the will of the enemy to resist. On the one hand, he saw it as conditioning the minds of the people as a whole; on the other, he conceived of it as a strategic weapon for the exploitation of particular objectives, whether political or military. He felt that in the event of the outbreak of war the military must have the power to coordinate the propaganda resources of the nation, both "black" and "white," with military strategy.

This difference did not become immediately apparent in the period before Pearl Harbor. With the United States at peace, there was no occasion to use propaganda as a weapon of exploitation in support of military strategy. Even in the period immediately following 7 December, the full mean-

* See History File W-7, p. 33.

ing of "psychological warfare" was being defined in terms of action rather than theory.

Because of the proximity to radio and news facilities, Sherwood decided to base the operation of FIS in New York. Staffed with a group of expert journalists and radiomen, FIS moved into space at 270 Madison Avenue on 1 August. A Washington office was established shortly thereafter.

The branch to deal with the collection and interpretation of information and data was designated Research and Analysis (R&A). Within COI a board of Analysts was established as the policy body of R&A, and, by agreement between Donovan and MacLeish, a research group called the Division of Special Information (DSI) was set up within the Library of Congress. DSI was financed by COI and its activities were subject to direction and approval by the Board of Analysts on which military and naval experience would be represented. It was, however, administratively responsible to the Library. To perform its research functions, DSI was organized in regional desks staffed by area specialists drawn principally from the fields of history and political science.

Dr. James Phinney Baxter III, himself a well-known historian and President of Williams College, was appointed Chief of R&A on 31 July. Within a few months the key personnel of R&A formed an impressive aggregation of experienced scholars: men of outstanding ability in the fields of history, political science, psychology, cartography, economics and sociology, among others, commanding some forty languages and dialects, had been drawn from more than thirty-five universities. By 27 August R&A was in operation.

Administrative problems such as space, personnel and financial procedures had to be gradually worked out. The first office space secured consisted of several rooms in the main State Department building. COI temporarily began its activities there in mid-July, borrowing both furniture and clerical help from OEM. By 30 July COI obtained the use of some 32 rooms in the Apex Building and moved there in early August.

In the first few months COI made no affirmative moves toward engaging in undercover activities. However, a small unit was established which was to procure the agency's first raw intelligence. Designated the Oral Intelligence Unit (OI), this activity resulted from discussions between Donovan and G. Edward Buxton * in early August. On 18 August he was directed by Donovan to set up a staff in New York for the purpose of interviewing recent arrivals from foreign areas to secure first-hand information. OI began operations in New York on 25 August.

Functioning with a small staff, skilled in languages and interrogation, OI was soon producing the first original intelligence secured by COI. The marked efficiency of OI and the excellent reception accorded its reports were soon noted. Buxton rapidly became one of the chief advisors of Donovan on all COI matters.

Since the great bulk of information with which COI would work had to be secured from other government agencies, effective liaison was essential. On 13 August Donovan wrote to Secretary of the Navy Knox requesting the temporary detachment of James Roosevelt to COI. By 23 August Roosevelt had taken up his duties as Liaison Officer and reported that he had already made contact with eight important departments and that others were in progress. The Liaison Office, established as a part of the Office of the Coordinator, assumed various other duties, such as keeping in touch with and securing intelligence from embassies and legations; arranging for pass-

* Buxton, a New England business and newspaper executive, had an outstanding record in World War I. He became Assistant Coordinator in the spring of 1942; with the establishment of OSS he became Assistant Director, in which position he remained until July 1945 when he resigned because of ill health.

ports; maintaining liaison with New York branches; organizing a mail and files section; setting up a message center; and devising and maintaining a system of classifying and accessioning documents received from outside government departments and agencies.*

It was obvious that a great deal of the effectiveness of COI's actual and contemplated operations would depend on liaison with the British. In this respect the excellent relations established by Donovan on his pre-COI missions were not only of assistance in the formative stage of the agency but were to be of even greater value once England and America were allied in a common war effort. William Stephenson, British Security Coordinator in America, who represented the several English services, was of assistance to Donovan from the beginning, particularly in the matter of advice on problems of organizing special operations and secret intelligence which arose in October. He further arranged for valuable assistance by the New York office of SOE ** in connection with certain FIS programs. This official cooperation was supplemented by cordial personal relations.

To represent COI in London and to maintain liaison with the various British services there, Donovan secured the services of William D. Whitney. Whitney was a former Rhodes Scholar and New York lawyer. He had seen service as a Major in the British Army early in the war and was in August 1941 Executive Assistant to W. A. Harriman, Lend-Lease Administrator. Donovan arranged with Harriman in August, when the latter was in Washington, to secure Whitney's services. Whitney agreed to come with COI while still in London and immediately proceeded to make the necessary contacts to pave the way for Sherwood's trip there in early September, after which he was to report to Washington.

With the FIS Branch and the R&A Branch getting under way, there was another element which was necessary to the new agency. This was the matter of effective presentation of intelligence secured and analyzed. In early September, Donovan and Merian Cooper * discussed a Visual Presentation Branch (VP) which would be designed to aid the quick and clear presentation of reports and data through the development and utilization of visual techniques. As a first step, there was formed within the Coordinator's office a Business Advisory Panel of expert consultants in relevant fields of moving pictures and electronics. These consultants held several meetings in which exhaustive studies were made of possible methods of presentation and detailed recommendations of techniques were brought forth. In late September VP was established as a branch under the direction of Atherton Richards,** and the Business Advisory Panel was dissolved shortly thereafter, having fulfilled its function of developing techniques. VP began plans for the construction of a separate building (Q-2) for the use of the President, in which would be housed a display system capable of presenting, with the techniques that had been developed, a complete and concise picture of world conditions relating to the war. The preparation of building plans, blueprints, models, etc., and debate over the appropriate budget continued into 1942.

Other divisions of VP were active, however. On 13 September 1941 a Field Photographic Division (composed of a Naval Re-

* The classification and accessioning duties were taken over by R&A some time after the establishment of a Central Information Division (CID) within that Branch.

** Special Operations Executive, the British organization engaged in sabotage and subversive warfare.

* A former motion picture director then in A-2 but serving as a part-time Special Assistant to Donovan.

** A business executive of long experience both in the United States and Hawaii, also experienced in public affairs. He was an early June recruit.

serve group of well-known Hollywood technicians and cameramen) was assigned to COI by Secretary Knox pursuant to the request of Donovan. This unit had the function of producing still and motion pictures of strategic areas. VP's Graphic Section was early engaged in the presentation aspects of certain R&A studies.

COI's first payroll on 18 August 1941 listed 13 employees. Many others were by that time donating all or part of their time—some were in process of transfer from other agencies or on vacation. Salary payment in some cases was impossible until procedure was established whereby the Civil Service Commission would provisionally accept COI's estimated professional ratings of new employees, and certify the same to the Bureau of the Budget.

The whole question of Civil Service classification was a troublesome one. COI even in those early days was an unusual organization not fitting easily into traditional patterns. In FIS was gathered a group of well-known journalists and radiomen who were difficult to classify according to the ordinary standards of peacetime Washington. The same problem existed with the prominent scholars assembled in R&A. These men had been attracted to COI by patriotic impulse and the interest which was attached to the development of new techniques in propaganda and intelligence.

Unvouchered funds were no solution to this problem. The policy was early established that wherever possible without endangering security personnel were to be employed from vouchered funds on Civil Service payrolls. While representatives of the Civil Service Commission and the Bureau of the Budget were of great assistance at this time, the very nature of the problem necessitated considerable negotiation in order to secure appropriate classifications. The question plagued almost every government agency in some degree, but, as noted, it was accentuated in the case of COI.

One particularly valuable activity of Civil Service in this early period, however, was the personnel security check, which the Commission accelerated to permit COI to get under way as promptly as possible.

In early September COI secured space in the Public Health buildings at 25th and E Streets, N. W. Only a part of the space in these buildings was immediately occupied, but negotiations proceeded for the other buildings—North, South, Central, Administration—and plans for the construction of Temporary Q Building on an adjacent site also were expedited.

COI forwarded to the Bureau of the Budget on 29 September its first pro forma request for funds. For the period up to 30 June 1942 an amount of $10,560,000 was requested. FIS was to use 30% of this figure; Visual Presentation (including Q-2 and Field Photographic) 24.9%; R&A (including DSI) 10%.

At the end of two and a half months COI had three principal branches in the initial stages of operation and preparing to expand; new branches were under discussion. Relations with other agencies and departments of the Government, under the guidance of Donovan himself and James Roosevelt as Liaison Officer, were not troubled at this time. Naturally, COI had not progressed far enough in its activities to provoke vigorous opposition; if there was distrust of COI's ultimate intentions, it was not openly expressed in the face of White House approval.

The defects in existing intelligence which Donovan had pointed out in his 10 June memorandum became speedily apparent. For example, one of the first jobs requested of R&A was a study of possible routes by which Lend-Lease material could be delivered to Russia. When the results of research on this subject were presented to the Secretaries of War and Navy, the holes in the intelligence available anywhere in the Government, or from other sources here, were clearly revealed. Partly as a conse-

quence of this incident, and partly from their understanding of the President's desire that COI undertake secret intelligence work, Secretaries Stimson and Knox asked Donovan to undertake the procurement of information by secret means. Donovan, however, felt that it was inappropriate to do so until he had the request in writing.

Both G-2 and ONI were already in the secret intelligence field, although handicapped by inadequate appropriations and, with the United States at peace, by their official and military status. Merely placing another entrant in the intelligence field without clear-cut authorization in writing might have led to unnecessary friction and handicapped effectiveness.

As early as December 1940 the other agencies engaged in intelligence had realized the desirability of centralization. At that time, representatives of G-2, ONI, State Department and FBI had discussed and agreed in principle that undercover intelligence activities should be coordinated. In view of the difficulties which each of these agencies faced, however, no definite action had been taken. COI seemed to provide an answer to the problem. Being a civilian agency and having access to secret funds as a part of the Executive Office of the President, it seemed free of the principal handicaps which had beset G-2 and ONI.

On 5 September, therefore, G-2 with the approval of the Chief of Staff and the Secretary of War, recommended "that the undercover intelligence service is much more effective if under one head rather than three, and that a civilian agency, such as the Coordinator of Information, has distinct advantages over any military or naval agency in the administration of such a service." (Exhibit W-19.) It took somewhat longer before the Navy was in agreement. But on 10 October Donovan was able to advise the President that by joint action of G-2 and ONI, approved by the Secretaries of War and Navy, "there was consolidated under the Coordinator of Information the undercover intelligence of the two services." (Exhibit W-20.) The reasons followed those stated in G-2's original recommendation.

As part of this memorandum Donovan set forth a concrete example which was a secret intelligence plan for North Africa. From the time of his first mission to Britain in 1940 he had grasped the importance of the Mediterranean in the strategy of the war. Further deliberation had led him to recommend an economic accord on French North Africa prior to his second mission. The busy period of COI organization had not abated this interest. In September the Mediterranean section of R&A was working, at Donovan's request, on studies of North Africa. The example of North Africa was to prove a basis for authorizing COI to engage in subversion and sabotage some two months later. More than a year later events were to confirm Donovan's constant interest in this area by creating the first large-scale test of his concept of the relation of the various functions of COI/OSS and their combined application in support of military operations in modern warfare.

In mid-October R&A added several divisions which rounded out its branch organization. These were organized along functional rather than regional lines and dealt with economics, geography and psychology. Thus, to the knowledge and experience of the area specialists in DSI, were added the analyses of specialized experts in relevant fields.

In mid-October the first significant conflict with another agency came to a minor crisis. The two principals involved were CIAA and the FIS branch of COI. But the matter was brought to the President's attention by the Bureau of the Budget. When the first request for funds was made to the Bureau of the Budget early in October, the Bureau became concerned about the proposed expansion of FIS activities, particularly as they affected Latin America. FIS contended that a coordinated ap-

proach to the question of propaganda outside the continental limits of the United States was essential, and while it had attempted to work out a plan of cooperation with CIAA, there was obviously room for confusion. This was particularly true since official policy lines in most cases had to be deduced from statements of the President and responsible State Department officials. With material being prepared under newsroom pressure, there was obviously insufficient time to clear various items of propaganda with the State Department. In any case, State Department was not staffed to handle such clearance. Both CIAA and FIS operated through the technical facilities of private broadcasting companies, whose representatives at times preferred to go to other departments or agencies for definitions of United States policy.

The method of securing the cooperation of the private companies was another subject of difference. CIAA preferred subsidies; FIS, at least in the period prior to Pearl Harbor, believed that voluntary cooperation prompted by patriotic impulse would be adequate.

These questions were presented by the Bureau of the Budget to the President, who advised Donovan on 15 October 1941 * that he considered the "requirements of our program in the Hemisphere . . . quite different from those of our programs to Europe and the Far East," and stated that the former should be "handled exclusively by the Coordinator of Inter-American Affairs in cooperation with the Department of State."

Donovan responded on 21 October,* reiterating his belief that "the short-wave radio is an essential weapon in the obtaining of information . . ." He enclosed a long and well-reasoned memorandum which he had received from Sherwood on 20 October which set forth the FIS, i.e., COI, position.

* See History File W-12, p. 63.

Thus, to the separation of foreign and domestic propaganda, was added still another division—Central and South America. Although the President decided against COI in this particular matter, it did not indicate that his desire that Donovan create the machinery to carry out psychological warfare along the lines proposed in June had abated. However, the Bureau of the Budget began to scrutinize even more closely COI proposals. The incident was significant of others to come.

The policy of cloaking in vagueness the true purposes of COI in the authorizing order of 11 July was beginning to boomerang as operations got under way and inevitably COI began to come into real or imagined conflict with other departments and agencies. Donovan's memorandum to the President of 21 October remarked, "while originally we both considered it advisable to have no directive in writing, it now seems necessary to do so to avoid misunderstanding with other departments." Donovan added that FIS was excellent cover for contemplated activities in the fields of secret intelligence and subversion.

In late October COI began to send personnel overseas. On 21 October the President authorized Donovan to dispatch a Field Photographic mission to Iceland to photograph strategic military bases there. On 24 October the President authenticated the London COI office in a letter to Churchill (Exhibit W-4): "In order to facilitate the carrying out of the work of the Coordinator with respect to Europe and the occupied countries, I have authorized Colonel Donovan to send a small staff to London." Whitney had been in Washington for most of the month and on 29 October he departed for London with two others. Additional staff for London were being prepared and a mission of some ten personnel arrived in London on 8 December.

In November the Foreign Nationalities Branch (FN) was begun to provide an additional source of foreign political intelligence

through study of the activities and sentiments of foreign nationality groups in the United States as they might reflect attitudes in foreign areas. This service had been in part suggested to Donovan by Sumner Welles. However, as plans progressed, opposition developed in certain quarters of the State Department on the ground that such activities might encroach on the policy field. Although the President approved the establishment of the Branch on 22 December, the Bureau of the Budget withheld its approval until the matter was brought to the attention of Secretary of State Hull who approved the project in January 1942.

At the time of the consolidation of undercover intelligence in October, Donovan had also set a small group to work to study the subject of special operations. These were to consist of various subversive activities, including sabotage, the functions being roughly equivalent to those of the British SOE. Prior to the outbreak of war, however, it was not practicable to bring up the matter for formal authorization.

Another subject which occupied Donovan at the time was that of guerrilla units. As in the case of FN, which sought to turn the possible disadvantages of our large groups of foreign origin to our benefit for intelligence purposes, Donovan felt that bilingual guerrilla units could be organized to carry out harassing tactics behind enemy lines and other operations analogous to the British Commandos. Prior to October he had brought this matter to the attention of the President but had made no formal request for authorization.

On 22 December, however, following Pearl Harbor, Donovan recommended to the President that subversive activities and guerrilla units be considered in strategic planning. Here again the example of North Africa was cited and the relation between these two activities stressed. The President directed him to take up the matter with Prime Minister Churchill and "find out whom we should work with in England toward this end." (Exhibit W-21.)

With these activities the concept of psychological warfare was complete. There would be intelligence penetration. The fruits of the intelligence processed by research and analysis would be available to strategic planning and to the propaganda service. Propaganda, as the "arrow of initial penetration", would become the first phase in operations. Special operations in the form of sabotage, fifth column work and other types of subversion would be the next phase. Then would come the commando raids and the harassing guerrilla tactics and uprisings behind the lines. With all of these reaching a peak at H-Hour, the softening-up process of a target territory would be complete. Then would follow actual invasion by the armed forces.

In other nations these functions were carried on by separate agencies. Donovan sought to unify them and forge a new instrument of war. This was not easy, and an organizational problem immediately arose. In his planning for North Africa, Donovan had been advised by Stephenson (if, indeed, he had not learned of the situation on his previous missions to England) of the intense rivalry between the British Secret Intelligence Service (SIS) and Special Operations Executive (SOE). These two organizations were under different Cabinet ranks and were subject to constant friction of one sort or another. Yet it was necessary for COI to work together with the British in a common war effort. To preserve the advantages of unified control, and at the same time to be in a position to cooperate closely and in mutual confidence with SIS and SOE, Donovan established two separate Branches: Secret Intelligence (SA/B) and Special Operations (SA/G).*

* The symbols indicate the respective chiefs of the Branches: SA/B—Special Activities/Bruce; SA/G—Special Activities/Goodfellow.

In December the question of segregation of the Western Hemisphere arose in somewhat different form. The President had on 9 December ordered Donovan to coordinate various North American intelligence agencies. As Donovan undertook this work, objections arose from the FBI which had been made responsible in June 1940 for all intelligence in the Western Hemisphere. On 23 December a Presidential Directive reaffirmed the authority of the FBI, and Donovan was so informed. The matter caused some discussion since the instructions to Donovan of 9 December and the 23 December Directive were obviously in conflict. On 30 December the President sent a memorandum * to the Attorney General, Sumner Welles, Donovan, MID and ONI:

> On December 23rd, without examination, I signed a confidential directive . . . I believe that this directive interferes with work already being conducted by other agencies. In view of this, please meet together and straighten out this whole program and let me have whatever is necessary by way of an amended directive.

The discussion which followed culminated in a meeting at the Attorney General's office on 6 January 1942, wherein the directive of 23 December 1941 was agreed to with only minor changes; COI's representatives might operate in the Western Hemisphere (exclusive of the United States itself) only after informing FBI; but even then they would not be allowed to operate under cover.

Following Pearl Harbor, COI began to cooperate more closely with the armed forces. In view of the early opposition to the proposed military order of 25 June (Exhibit W-2), the gradual change in the attitude of the Army and Navy which began even before December indicates the strides which the agency had already made. Relations between FIS and the armed forces were, of course, not close, as some time was to elapse before military operations reached the stage where propaganda could be of affirmative value as a weapon against the enemy. However, FIS was of some service in the doomed Philippine campaign. And Under Secretary Welles of the State Department on 2 December had commented upon the "splendid constructive work [of FIS] for which we are truly grateful." * Secret intelligence and special operations were in the most preliminary stage at the time of Pearl Harbor. Their value was one which could only be evident after a period of preparation. R&A, however, demonstrated its usefulness at an early period. For example, a study of Turkish railways had proven the validity of Donovan's contention in June that information already existed in this country which if subjected to expert research and interpretation would produce valuable results. In that instance the regional section of DSI had produced a comprehensive study of Turkish railways using as its principal source Turkish language periodicals available in this country. There were many other instances which formed the basis of the comment of Under Secretary Forrestal on the "real use" of the services which R&A had rendered to the Navy prior to 1 January, and Secretary Stimson's remark on 2 January 1942 that MID "had had very fruitful contact" with R&A. The Secretary of War's additional comment that "G-2 is specially appreciative of the fresh and independent outlook of your staff of experts," ** is evidence of the manner in which the R&A scholars approached the development of new intelligence methods and techniques. FN was in January just beginning a program which was to find increasing appreciation in the State Department and other agencies interested in political intelligence. The Field Photographic Unit of VP had several missions in the field.

By 1 February all the COI branches were organized. SA/B, OI, FN and IDC produced raw intelligence; the Field Photo-

* See History File W-7, p. 140.

* See History File W-7, p. 129.

** See History File W-7, p. 132.

graphic and Pictorial Records Section of VP secured and produced photographic intelligence. This intelligence, together with intelligence secured from other agencies and departments of the Government, was processed by R&A into comprehensive reports upon desired subjects. VP assisted the understanding of long and complicated reports by various graphic techniques. FIS waged propaganda warfare utilizing to the extent possible the informational resources of the other branches. SA/G was preparing personnel and instruments of subversive and guerrilla warfare.

Despite the value which the various branches had in themselves demonstrated, there had as yet arisen no opportunity to test the full concept of their combined application in a large military operation. On 1 January Donovan presented to General Marshall plans for the Azores and Cape Verde Islands. Marshall approved both plans, subject to coordination on the Azores with the British and on the Cape Verde Islands with General Stilwell. Donovan's conference with Stilwell, as reported to the President on 3 January 1942 (Exhibit W-5), provides an excellent exposition of the way in which the various elements of COI were intended to combine into a "softening-up process of the territory with which we had to deal . . ." Donovan outlined three phases:

1. A plan of short-wave penetration. This we would work out by trying to have it reach its climax on "M Day."

2. The ascertainment of detailed information on particular parts of the territory that he [Stilwell] had in mind.

3. The preliminary installation of a group that would be able to strike at the moment he would designate.

In addition, he suggested that a task force be made up from COI personnel of geographers, photographers, radiomen and analysts "so that we could work with his [Stilwell's] staff and have the psychological and political preparation go hand-in-hand" with the military.

While the contemplated military operation never took place, the proposal presaged the future work of OSS and the favorable reception of Stilwell and Marshall to the plan is significant in view of the later alliance of OSS with the armed forces.

At the end of January the new agency was a going concern. With the United States at war, Donovan desired a more active combat role. In early February he routed to the President through Secretary Knox a proposal for setting up an independent command which was to consist of approximately 5,000 officers and men, was to be attached to the Navy, and whose commander would report to the President through the Secretary of the Navy. In a memorandum to the President of 9 February 1942 * Donovan indicated that he considered the work of COI organization practically complete:

Frank Knox has given me your message concerning the independent command of the air, sea and land raiders. You know that I am grateful for your confidence. I have been working out some proposals so when Frank returns it can be submitted to you.

In the meantime, I am trying to "cinch up" everything here. The various projects are getting under way. I have given a great deal of thought to the man to come in here. It occurred to me that you would like to have Frank McCoy do it—but I think that is out of the question, because he feels his age could not stand the pressure. I want to get someone who will have your confidence. I would like to get him in here with me for a couple of weeks, and in the meantime, while we are working out the other plans I can keep this going.

1 February - 13 June 1942

The very fact that the United States was a great power made time necessary to set in motion the machinery of that power. Meanwhile, the European Axis continued victorious and America watched helplessly as an army in the Pacific fought stubbornly in the face of inevitable surrender.

* See History File W-7, p. 151.

This period in Washington was marked by controversy as the Government sought to adjust itself to a state of war. The need for action was universally recognized, and many in Washington who did not believe they knew exactly what should be done, at least thought they knew what someone else should be prevented from doing. Charges and recriminations born of frustration were often hurled indiscriminately by men whose patriotic impulse was unquestionable.

It was not surprising that COI was caught in the vortex of several of the controversies which raged in the capital during this period. From the beginning of March, it was a foregone conclusion that the agency would be affected in some measure by an impending general reorganization of executive agencies. The fact that its activities were shrouded in secrecy and were so unorthodox in nature created an aura of misunderstanding. Much of the conflict was founded on honest difference of opinion as to the issues involved, but, perhaps not unnaturally in the general situation, part of the attack descended to the level of personalities.

A general survey of COI in this period must take cognizance of the general atmosphere of dissension. Several controversies must be included because they were carried on at such length and on an echelon far out of proportion to the substance of the issues.

On 10 February 1942 Donovan began a process of organizational self-criticism. He established a committee headed by Roper to examine into the efficiency of the various branch organizations. This committee began its labors with the FIS Branch and on 2 March submitted certain proposals looking toward reorganization of the Branch, with particular reference to planning and administration. The administrative troubles of FIS had been acknowledged by Sherwood and others for some time and attempts had been made to secure an able administrator to assist Sherwood. However, suitable personnel were not available due to other commitments. On 18 January Sherwood had become alarmed "about the suggestion of a business man on the Planning Committee." As he put it, "It is all right to have rabid anti-New Dealers or even Roosevelt-haters in the military establishments or OPM, but I don't think it appropriate to have any participating in a campaign which must be expressive of the President's own philosophy." * This was in part a reflection of the divergent views of Donovan and Sherwood on the manner in which propaganda should be controlled. Sherwood and the able journalists and radiomen he had gathered about him in FIS conceived of propaganda primarily as a political weapon under civilian direction. Donovan, once a state of war existed, believed the propaganda arm, which could be exploited as a weapon of deception and subversion in support of military strategy, should be subject to military supervision for these purposes.

This cleavage was augmented by other elements in Washington who had mistrusted the motives of COI in various fields. In October, Donovan had stated to the President, in connection with the dispute with CIAA, "While originally we both considered it advisable to have no directive in writing, it now seems necessary to do so to avoid misunderstanding with the other departments." ** But there had been no clear directive.

Thus, in January the Bureau of the Budget directed COI in the future to leave to BEW certain bomb-target studies which the Economics Division of R&A had made at the request of A-2. Subsequently, as A-2 persisted in its requests for COI collaboration in the work, an arrangement was worked out with the Budget Director for continuance of the work in certain instances. However, there were suggestions

* See History File W-8c, Tab X.
** See History File W-12, p. 63.

that the Economics Division be eliminated. In a memorandum to the President of 2 February Donovan said, "I spoke to you some months ago of the fear I had that there would be a tendency in certain quarters to eliminate our Economics Section because of the seeming duplication with the work of the Board of Economic Warfare." (Exhibit W-6.) He went on to distinguish the operating functions of the two agencies and referred to the fact that he had talked with the Vice-President * and that the latter was in agreement. BEW and R&A were cooperating closely and effectively.

The matter of BEW and the Economics Division was not a dispute. However, it is indicative of the fact that COI had progressed to the point where voices were being raised in various quarters in expression of a distrust that had long existed. Throughout the first six months of COI's existence, the agency had been able to operate under the protection of the White House. To Donovan's direct access to the President had been added the informal contact of James Roosevelt and Sherwood. Following Pearl Harbor, Roosevelt was called to active duty with the Marines. Also, differences arose between Donovan and Sherwood.

There was, however, another reason why opposition to COI came into the open. Following Pearl Harbor, White House approval alone was no longer sufficient. Operational plans obviously needed to receive the clearance of the military authorities. Donovan had often stated his awareness of this. For example, he remarked in the fall of 1941 that the military was bound to have control in all matters as soon as war was a fact, and that it was therefore through the military that COI could hope to perform its most effective service.

As the war started and the JCS was established, Donovan expressed to his staff the view that an organization for unorthodox warfare, such as COI, should be under the direction of the JCS. Sherwood and others in FIS felt that such a move would mean so great a limitation upon their activity as to nullify it. Donovan, seeing propaganda as a potential strategic weapon of great force, felt that both it and the other elements of COI which comprised his concept of psychological warfare should be under the direction of those responsible for the conduct of the war. Affirmative steps to effect this end were not possible, however, until March.

While the various branches of COI had demonstrated their individual value before February 1942, the opportunity had not arisen to test the essential point of Donovan's concept: the relation between these various functions and their combined application to the prosecution of the war.

In the fall of 1941 the Bureau of the Budget had begun to be increasingly critical of COI activities. For example, Budget approval of FN was not forthcoming until some two months after the President had approved it. The President had not formally clarified the indefinite terms of the 11 July order. Donovan attempted to explain the expanded activities of COI in writing to the Director of the Bureau of the Budget on 9 February 1942:

> To this directive (of 11 July 1941) has been added the responsibility of planning, initiating, developing and executing a program of psychological and political warfare, including subversive activities; of encouraging and stimulating the support and assistance of allied nations and people of occupied territories; and of disseminating information outside the Western Hemisphere.*

But although these activities had been added, they were undertaken by virtue of informal instructions. The Bureau of the Budget found the situation confusing, and

* Then Chairman of BEW.

* See History File W-7, p. 154.

Harold D. Smith wrote to the President on 28 February:

> The Coordinator's activities have developed to such an extent that a letter or order defining the area of activity assigned to his office is becoming increasingly necessary. If you believe such a definition to be desirable, I will be glad to prepare a draft of the necessary order or letter.*

On 9 February 1942 the Joint Chiefs of Staff (JCS) held their first meeting and it was the establishment of the JCS which was to provide the solution to COI's problems. COI could not be assimilated into any one arm of the services. Its activities had to support all branches. It speedily became evident that the JCS were going to elaborate their own instruments for the planning of psychological warfare. The Joint Psychological Warfare Committee (JPWC) was organized on 18 March. On 23 March it agreed to develop a plan for Korea, including the establishment of a system of underground agents in conjunction with COI, and on 3 April it asked the Coordinator to integrate his plans for Korea with those of the Committee. Also, on 3 April, the JPWC requested that any COI plans for psychological warfare in China be integrated with theirs. On 26 March, Donovan and other key executives of COI appeared before the JPWC in connection with plans for North Africa, the Cape Verde Islands and Greece. COI and the JPWC were obviously engaged in overlapping activities.

Meanwhile, the Bureau of the Budget began to take action looking toward reorganization of various information agencies which had sprung up. Donovan was not directly informed of these proposals. On 4 March he wrote (Exhibit W-7) to the President that "rumor has come to me that the propaganda services of the government, both domestic and foreign, are to be consolidated. . . . If any suggestion has been made to you, I would respectfully ask that you keep in mind certain considerations." He went on to restate the case for separation of domestic and foreign propaganda upon which the President had decided at the outset. He referred to the differences in aims, purposes and methods in the two fields:

> Now that we are at war, foreign propaganda must be employed as a weapon of war. It must march with events. It is primarily an attack weapon. It must be identified with specific strategic movements often having within it the flavor of subversion. To do this kind of work effectively it must be allied with the military services. It must be to a degree informed as to possible movements. The more closely it is knit with the intelligence and the physically subversive activities of the Army and the Navy the more effective it can be.

He then stated concisely the concept upon which the alliance of propaganda to the other activities of COI was based:

> In point of fact, the use of propaganda is the arrow of initial penetration in conditioning and preparing the people and the territory in which invasion is contemplated. It is the first step — then Fifth Column work, then militarized raiders (or 'Commandos'), and then the invading divisions.

He cogently referred to the possible effect of domestic politics upon foreign propaganda if the rumored consolidation were to take place. By compromising or destroying the necessary security, such a tie-up "would impair the effectiveness of psychological warfare as a weapon and would be likely to expose our plans and our methods to the enemy." He concluded:

> Several months ago you felt the necessity to fix an arbitrary line between domestic propaganda and foreign psychological warfare. That has been done. By the separation we have kept ourselves free from domestic issues and have been able to carry out the military purpose and function of our work.

On 7 March (Exhibit W-8) the Director of the Budget submitted to the President a memorandum proposing a reorganization of war information services. He accompanied his memorandum with a proposed Ex-

* See History File W-8a, Tab UU.

ecutive Order which would consolidate into an Office of War Information the OFF, the Division of Information of the OEM, the Office of the Coordinator of Government Films, the Motion Picture, Press and Radio Divisions of CIAA, and the FIS Branch of COI. The Budget Director's memorandum concluded:

> The general concept of the proposed plan has been discussed fully with Lowell Mellett, Robert Sherwood, Archibald MacLeish, and Wayne Coy. The provisions of the Executive Order have been cleared with Sherwood, MacLeish, and Coy as well as with Judge Rosenman, all of whom are in approval. We also discussed the Order with Nelson Rockefeller who, though he feels that it is preferable to continue the operation of the Latin American information work in his office, recognizes the need for the type of coordination provided by the Order. He is willing to cooperate under any arrangement agreed upon.

This proposal began a period of controversy which was not resolved for some three months. Both the CIAA and COI objected strenuously to the removal of certain of their functions.

Donovan sought to impress upon the President the relationship and unity of the four principal branches of COI. On 16 March he wrote * that SA/B "through its agents in various countries outside the Western Hemisphere, especially enemy countries, obtains information not ordinarily obtained by other agencies of the government;" that R&A analyzed and evaluated such information and also "secret and confidential documents furnished by the State, War, Navy, and other departments." R&A studies and conclusions were "made available for the use of the service arms of the government and also for the affirmative units" of COI; FIS, the propaganda arm, which worked closely with State, War and Navy, and "by radio, pamphlet, leaflet, posters, advertising and other means, carries the fight to the enemy and, in turn, through its monitoring service and listening outposts, obtains information concerning the enemy;" and SA/G which worked closely with the Army and the Navy to carry out subversive warfare in enemy countries. Donovan concluded:

> It may be interesting to note that, to perform the above functions, the British government has some six different organizations, each of which is larger than our one organization.
>
> I think it is safe to say that by having these closely allied operations tied together as one weapon under an order signed by the President as Commander-in-Chief, there has been obtained an Economy of Force, a vital principle in warfare.

In March the COI came under attack from another quarter. It was charged that Donovan had undercover agents operating in Mexico in contravention of the President's Directive of 23 December 1941 that COI should not operate in the Western Hemisphere. The charge was baseless, but it created an incident which was carried to the President intermittently for some two months.

The circumstances out of which this accusation grew were explained by Wallace Phillips * in a memorandum of 11 March: ** In connection with his work in establishing an undercover intelligence service for ONI, Phillips had placed certain agents in Mexico to investigate Japanese penetration, particularly along the west coast of Mexico and on the peninsula of Lower California. Both FBI and the State Department had been informed of these activities. When Phillips transferred to COI in October, he had for approximately a month and a half a dual capacity. He was winding up his ONI activities and at the same time carrying on his work for COI. Apparently FBI believed that the Navy undercover activities in Mexico were being continued by COI. State Department took a part in the ensuing conflict.

On 27 April, while he was recuperating in New York from the effects of an auto-

* See History File W-8a, Tab VV.

* See "Special Activities" below.

** See History File W-7, p. 159.

mobile accident, Donovan wrote a memorandum * to the President which indicates the degree of acrimony which the situation had brought about:

He (Frank Knox) told me that the by now well worn lie had been retailed to you that I had or have some ninety representatives or observers of my organization in Latin America. This has been made to assert that I have gone into a field which you have not allocated to me. This story is just as untrue as the others. Welles wrote me about it, and I attach that letter, together with my reply. You should know me well enough to know that I do adhere strictly to my orders and make no attempt to encroach upon the jurisdiction of anyone else. . . . I have no representatives in that section of the world and never have had, and all those concerned must know that to be true. I know that you will recognize that my anger is justified at such deliberate and continued falsehoods.

The matter was further aggravated, however, by a misunderstanding which arose in connection with the dispatch by SA/B of a courier to Mexico City, which had been cleared with the FBI liaison in New York. Donovan's memorandum to the President of 9 May (Exhibit W-9) was conclusive on the subject:

Thank you for sending me a copy of the letter from the Undersecretary of State and the memorandum attached.

It is a pity that Mr. Berle could not have been better informed before burdening Mr. Welles with the kind of gossip contained in the latter's letter to you. I only hope that the German Army will melt away as rapidly as my alleged force of ninety agents in Mexico melts under investigation.

It appears that the only evidence offered to support the ninety-men legend is a reference to a purported statement by an unnamed "high official" in the COI. If such an absurd remark was ever made by anyone associated with me, I should be glad to know the identity of such person, because, whatever his motive, he would no longer have any usefulness here.

It is made to appear in the Berle memorandum that we had certain men operating in Mexico and that prior to April 1st of this year ONI "took over" from us. This is not the fact. What really happened is that for some months before September, 1941, ONI had been conducting a special intelligence service under a civilian director named Wallace B. Phillips. As an integral part of this service there was a small unit consisting of four men (two of whom were Coleman and Thompson referred to here) in Mexico. I understand that FBI was fully advised of the existence of this service. When, after consultation with Mr. Hoover, I complied with the request of the Army and Navy to conduct special intelligence for them, the then director of Naval Intelligence, Captain Kirk, asked me to take Mr. Phillips into our organization. I agreed. However, when Phillips came with us he continued to act as director of special intelligence for ONI, until December 1, 1941, when he was relieved from his duty with the Navy officially. ONI had not at that time made arrangements for the handling of these men, and asked Phillips to continue to direct them until the Navy could make arrangements to relieve him of that responsibility. We permitted Mr. Phillips to act in this capacity for the Navy as an accommodation and to preserve their existing source of information. These men did not report to the COI, nor did we direct their activities.

. . . With reference to Mr. Donald Downes, whose presence in Mexico City is interpreted by Mr. Welles as proof that we were dealing in Latin American activities, the reason for Mr. Downes' presence in Mexico City, after clearance by the FBI, is fully set forth in the following memorandum to me from Mr. Allen W. Dulles of our New York office, who handled the matter:

"With regard to his [Downes'] trip to Mexico, the situation is as follows:

"Some weeks ago we ascertained that a group of Spanish Republicans in Mexico had certain information, particularly lists of names, which we were anxious to secure in order to complete certain reports on which we were working. It seemed unwise to trust these lists to the mails. The disclosure of the names would, we felt, not only impair the usefulness of the individuals but also imperil their lives. It was, therefore, necessary to have a messenger who could go to Mexico and bring back the information.

"Accordingly, we facilitated his trip to Mexico City . . . having previously conferred with the FBI's liaison man with us. I subsequently ascertained that this FBI man made a full and accurate report to Washington. . . .

"This matter seemed to me to be of such a routine character that I did not consult with you before Downes left New York. I may add that Downes acted solely as a messenger and had no authority to hold himself out as a representative of COI or to take any action whatsoever other

* See History File W-8a, Tab YY.

than to secure the desired papers and bring them back to the United States."

The action taken by Mr. Dulles was entirely consonant with the understanding that I had with the FBI, as appears from the following extract from my letter to Mr. Biddle of January 10th, a copy of which was sent to you, to ONI, and to G-2, as well as to Mr. Berle and the Secretary of State:

"It is apparent that our active participation in the war may mean the use of South America as a clearing house for enemy activities in other areas of the world. Occasion may thus arise where we will be compelled to pursue inquiries in South America affecting other parts of the world. Of course, we would not undertake such inquiries without first informing your Department, and I am assured by Mr. Hoover that there would be no difficulty in working out such an arrangement."

In March proposals were made that COI be made a supporting agency of the JCS, a move that was in accord with Donovan's original view. It will be remembered that when COI was first proposed in the summer of 1941 a military order had been drawn and was modified at the instance of the Army and Navy. In the spring of 1942, however, their position was reversed. On 30 March, Donovan sent a memorandum (Exhibit W-10) to the President urging the issuance of an order which the JCS had submitted which would place COI under them as a supporting agency. Donovan stated:

I hope you will approve the order. It exactly conforms to your original directive to me, both in name and function—but which was finally modified at the instance of the Army and Navy. The present proposal comes at their instance. The services now seem to have confidence in our organization and feel that we have in motion certain instrumentalities of war useful to them. For these reasons, and in order more closely to integrate with the armed forces the various elements that we have been developing, they recommend the signing of the order. . . .

I am glad to concur in the recommendation of the Joint Chiefs of Staff, because I believe this is a sensible and necessary step toward the most effective use of all modern war weapons.

Two weeks later Donovan again urged that the military order be issued and reiterated his belief that foreign propaganda should be closely knit "with the intelligence and the physically subversive activities of the Army and the Navy." His memorandum (Exhibit W-11) to the President continued:

Due to your continued support and confidence, we have been able to set up for you an instrument of modern warfare, which, if left unimpaired, will mean for you a weapon of combined operations which will be able to stand against any similar weapon of the Axis. In doing this we have not usurped the functions or encroached upon the domain of the Army, Navy or State Department. I am sure you believe that I have no such intention. But I feel it is now my duty respectfully to urge that this weapon which has been so carefully prepared over the last eight months, which has already begun to demonstrate its usefulness, and which has won the respect of some who were skeptical at the outset, shall not be disturbed at home before it shall ever be put to its really crucial work abroad.

Still the President did not take action either on the proposed consolidation of information services or on the order allying COI with JCS. On 16 May Donovan again took up the appeal and suggested a compromise solution (Exhibit W-12):

I talked with Sam Rosenman today and found him, as always, impartial, unprejudiced and open to conviction. I gave my opinion that the transfer at this time would be a serious impairment of the whole war effort; that the foreign radio service was not set up with us as something separate, but there was such an interplay of functions among all our units that to rip this out now would tear the tissue of our whole organization; and further that, in fulfillment of my duty to the President, I should not let this be done without swinging a red lantern. . . .

As he expressed it, the single question was a choice between two courses — one, to have our radio propaganda service, as distinct from our political warfare and subversive services, made part of a general information agency; or, second, to have it remain as it is now and to effect close liaison with the domestic information agency. I accepted this as the question, but suggested that at best this question could not be decided without further proof. That as a means of establishing the proof the following be done:

1. That a domestic integrated information service should be set up to see if it would work. That

this domestic agency should be given power and control over the various units, rather than be compelled to rely on persuasion.

2. That a period of three months should be given to see how this experiment worked out.

3. That a close liaison should be established between the domestic radio and our own, so that there should be the fullest interchange of support and of joint action.

4. That at the end of three months a new look be given to see the result.

Among other reasons for this suggestion were the following:

(a) That at most this was an experiment. For the purposes of this action I was willing to concede that it was a question of fact as to which is the best method.

(b) As Sam epitomized my view, it was that the proposal being untried, "the burden of proof was on the proponents."

(c) That to try to do the whole thing at once, before it could be seen whether the domestic propaganda service could stand upon its own feet after consolidation, might jeopardize the ultimate success of any arrangement.

(d) That to permit our machine to remain as it is for the next three months would jeopardize nothing, and if at the end of three months it should be decided to make the change no harm would have been done.

(e) But if the change were to be made now, in the process of which our whole organization would be upset, and then within three months it was found to be a mistake, irreparable injury would have been done.

I tried to make clear that while my conviction is that under the present set-up we had created a weapon for you that should not be impaired, nevertheless I wanted to go to the fullest extent in examining any proposal that Sam felt would be more effective. For that reason only I made the above suggestions.

In view of the differences of opinion that exist, such an experimental period carried on with good faith would be able to satisfy you as to what course should be followed.

One other thing I stressed with him. That is the proposed order submitted to you by the Joint Chiefs of Staff. We discussed that for the moment a simple order in lieu of that should be issued. It might follow the lines of the enclosed draft. This would designate us as a supporting agency, and nothing more. It would, however, answer the basic question, and would leave the other questions to be determined later. At this moment there are many things which the Joint Chiefs of Staff wish to put through. The delay is hindering aggressive action on our part. These could be put through almost at once if the Chiefs of Staff knew that the fundamental question had been decided. I have talked with General William B. Smith, Secretary of the Joint Chiefs of Staff, and he has said such an order would be acceptable "in order to relieve the log jam."

During these months of discussion as to the disposition of COI, the agency was continuing its efforts. Propaganda under FIS had developed to a point never before reached in our history. By radio, pamphlets, pictures and other means, America's message was dispatched to the world and efforts were made to counteract similar enemy activities. R&A was receiving more and more requests for work from G-2, ONI and A-2. The plans for Q-2 were progressing, when on 11 May the JCS asked that erection of the building be postponed.* FN had already found a place in the field of political intelligence reporting. SA/G had several missions ready for dispatch and SA/B had approximately thirty agents in the field and many other projects in course of preparation.

The Roper committee had surveyed several branches in the spring of 1942 and minor organizational changes were effected in conformance with its recommendations. On 1 April Whitney, Chief of the London office, resigned. The reason for his resignation was a fundamental disagreement, albeit an impersonal one, with Donovan concerning the expansion of COI activities and the degree to which they should be integrated with their British opposite numbers. Donovan had always maintained that independence must be preserved, particularly in the field of secret intelligence, not only for reasons of security of sources but in order that various services could provide a check on reports received. However, in the case of Special Operations, he believed that

* The JCS had in April requested that some of the techniques of VP which had been developed for Q-2 be adapted to the preparation of two presentation rooms in their own building. This project was being executed in May.

it was possible actively to collaborate with SOE if separate unit command were preserved.

On 1 April the COI Service Command had been activated by War Department order. Training areas were set up with station complement assigned by the armed services. However, the necessary military authorization for the organization of guerrilla units was not forthcoming and activities in this regard were delayed.

From 12 May to 16 May hearings were held at the Bureau of the Budget on estimates for the approaching fiscal year. It was anticipated that COI would thereafter go before the House of Representatives Deficiency Appropriations Committee.*

By June, in addition to the organization in Washington which was manned by some 2,000 personnel, field bases had been established in London, Chungking and Cairo; FIS had some 63 representatives throughout the world; a clandestine radio network in North Africa serviced some 15 secret intelligence and subversive agents there; SA/G missions had been dispatched to Burma and Tibet, and others were in final stages of preparation; SA/B's agents were established in key spots throughout the world.

On 8 June, having learned that the decision to separate FIS from COI had been reached, Donovan addressed one further message ** to the President. If the FIS was to be included in a new agency, he proposed that "at the same time there be issued an order covering our relationship with the office of the Joint Chiefs of Staff. In our last conversation I understood you to be of the opinion that whether the foreign information was to be with us or not, you wished me to report both to the Joint Chiefs of Staff and to you."

The 8 June memorandum continued:

> I recognize that it would be necessary for us to establish a close liaison with a foreign information service, if that is to be separated, in order that our handling of political and psychological warfare and subversive activities for the Chiefs of Staff will not come in conflict with the distribution of public information abroad. While we would have to use the mediums and control of the foreign information service, of course the purpose and method would be entirely different in carrying out our activities.
>
> It is curious to note that at the very moment when the British are beginning to come to centralization of the various activities we already have under one tent, we have many theorists who, because of a false logic, are seeking to break up our own efficient centralization. The separation of our foreign service is the beginning, and I do hope, for the sake of the war effort, you will not permit it to go farther. I say this frankly because you know that if you feel my usefulness here is ended you have only to tell me so. I know very well that with the assistance of men of brains and character who have been with me, we have built up a real wartime service for you. I would not want to see it broken up without calling it to your attention.

Having made this final statement, he assured the President, "Whatever your decision is, we will implement it loyally and efficiently."

The decision had been made; there was nothing to be done but await the announcement of its terms. Donovan proceeded to London with Goodfellow and Bruce to negotiate the special operations agreements with SOE which were to have such an important effect upon the future of SA/G.

While he was there, the much-debated and long-awaited order consolidating the information services of the Government was issued on 13 June 1942. By Executive Order of that date (Exhibit W-13) the Office of War Information was established along the lines proposed by the Bureau of the Budget in March. To the new agency was assigned the FIS Branch of COI. CIAA was not disturbed.

Simultaneously with the Executive Order, there was issued a Military Order (Ex-

* These plans were modified when COI became OSS and the agency continued to be financed from the emergency funds of the President for the next fiscal year.

** See History File W-12, pp. 115-116.

hibit W-14) which established the Office of Strategic Services, comprising all of COI except FIS, under the jurisdiction of JCS. Donovan was appointed Director of OSS.

The period of uncertainty as to the disposition of COI by the President gave way to a new period of uncertainty as to the future of OSS under the Joint Chiefs of Staff.

B. BRANCHES

1. The Coordinator's Office

The executive branch of the COI was the Coordinator's Office, which, in addition to his personal office and staff, comprised the Liaison Office, the Executive Office, the General Counsel, and certain Special Assistants.

As various branches of COI were in the preliminary stages, however, they were sometimes for brief periods attached to the Coordinator's Office. Thus in October 1941 when undercover intelligence and special operations were being started, they were designated Special Activities—K and L Funds, and appeared on organization charts (e.g., Exhibit W-15) as an appendage of Donovan's office. Also, certain special undertakings were included within this office at various times.

This method of starting various branches had the definite advantage of giving the Coordinator close control in the formative stage. Also this system was necessary after October 1941 when the approval of the President did not suffice to allow a branch to start its operations. There was sometimes a lag of some two or three months before Budget approval could be obtained. Thus the various activities attached to the Coordinator's Office did not remain constant. The Special Assistants quite often were asked to explore the possibilities of various proposals, some of which developed into branches.

The Coordinator's Office may be discussed in terms of his personal office, the Liaison Office, the General Counsel and the Executive Office. Special Undertakings will indicate some other activities which were begun in the Coordinator's Office and either dropped after a short period of time, transferred to other agencies or developed into independent branches.

Personal Office. The Coordinator kept close control over the organization and not only personally guided it but took an active part in its development. Probably no other agency of the Government has been so much the work of one man. Certainly, COI/OSS reflected in no small measure the variety of experience and catholicity of interest of its chief.

No member of COI, however minor his duties, went overseas without a personal interview with Donovan. No report or survey was produced in COI that did not receive his personal examination. The daily staff meetings served as a clearing house for intra-organization problems and to assure unity on policy questions. By the spring of 1942 the daily cables alone amounted to some fifty to one hundred. Each of these received his prompt scrutiny, and action where appropriate. The frequent memoranda to the President during the COI period were, of course, personally prepared.

In addition, there were relations with other agencies and departments of the Government which required the Coordinator's attention, as well as questions involving parallel services of other United Nations.

By the spring of 1942, when there were three major offices in New York and it was necessary for Donovan to spend some time there each week, an Assistant Coordinator was needed. G. Edward Buxton, who had organized and directed the Oral Intelligence Unit in New York, was called to Washington to fill this post. He became second in command to Donovan, a post which he filled until July 1945, when illness caused his resignation.

Executive Officer. The Executive Officer supervised the various administrative branches which are described in Services

below. Shortly after OSS was organized, services were reorganized into a separate branch and the Executive Office became more military in nature.

Liaison Office. The Liaison Office was established to make conta. with outside agencies and departments of the Government from which COI was to secure information. The first Liaison Officer was James Roosevelt, son of the President. In the early stages of COI the Liaison Office assumed many other functions. It established a Message Center, a Mail and Files Section, and procedure for accessioning and registry of documents. The Liaison Office also organized a Transportation Section. Problems were constantly arising in connection with FIS personnel overseas. Arrangements for passports for SA/B and SA/G personnel which would preserve the necessary security also proved troublesome. The controversies which sometimes arose due to misunderstanding of SA/B's purposes and methods on the part of the State Department came to rest in the Liaison Office. Most of SA/B's agents used State Department pouch and cable. The Liaison Office worked out arrangements with State Department to permit COI personnel to communicate with Washington headquarters. In the case of pouch material this was handled directly by the Liaison Officer; in the case of cable material it was handled by the Message Center, which was incorporated in the Liaison Office until the organization of a Communications Branch in November 1942.

General Counsel. The General Counsel dealt with the legal problems of COI and acted as advisor to Donovan and the several branches on such matters. It will be noted in connection with the accounts of branches that there were many occasions where it was found necessary to organize cover corporations. Also the matter of contracts, not only for materiel, but for services of undercover personnel, required a great deal of attention by legal experts.

The Office of the General Counsel gave constant attention to the problems of Special Funds.

Special Assistants. From time to time, men with special qualifications were appointed as Special Assistants to the Coordinator to carry out particular projects. Certain of these projects led to the creation of important units and divisions.

One of the Special Assistants, for example, developed various functional approaches to secret intelligence—counter-intelligence and the use of labor and insurance sources—working in close collaboration with SA/B yet retaining, during the exploratory period, direction in the Coordinator's Office. Later, under OSS, these activities led to the creation of the Counter-Espionage Branch and the Labor Section of the Secret Intelligence Branch. Others of the Special Assistants worked on over-all problems in connection with psychological warfare, and, in the OSS period, became members of the Supporting Committee and represented the agency in the OSS period on JCS committees.

Special Undertakings. It has been noted that SA/B and SA/G began as "Special Activities" in the Coordinator's Office. This was true also of FN in its early stages of protracted negotiations with the Bureau of the Budget.

One of the earliest Special Undertakings was the Business Advisory Panel. Under the direction of Merian Cooper the services of expert consultants were secured to develop techniques for assisting the presentation of information and data by visual methods. These consultants included experts in the fields of moving pictures, electronics, telephone and telegraph, and others. Upon the organization of Visual Presentation and upon the call to active duty with the Air Force of Merian Cooper, the Business Advisory Panel was dissolved. The results of its studies were utilized in the plans of the VP Branch.

In July as a result of discussions between Donovan and Elmo Roper, a Defense Morale Analysis Unit was established in the Coordinator's Office to secure information on the state of the public's mind on matters which had to do with defense morale. Roper secured the services of Dr. George Gallup and others as advisors, and assembled a full-time staff. He also made arrangements for the National Opinion Research Center at Denver to do field work in connection with the project. On 24 October 1941 the Office of Facts and Figures (OFF) was established. Since the functions of the Defense Morale Analysis Unit obviously came within the purview of that agency, Donovan transferred the unit to OFF and made Roper's services available on a loan basis to complete the organization of the work.

In November 1941 there was established in the Coordinator's Office a Field Psychoanalytic Unit. This Unit was designed to achieve a comprehensive conception of the psychology culminating in the Nazi regime by psychoanalytic studies of (1) conditions in pre-Nazi Germany, (2) Nazi writings and early speeches, and (3) patients in this country with strong Nazi or Fascist tendencies. In addition, the Unit was to make a psychoanalytic evaluation of all information reaching COI concerning conditions in Germany and also to correspond with refugees and enlist the cooperation of psychoanalysts in neutral countries. It was thought that the Unit would be of great assistance to FIS, not only in the matter of suggestions for radio broadcast material, but in printed propaganda. The Unit was activated as a part of the Coordinator's Office but was almost immediately transferred to OFF as a result of objections raised by the Bureau of the Budget.

2. Foreign Information Service—FIS

The first branch of COI to get into actual operation was FIS, which was charged with the preparation and dissemination of propaganda in the Eastern Hemisphere.

Since the days of the Revolution, when Benjamin Franklin represented the new republic at the French court, the United States had conducted sporadic and limited propaganda activities abroad through its diplomatic agents. During World War I the Creel Committee on Public Information directed the first organized American wartime propaganda, but the war came to an end before the Committee had developed a full-fledged psychological warfare program.

For World War II, the United States Government had been more forehanded. By the time COI was established, Nelson Rockefeller's organization, later CIAA, was already active in propaganda to Central and South America, and OCD had been designated to handle domestic information problems. To FIS remained the task of directing propaganda toward potential allies and enemies across the Atlantic and Pacific.

Donovan asked Robert E. Sherwood to organize and direct this work in June 1941. Thus, plans for the propaganda branch were well advanced and key personnel had already been approached by 11 July; on 30 July space was leased at 270 Madison Avenue, New York City; the first members of the staff moved in a few days later.

FIS went through several organizational phases, the names of divisions were changed, and new divisions were added as need for them became evident. It is intended here to give only a brief general account of FIS administration.

As first proposed by Sherwood, propaganda operations would be conducted by a Communications Division, composed of a Board of Strategy, a Program Production Section, a News Section, a Technical Radio Section, and a section concerned with other means of communication.

The Board of Strategy, as Sherwood then conceived it, was to be an advisory board of prominent journalists. The Program Production Section would include actors and

musicians as well as newsmen, and the whole Division would operate as far as possible on an informal volunteer basis. Sherwood expected to rely heavily on free talent and on the assistance which CIAA and the private broadcasting companies, in cooperation with BBC, would give. Prior to Pearl Harbor, Sherwood opposed the practice of subsidizing private companies, a procedure that CIAA had adopted through its contracts with CBS and NBC for Latin American programs. He was also opposed to government programming on these facilities. So long as the United States was at peace, he felt it best to leave the job of presenting the American viewpoint to Europe and Asia in private hands, and to rely on the patriotic cooperation of the broadcasting companies and other necessary talent.

As actually established by administrative order of 5 August 1941, the Communications Division differed somewhat from this earlier conception. Provision was made for a Board of Strategy to review proposed policies and actions of the Division and to assist it in the interpretation, from a strategical standpoint, of information received from the foreign field. The three sections established by the order differed from the form earlier suggested by Sherwood. There was a News Room to maintain current information on foreign and domestic developments as reported by radio and press, a Programs Unit to originate and develop radio programs to be presented by the private broadcasting companies, and a Translators Unit to provide bilingual translators and language reviewers.* By October, these activities had been elevated to branch status as the Radio News Branch, with News and Non-News Divisions, each having a Washington and a New York section.

On 12 November 1941 Sherwood was designated by administrative order (Exhibit W-16) Deputy Coordinator and Administrator of FIS, which would comprise a News Division, a Radio Division and a Publications Division. The News Division was to supplement the regular news service available to short-wave stations with information of particular significance or with regular news reports specially pointed for European or Asiatic listeners. It received news from all the press associations, collected background material on government activities, and summarized the reports of foreign broadcasts monitored by FCC, CBS and NBC. The Radio Division had charge of scheduling foreign short-wave broadcasts, and operating the network of land-lines which tied in with the privately-owned short-wave transmitters. The Publications Division would prepare and arrange for the dissemination of leaflets, pamphlets, books, picture magazines and the like, presenting American strength and American intentions to European, African and Asiatic audiences.

After Pearl Harbor, FIS came to the conclusion that voluntary cooperation on the part of broadcasters was not an adequate basis for the operation of United States propaganda. The chief objectives of private broadcasters were technical experimentation and the development of prestige for the radio equipment which they manufactured. Even with full reliance upon the patriotism of the broadcasters this could not lead to a satisfactory, coordinated program.

Two months after Pearl Harbor, the issue of more effective government coordination was raised by the presentation of a budget request for $15,000,000 to buy time on the existing short-wave stations, to develop additional short-wave facilities in this country and abroad, to buy short-wave receiving sets for distribution in foreign countries, and for other purposes. Action on this request was deferred until the establishment of OWI, but FIS, using other funds, did lease time from three stations and started con-

* Later a technical radio section and a section to concern itself with other means of communication, both included in the original plans, were added.

struction of a new short-wave station on the West Coast. At this time a Facilities Division was set up to cope with network and traffic arrangements, re-broadcasting operations, communications between the United States and COI outposts, dissemination of Morse code reports to foreign newspapers and resistance movements, provision of studios and recording facilities, and other radio engineering problems.

In the spring of 1942 a reorganization plan was proposed according to which the Pictures and Publications and Outposts Divisions were to be detached from FIS. Sherwood's strong objections, and the imminent reorganization of government information services, prevented the implementation of the program.

(a) POLICY AND PLANNING

One of the difficulties which beset FIS in undertaking a task new to American policy arose from lack of agreement on the definition of that task. Was the job "propaganda" or (after Pearl Harbor) "psychological warfare", and what precisely was meant by either term? Questions of definition affected to some extent operations and policies within COI, but far more important was the effect of these questions upon COI's relations with other agencies. Upon definition depended the source of control, and this was the issue upon which FIS and COI split. Should the military or a civilian agency direct American propaganda/psychological warfare? And—a secondary issue—if civilian, which civilian? How close direction should the State Department exercise?

"Propaganda", although a controversial word to those who would determine whether it must be evil or may be good, can be taken for present purposes to mean the use of ideological appeals and news manipulation to advance national policy. That covers a broad field, one in which the State Department and, during wartime, the armed forces are vitally concerned. But it is not as inclusive as "psychological warfare".

This, according to the definition later approved by the Joint Psychological Warfare Committee,* is "the integrated use of all means, moral and physical,—other than those of recognized military operations, but including the psychological exploitation of the result of those recognized military actions,—which tend to destroy the will of the enemy to achieve victory and to damage his political and economic capacity to do so; which tend to deprive the enemy of the support, assistance, or sympathy of his allies or associates or of neutrals . . . or which tend to maintain, increase or create the will to victory of our own people and allies and to maintain, increase or acquire the support, assistance and sympathy of neutrals." Thus, psychological warfare would include, for example, in addition to propaganda, sabotage, guerrilla activities, bribery, blackmail, assassination, preclusive buying and blockade controls other than those of a strictly naval character.

On the surface, FIS had been established to inform peoples outside the Western Hemisphere about the United States—to impress upon them the justice and desirability of democracy's aims, the power of American production (and, after Pearl Harbor, of the American war effort), and to support with all the weapons of publicity United States foreign policy. In other words, COI, and specifically FIS, was openly given the job of conducting American propaganda to half the world.

At the same time, the President, Donovan and other officials were thinking in terms of psychological warfare geared most closely with military and intelligence tasks. Although he thought it necessary generally to condition the minds of foreign peoples to democracy, Donovan was less concerned with preaching "the American way of life" than with the business of disrupting the

* See History File W-17, pp. 5-6.

enemy as an adjunct to military operations. He saw propaganda as "a reconnaissance in force," "the arrow of initial penetration . . . in preparing . . . the territory in which invasion is contemplated. It is the first step—then Fifth Column work, then militarized raiders (or 'Commandos'), and then the invading divisions." (Exhibit W-7) Once the United States became involved in war, Donovan felt that COI should become the agency to integrate and, wherever possible, actually conduct psychological warfare in all its phases under the immediate direction of the Chiefs of Staff. The propaganda of FIS was to be one weapon in this warfare; it was also to serve as a cover under which more secret phases of the war could be conducted.

However, Sherwood and many of the other top men in FIS did not agree with Donovan's views. To some of them, the use of "black" propaganda by the United States in any form was inadmissible. Others, including Sherwood himself, felt that while The Voice of America should adhere strictly to the truth, "black" operations should be carried on. The issue of "black" versus "white", while it did exist, was not therefore an important factor in bringing on the reorganization which finally separated FIS from the remainder of COI. The question of control was fundamental. Here, too, opinion in FIS was not united on every point. Some FIS officials were willing to accept direction from the State Department, but many others strongly opposed State Department policy. (This conflict continued with increasing heat after the creation of OWI.) Most of the top FIS officials were agreed, however, on opposition to military control. The war against the Axis was to them a war of ideologies, and psychological warfare was basically political rather than military in nature. Moreover, they were strong supporters of President Roosevelt's domestic policies, and looked on Donovan, and military men in general, as "reactionaries" who could not be trusted to carry out a truly democratic political war.

In theory, FIS planning and policy were based upon guidance from the State Department on matters affecting national foreign policy, upon intelligence and basic information it received from its Outposts Division and R&A, and upon the studies or special knowledges of its own staff. The top authority within FIS was the Planning Board, whose members drafted Basic Plans for propaganda strategy in various countries or target areas. In the preparation of these plans the drafting officers, who in each case had considerable first-hand knowledge of the country with which they were concerned, could draw also upon such COI sources as OI, the publications procured by IDC, and studies issued by FN, as well as materials and advice received from the British, the State Department, the War and Navy Departments, the Department of Justice, the BEW, and representatives of the Free French and of various governments-in-exile.

The Basic Plans, although they varied somewhat in form, consisted usually of five principal parts: Propaganda Objectives, Policy Goals, Appreciation, Political Objectives and Themes. Broadly speaking, the Propaganda Objectives were to convince the people of the target area that the United Nations were going to win the war, that such a victory was to their advantage (although not necessarily to their government's advantage), that it would pay off to assist the United Nations, and that the United Nations understood and sympathized with their particular points of view. A section on Policy Goals consisted of a statement of American war and peace aims for the target area and was based primarily on public statements by government officials and on legislation (such as the Lend-Lease Act) passed by Congress and approved by the President. The Appreciation, a brief description of the more salient characteristics of the people in the target area from the standpoint of propaganda, usually included

an estimate of the military situation, a study of the relevant factors in the national economy, references to historical, religious, educational and other social characteristics, and reports on popular fictions and attitudes which would affect the conduct of American propaganda. The Political Objectives specified what propaganda should be designed to accomplish—what the United States wanted the target people or its government to do. The Basic Plans also included a listing of the central themes or fundamental arguments of American propaganda.

Originally it was contemplated that the men who prepared the Basic Plans would also be the men responsible for executing them. It was soon found, however, that the two tasks could not be performed by one person, that formulation of policy was a full-time job, as was the carrying out of policy. During the COI period, however, FIS was unable to solve satisfactorily the problem of correlating planning and policy effectively with operations. This was due to a number of factors, some of which were beyond the control of FIS. The Radio Divisions, for instance, were obliged from the very nature of their work, to operate twenty-four hours a day on a minute-to-minute basis. The State Department and R&A, to mention only two of the sources to which FIS theoretically could look for guidance, were not set up to operate on such a basis. If the FIS output was to be controlled in conformance to policy, policy in turn must be clearly formulated—not out of a vacuum but in accordance with official foreign policy, military strategy and the best intelligence available to the Government. In other words, FIS policy directives would have to be cleared, at the very least, by State, War and Navy Departments. The machinery by which this could be done did not exist, and its establishment was not an easy task. Moreover, G-2, ONI, State and other sources of secret material were always reluctant to allow to FIS access to such material even for background or guidance in long-range planning. As a result, FIS plans were all too often based on wholly inadequate intelligence.

Another factor which made FIS planning generally ineffectual was the split of FIS between Washington, where in theory policy was to be made, and New York, where operations were directed. The arguments in favor of centering operations in New York were difficult to overcome—broadcasting and other communications facilities centered there, as did the talent on which FIS propaganda depended. But the separation did make the gulf between operations and planning practically unbridgeable. Many of the members of the Planning Board, which met in Washington, had their offices in New York and their visits to Washington grew less and less frequent. They were operating men who felt perfectly capable of proceeding without Washington interference. The suspicion developed in Washington that it was desire for freedom from supervision, rather than communications facilities, that kept most of FIS in New York. A strong recommendation by the Executive Officer that FIS operations be transferred to Washington was in part a reflection of this feeling, and was met by vigorous opposition from Sherwood.

In May of 1942 the Chairman of the Planning Board resigned (transferring to another branch of COI), stating in his letter of resignation that "the organizational set-up and procedure now contemplated (for FIS policy direction) is not viable and will lead to unnecessary misunderstanding and friction." * His specific complaints centered upon the New York/Washington split, and he suggested that, if "some members of the Planning Board in New York wish to interest themselves primarily in operations," they might meet regularly in New York as an "Operations Planning Group."

* See History File W-12, pp. 26-27.

In the last days of COI the Planning Board collapsed completely. The mechanics of determining propaganda policy and directing operations to conform to that policy had not been found, either within FIS or, more important, outside of COI. It could hardly be expected that FIS could conform to national policy when it had no practicable method of determining from those authorized to formulate that policy what it actually was. The problem was one that continued to plague OWI through most of its existence.

(b) RADIO NEWS AND FEATURES DIVISION AND RADIO PRODUCTION DIVISION

The Radio News and Features Division operated news rooms in New York, Washington and San Francisco, monitored American short-wave broadcasts, analyzed enemy propaganda, processed news for radio broadcasts and for Morse transmission to various parts of the world, and prepared radio feature material.

The Division was established in August 1941 and functioned originally as a supplier of material, on a take-it-or-leave-it basis, to the United States commercial short-wave stations: Three NBC stations in New York (RCAC, WNBI and WRCA); two CBS stations in New York (WCAB and WCBX); Westinghouse Station WBOS in Boston; World-Wide Broadcasting Foundation's WRUL in Boston; two General Electric stations, WGEH and WGEC, in Schenectady; Crosley station WLWO in Cincinnati and General Electric's KGEI in San Francisco.

The material supplied by FIS at this time consisted largely of background information on news originating from Europe and received by CBS in New York. For example, if CBS monitored news of bread rationing in France, FIS would supplement that report by a Department of Agriculture statement pointing out that France was a self-sufficient country, and that rationing was the fruit of German occupation. Thus political significance was given to factual news by a classic device of psychological warfare, which was accepted even by those who reacted most strongly against other propaganda techniques. The private stations which received straight news material from the press services welcomed this kind of contribution from COI and made increasing use of such items.

FIS also urged upon commercial stations the desirability of broadcasting American reactions to world events. Hitherto private stations had virtually ignored American newspaper comments and reported only reactions from foreign countries.

The Radio Production Division developed out of the Foreign Language Division which had been organized earlier as a result of requests received from the private stations for scripts written in foreign languages. On 13 October 1941 the first foreign language script, in Czech, was teletyped to General Electric in Schenectady. General Electric asked for more and, by the middle of November 1941, the Division had desks working on German, French, Italian, Spanish and Portuguese, Czechoslovakian, Swedish, Danish, Norwegian, Finnish, Greek, Turkish, Dutch and Malayan, Polish, Chinese Mandarin and Cantonese. These desks were assisted by a prominent staff of regional experts, translators and multi-lingual monitors. Translation assistance was also obtained from Shortwave Research Inc., a private corporation established by COI in October 1941 to (1) try out foreign language writers before hiring them, (2) use part-time talent which was difficult under Civil Service, and (3) use aliens, an impossibility under Civil Service.

Soon after the creation of the Foreign Language Division, FIS began to analyze the contents of German broadcasts monitored by CBS and FCC. These propaganda analyses were issued weekly prior to Pearl Harbor, after which they were issued every day. They were calculated to help the

Foreign Language Division counteract enemy propaganda lines, and though they were in some respects a duplication of the analyses prepared by FCC, they were faster, more pointed, and suggested propaganda treatment, particularly in connection with the contradictions between different enemy programs. Moreover, they were distributed to radio commentators who did not have access to the Foreign Broadcast Information Service analyses.

Originally, the COI offices at 270 Madison Avenue were not equipped for transmission. When the actual broadcasts began, they were transmitted from a truck belonging to CBS, and relayed over the various private stations whose network FIS was using. By the end of 1941, a few transmitters had been leased and COI began to broadcast from Madison Avenue and from new studios which it had rented at 224 West 57th Street (which later became the main New York office of OWI). In early 1942 the Division initiated a multiple voice technique * in its short-wave broadcasts to Germany. This technique was soon imitated by the British and later by the Germans.

The recruitment of personnel for these programs presented a major problem. The Division required men with first-hand knowledge of the areas to which they were broadcasting and it wanted the principal voice of each program to have an American accent so that the programs would not be labelled by their listeners as "refugee" productions. But at the same time, it wanted other voices which would have the precise inflection which its listeners would find most natural. For example, it sought to avoid using an Austrian accent in a broadcast to Germany; for Italy, it sought a Roman accent with a touch of Florentine, and so on. For each man who was hired, hundreds were tried out and rejected. The stringent requirements resulted in the employment of a heterogeneous and very temperamental crew. Novelists, journalists, surrealist painters and others of a highly artistic temperament were sought. In spite of the feeling that refugees should not be used too much, the lack of linguistically-qualified Americans meant that many of the "voices" turned out to have come but recently from foreign parts. At first, a violent factionalism grew up and its reverberations were recorded in the press. However, after this noisy beginning, the Division settled down to produce. Starting with fifteen-minute programs six hours daily, by June of 1942 FIS was on the air twenty-four hours a day in twenty-seven different languages and dialects.

The outstanding program of FIS was the Voice of America which went on the air for the first time, in German, on 5 February 1942. Three weeks later, the program went out in French, Spanish and Italian, each language desk giving to the master news and commentary the particular slant appropriate to the target country. The Voice of America was confident, calm, and largely factual. It described Prime Minister Churchill's visits to the United States, told the stories of General MacArthur, of Colonel Chennault and the Flying Tigers, and of Stilwell's forces. It reported conferences of Allied Theater Commands in London and Chungking. It described the vast operations of Lend-Lease, emphasizing their reciprocal aspect. It quoted Axis statements which events had proved false.

FIS was quick to turn Axis news items against the enemy. In the spring of 1942, for example, Voelkischer Beobachter reported that extra trains had been busy for three months providing disinfecting equipment for the troops in Russia; FIS pointed to this as corroboration of its previous warnings that the war on the eastern front was stirring up a typhus epidemic.

In its propaganda, FIS tried to influence particular groups. It aimed programs specifically at women, at armies of occupa-

* This technique had been used by the Russians against the Germans in the fall of 1941.

tion, and at professional groups such as physicians, professors and priests. It tried to play on its listeners' fears, courage, idealism and greed, and on their special interests. This required constant attention to precise phraseology; for example, in Italian broadcasts FIS was careful to refer to "Mussolini's Empire" rather than the "Italian Empire"; reference to Italian military losses was accompanied by an explanation that they were not due to inferior native qualities of Italian soldiers, but rather to lack of faith in the Axis cause, bad Fascist strategy, or insufficient equipment. Broadcasts to the Far East never referred to Inner Mongolia, Outer Mongolia or Manchuria, recognizing that the Chinese like to think of them as Chinese provinces rather than separate political units.

In capitalizing upon the differences and antagonisms of Axis partners, FIS told the Germans that they were handicapped by weak and quarrelsome allies in Europe and by an aloof, if not actually hostile, ally in Asia. It told the Italians that Germany and Japan were at best indifferent to Italian interests. It told the Japanese that the Germans and Italians disliked, despised and distrusted the Japanese, that the basic interests of European and Asiatic Axis partners were hopelessly conflicting and that the European partners were too weak to be of much help to Japan anyhow. This last argument did not look impressive early in 1942, but FIS tried to give it substance by insisting that a juncture of Japanese and German and Italian forces in the Middle East during 1942 was essential for Axis victory—and that such a juncture could not be effected.

This FIS technique of committing the enemy to an impossible or unlikely goal was frequently employed at a time when the Axis was winning victory after victory. Since actual Allied victories in the immediate future could not be predicted, the best that could be done was to secure "moral victories" deriving from the Axis failure to clinch its triumph. "If no major German offensive develops, point out that Hitler must launch one this summer, and every day that goes by diminishes his chances," ran a French Directive for the first half of June. "If the real German offensive does come, commit the Germans to total annihiliation of the Red Army before winter as the only objective of any value." * Similarly, in the eastern theater, FIS, having committed Japan to the conquest of Australia, stated that the Japanese had suffered a major and probably fatal check when they were stopped at that continent's approaches.

This technique, a purely defensive one, must obviously be founded upon the best possible intelligence if it is not to defeat its own purpose. FIS occasionally used it under circumstances where it proved a boomerang—as, for example, in connection with Rommel's offensive in the spring of 1942.**

The converse of this technique was never to commit United States or Allied forces to the capture of any enemy position. MacArthur's stand in Bataan, for example, was given full dramatic play, but FIS was careful not to give the impression that there was any hope of indefinite resistance or of rescue.***

Several special propaganda undertakings of FIS deserve mention. An early one was in connection with the Philippine campaign. On the evening of 28 December 1941, a representative of G-2 brought to Donovan's office a cablegram from General MacArthur urging immediate and positive action to restore Philippine morale. Twenty-four hours later, Donovan reported to the President that FIS had: (1) Obtained and broadcast official White House assurances

* See History File W-13, Chapter XIII, p. 2.

** This unfortunate episode is described in History File W-13, Chapter XIII, p. 2.

*** However, President Quezon complained that COI broadcasts over KGEI did give the impression that aid was coming during early January.

to the Filipinos that the United States was fighting for their freedom and would establish their independence, that its Navy was neither destroyed nor in hiding, and that continued resistance to the Japanese would be worthwhile to them; (2) hired as representative in the Philippines an NBC operative, and arranged to get FIS programs to Manila for rebroadcast. (KGEI, then the only short-wave station on the West Coast, had no land-line to RCAC for point-to-point transmission to Manila. But it did have a land-line to NBC which in turn had one to RCAC. NBC engineers agreed to patch the line across their master control board.)

Therefore, all six Philippine home stations and the six Philippine short-wave stations were broadcasting the President's statement two and one-half hours after he had made it, and Manila newspapers, receiving the text from the new FIS representative, rushed out with extras.

By the time Donovan reported to the President, arrangements had been made for each of the twelve Philippine stations to rebroadcast eight FIS programs daily. In addition, the six short-wave stations were to take, as a starter, one half-hour program in Japanese, one quarter-hour in Mandarin and one quarter-hour in Cantonese.

As the Japanese gained ground in the Philippines and lines of communication began to be cut, FIS arranged for rebroadcasts from Batavia and Singapore. Late in January, MacArthur asked for entertainment broadcasts to bolster the morale of his troops, and FIS put on programs featuring Jack Benny, Bing Crosby, Bob Hope, Fred Allen, and Eddie Cantor. It continued to send out hopeful news, but the reaction to this was mixed. The Navy Department requested that it be cut;* MacArthur requested that it be increased. The truth was that the facts did not permit saying the things that the men in the Philippines wanted to hear.

Donovan was under no illusion that FIS, in its Philippines broadcasts, was acting as a spearhead of penetration, but there was nothing that could be done about it. "The greatest difficulty in broadcasting any encouragement is the lack of events," he wrote Wilkinson on 19 February.* "It is easy to have good propaganda when you are getting the breaks. It is hard when you are not. . . . It is for that reason that we would be very grateful to have [news of] even minor naval events which we could exploit."

The kinds of entertainment broadcasts for American troops initially directed to the Philippines were subsequently developed into special FIS programs for all American troops stationed abroad. These included general news and features, sports news, humor, popular music and original stories by writers such as John Steinbeck, Russell Crouse and Rex Stout. Eventually these programs were taken over by Army Special Services which credited FIS with having performed in this field work "of the greatest possible value." **

FIS news and features activity led not only to the reporting of news but occasionally to its creation. In the winter of 1942 when the situation in Russia looked extremely serious, Tass, the Soviet news agency, asked whether an official American message to the Soviet forces could be obtained for Red Army Day, 22 February. FIS requested such a message from MacArthur, who responded with a glowing tribute to "the courageous Russian Army" and its "smashing counter-attack which is driving the enemy back to his own land." He further stated: "The scale and grandeur of this effort mark it as the greatest military achievement in all history." *** Dissemi-

* This may have been purely on communications grounds.

* See History File W-12, p. 48.
** See History File W-12, p. 49.
*** See History File W-12, p. 50.

nated throughout the world, this message probably did much to correct the prevailingly bearish opinion about Soviet military strength and to improve Soviet-United States relations.

The difficulties that COI sometimes encountered in trying to follow official foreign policy are illustrated by the special radio campaign against Laval in the spring of 1942. At this time Germany was putting pressure on Vichy to set up a collaborationist cabinet with Laval as virtual dictator. FIS sought to discredit the policy of collaboration by identifying it with Laval's person, which was described unflatteringly in speeches, articles, slogans and songs. A directive of 28 March stated:* "Hatred of Laval is so general in France that there is no risk of alienating any sympathies if we attack him violently . . . make it quite clear that the Lavalization of France means a break in diplomatic relations between France and America and loss of all American sympathy for France unless the French people do their best to resist it by force." For more than two weeks the Voice of America harped on this theme. Although the State Department had authorized, and in some cases requested, these threats, the appointment of Laval as Premier on 15 April was followed by a State Department request that FIS stop its attacks. This left American propaganda in an embarrassing situation. FIS was obliged to halt its warnings of early action and to do the best it could by taking a long-range view in a new directive:** "It is vitally important for us that there should be a clean psychological break in France. . . . If we appear to be accepting the Laval regime they (the French) will tell themselves that after all, it may be bad but it is not the end of everything. If, however, they see that America considers it a total capitulation and looks upon France as an occupied country with a Quisling government, then they will know that the situation is really serious. If, for tactical reasons, it is found desirable to maintain diplomatic relations with Vichy for a while longer, it is more important than ever that we should make our position absolutely clear in our broadcasts. . . ."

By June 1942, when FIS was separated from COI and became part of OWI, its foreign radio operated twenty-four hours a day with a change of program every fifteen minutes. As early as March it was sending out a midnight newscast, a sunrise newscast, a Finnish-Swedish newscast and a daily Leopoldville message; the Voice of America was spreading its gospel in German, French, Italian, Finnish and English; a special feature script "United America Fights" was being broadcast in English, French, Danish, German, Italian, Portuguese, Spanish, Swedish and Turkish; Turkish and Egyptian-Arabic programs were being produced six days a week; propaganda analysis reports were being issued two or three times a day; and news reports were being cabled regularly (in most cases once or twice a day) to Chungking, Australia, Stockholm and Cairo (via London), Iceland and Greenland, Switzerland and Leopoldville.

(c) RADIO TECHNICAL DIVISION

During most of the COI period, actual production of the material that the Radio News and Features and Radio Production Divisions prepared and collected was dependent upon the cooperation of the private broadcasters, since FIS had no transmitters of its own for a substantial period. The private broadcasters themselves had a total short-wave wattage less than that of Poland and only one-tenth that of Great Britain.

At the inception of COI the programs that went out over American short wave were completely uncoordinated and did not reflect a consistent American viewpoint. CBS and NBC had short-wave transmitters and small staffs who broadcasted for brief periods in English, French, Arabic, German,

* See History File W-12, p. 51.
** See History File W-12, p. 52.

Portuguese and Spanish. General Electric and Westinghouse had short-wave transmitters, but the only programming done by either was General Electric's broadcasts from the West Coast in English, Dutch and French. World-Wide Broadcasting Company (WRUL) broadcasted in Dutch, Danish, French, Polish, Yugoslav, German and Arabic, using exiles as announcers. Some private broadcasters allowed governments-in-exile to broadcast special pleas presented by speakers who were not always identified.

Prior to the establishment of COI, the companies engaging in foreign language broadcasts, although not following any centralized policy, had made their own contacts in the Government so as not to go too far afield. This voluntary and haphazard system did not prevent speakers on the American radio from talking with the voice of Greek Monarchists, France Forever, and other special interest foreign groups rather than with the Voice of America. One of the most important problems COI had in the field of radio was the coordination of those different voices. This was particularly difficult because the private companies feared that intrusion in their foreign broadcasts might constitute an opening wedge for government ownership of their domestic facilities.

On 10 July 1941, the day before COI was officially established, Sherwood wrote a memorandum * to Donovan summing up this situation:

> Shortwave radio is a vital strategic weapon, political and military in character. Its use must be directed by the coordinated intelligence of all services and departments. The right programs must be directed from the right stations to the right regions at the right hours, with emphasis on the fact that the USA is speaking to the world with unanimity.
>
> Furthermore, all private companies doing foreign shortwave broadcasting should follow the policy of the one official agency. . . . It is believed that the few private companies will voluntarily cooperate on this. . . .

* See History File W-8c, Tab B.

COI, in an effort to secure such cooperation, arranged meetings with the private broadcasters where it was agreed that FIS should supply them with background information relevant to the news. Such information was labelled: "For your information or for broadcast if desired." * In August 1941, the private companies appointed Stanley P. Richardson Coordinator of International Broadcasting, to act as a kind of arbiter of FIS radio material. Theretofore, NBC, CBS and WRUL might all be broadcasting in French at the same time; Richardson, with the assistance of FIS, was to draw up schedules which would assure a regular pattern of broadcasts. Richardson also had the right to censor FIS material.

The cooperation of the private broadcasters was not too easily obtained, even in this limited form of government coordination. Donovan took an active part in the negotiations and was finally able to win the reluctant broadcasters to his plans. Nevertheless, from COI's point of view, the arrangement was by no means perfect since it left FIS subordinate to Richardson. Moreover, Richardson, although cooperative in spirit, viewed the FIS contributions with extreme caution if not actual suspicion, and on several occasions went directly to the State Department for directives on COI material.**

Richardson also adhered to a number of arbitrary newspaper rules which hampered the work of FIS as a government agency. One of these was that information should not be reported without indicating a source. The State Department might, for example, inform FIS that it had information suggesting that the Hungarians were about to place seventeen divisions under German command, at the same time forbidding FIS to quote the Department on the matter. If FIS then prepared a script calculated to

* See History File W-12, p. 3.

** This situation was corrected, however, after Donovan brought it to the attention of Under Secretary Welles.

discourage such a move, Richardson, on behalf of the licensees, would bar it on the grounds that no source was given for the information. In order to get around such rulings, the FIS developed a number of private sources who were willing to have information attributed to them.

During the fall of 1941, the private companies made increasing use of FIS background material. Presently, this material began to assume the form of actual broadcasts. The licensees gradually acquired the habit of calling on FIS for guidance on government policy, and COI's suggestions began to be characterized by a certain firmness.

By that time all but two of the privately owned short-wave transmitters were tied together by a system of land-lines, for which COI paid the costs. This so-called "Bronze" network made it possible for the stations to benefit mutually from the language skills of their respective staffs. The Radio Division also arranged for the purchase by the British through Lend-Lease funds of a medium-wave transmitter, and for the rebroadcast of United States programs by a British short-wave transmitter and semaphore.

After Pearl Harbor, the need for centralization became acute. On 7 December 1941, all six private companies operating short-wave transmitters agreed with FIS to broadcast no news originating from sources other than the major press associations and FIS or CIAA without checking such material with FIS before it was broadcast. On 11 December, Sherwood called a meeting with the representatives of the private companies to discuss further controls. This meeting indicated that the private companies were not convinced of the desirability of government control of short-wave broadcasting.

On 27 January 1942, Donovan requested authority from the President to negotiate with the short-wave broadcasting companies for the leasing of all time on all existing international transmitters. He undertook to cooperate with the CIAA in the allocation of time to South America. He further requested authority to contract for the building of twenty or thirty additional transmitters which would increase the total broadcasting power of the United States from approximately 500,000 watts to approximately 2,500,000 watts. The President approved these requests but the Bureau of the Budget would not grant the necessary funds. COI was obliged to content itself with making suggestions for the improvement of station facilities already in operation.

Although the Government did not lease all American transmitters until late in 1942, FIS immediately after Pearl Harbor bought a 100-kilowatt transmitter from General Electric in Schenectady. This was shipped to San Francisco for use in broadcasts to the Far East. It was badly needed, because of the eleven international short-wave broadcasting transmitters in operation in the United States at that time, ten were located east of the Mississippi and were concerned primarily with Europe and Central and South America.

Another FIS achievement in the radio operational field was taking over the most powerful foreign transmitter in the country—WLWO, a Crosley-owned station in Cincinnati. Beginning 10 March 1942, FIS provided WLWO with all its programs daily from 11 a.m. until 5 p.m., and subsequently it took over all WLWO programming from 1 a.m. until 5 p.m. FIS also furnished Scandinavian broadcasters to WBOS in Boston for the hours between 2 p.m. and 5 p.m. In accordance with a suggestion from FIS, WBOS changed its directional antennae so as to give it a powerful signal throughout Scandinavia, Eastern Europe and the Middle East, including India.

In general, however, short-wave radio during the FIS period was inadequate as a mass propaganda weapon. This was not

the fault of FIS but was due to the fact that short-wave sets had always been costly and spare parts and repairs for them became practically unobtainable in wartime. Moreover, in most of the areas America wanted to reach, the possession of short-wave sets was forbidden. Consequently, it was clearly important to obtain an outlet for American programs from some more effective base. Sherwood and other FIS executives found the British authorities eager to encourage an official American radio voice directed at European countries. A few weeks after Pearl Harbor, FIS had successfully concluded negotiations in London for three daily medium-wave broadcasts of fifteen minutes each in Italian, French and German. A ten-minute broadcast in English was soon added. Making use of BBC transmitters, these programs were first produced by recording in the United States and shipped by Air Express. Later they were piped over by telephone and recorded. Eventually, they were sent by radio and rebeamed.

By mid-April, the London schedule of FIS had been expanded to a total of eight hours and fifteen minutes in five languages every week, and the British were offering an additional twelve hours weekly whenever FIS could supply programs.

In addition to these re-broadcasts, material for broadcast was sent out by cable and radio-telephone and telegraph to fourteen points in Europe, Africa and the Middle and Far East. Radio reports in Morse code at a low rate of speed suitable for dictation were directed at individual listeners, particularly at members of the various anti-Axis undergrounds in occupied countries who were thus able to spread the news by word of mouth and underground publications. Of all the short-wave broadcasting beamed at Europe from this country, it seems likely that these were the most useful.

(d) PICTURES AND PUBLICATIONS DIVISION

The Pictures and Publications Division of FIS was established 2 October 1941. Its responsibility was to spread American propaganda through booklets, pamphlets, leaflets, posters, paintings, cartoons, books, magazines, newsreels, "personal" letters, stickers, labels, phonograph records, films and photographs. It printed its message on everything from paper cups, notebooks, cards, blotters and paper matches, to folders of needles and thread, and packages of soap, chocolate and vitamin tablets. Altogether it operated in some eighteen languages—Afrikaans, Arabic, Chinese, Danish, Finnish, French, German, Hebrew, Italian, Japanese, Norwegian, Persian, Portuguese, Russian, Spanish, Swedish, Turkish and various Filipino dialects.

The Division's most important service was the photographic one. In Spain, for example, in the course of six months, COI was able to effect an almost complete substitution of American pictures for Axis pictures previously shown.

Having neither facilities nor money for its own pictures and news agency, it bought from such private agencies as Wide World, and arranged for the widest possible showing in foreign countries of Hollywood features, such as "Gone With The Wind". It urged the producers to release pictures even in cases where they could only be paid in frozen funds. It assembled and distributed political "shorts" and arranged to have special prints of standard commercial newsreels synchronized with comments in the appropriate foreign languages. In May 1942 COI was able to persuade the six American newsreel companies to form the "United Newsreel Corporation" to produce newsreels for foreign distribution for the duration of the war. The calibre of the newsreels produced can be judged from the fact that the British protested that they were being pushed entirely out of the field in Sweden,

and that when the first newsreel was distributed in Switzerland people waited in line for more than two blocks to see it. The newsreels were also extremely successful in China, and, after they had been shown by our Embassy in Moscow for some time, arrangements were made to have them shown all over Russia.

In the field of "still" photographs, the Division made some itself, but bought most of its supply from the Associated Press Acme, INP and various government sources. These pictures were sent either by radiophoto or in diplomatic pouch by a special mat to practically every neutral and Allied country in Europe. Since air transportation was very tight, lightweight paper prints were obtained and tiny pictures as well as special mats were sent by diplomatic pouch.

As posters, FIS used both paintings and photographs, but posters proved to be one of the less successful vehicles. They could hardly be displayed in Axis or occupied countries and FIS was not to operate in the American field. Almost half of the million-odd posters produced by FIS were destined for China, but never reached there because of the closing of the Burma Road.

Comic cartoons ridiculing the Axis were also produced, as was a serious cartoon booklet on the life of President Roosevelt. The latter was a great success in Turkey where it was so well received that circulation of Turkish newspapers fell off during its sale.

One pictorial form of FIS propaganda was especially effective in areas such as the Arabic and Chinese speaking lands where illiteracy is prevalent and motion picture facilities rare. This was the slide film projector. Slide films were made up on such subjects as the American Army, American agriculture or great American naval victories. The projector could throw the picture on a small screen or even on a blank wall, and the showing was accompanied by a commentary in the local dialect. Other distributional techniques utilized, and sometimes pioneered, by the Division included plastic printing plates, a twelve-ounce mimeograph machine and a twenty-pound, hand-operated printing press.

The foregoing vehicles for propaganda were more useful in neutral and Allied territories than elsewhere. To penetrate enemy and occupied territory, FIS prepared small, light devices which could be smuggled over frontiers, dropped from planes and easily concealed. In this category were cards, stickers, folders, leaflets, pamphlets and booklets. FIS booklets, of which more than 6,600,000 were produced during the COI period, ranged from one in Japanese commiserating with the Japanese soldier on his unhappy condition because of his lack of anything like Special Services, to "The Nazi War Against the Catholic Church," a scholarly, factual document bound in black imitation Bible leather and printed in many languages, which was published under the sponsorship and imprint of the National Catholic Welfare Conference. Anti-Nazi Japanese pamphlets were prepared by FIS before Pearl Harbor. By 20 December, a four-page folder in Japanese was ready for dissemination. Subsequently, a Japanese translation was made of the President's last-minute appeal to Hirohito. Leaflets for the Philippines in three colors were flown out in February.

Altogether, FIS printed over 28,000,000 copies of Japanese leaflets, but not all of these were actually distributed. The leaflets contained attacks on the Emperor and emphasized the power of America and the destructive effects of bombing. They went in heavily for historical references and puns, to which the Japanese are addicted. One was called "The Falling Flowers of Yedo" (Yedo refers to old Tokyo and "Falling Flowers" to fires, hence, incendiary bombs); one side of the leaflet showed a picture of Tokyo after the great earthquake of 1923, the other showed a picture of Lübeck after the bombing raid of 28-29 March 1942. "This is what happened to a city of steel

and concrete," the text ran, "What will happen to your cities of paper and wood?"

One of the first problems to be solved in this field was to find Japanese type, of which there was only a limited amount in this country. FIS was able to secure the only Japanese type on the Eastern Seaboard. It turned out that the only set of matrices in the Western Hemisphere for casting Japanese type was about to be sold as junk in Seattle, and the Chief of the Division, realizing that the Army and Navy, as well as FIS, would be needing Japanese type in increasing amounts, purchased these matrices for $7,500 even though he was not able to get proper authority to do so. The purchase was eventually approved and arrangements were made with the Harvard Language Institute for storage and operation there.

The Division's Japanese program comprised about fifty leaflets and booklets. Some of these went by air but most of them had to go by slower means. Many hundreds of thousands were shipped to India by boat.

In preparing its Japanese pamphlets, FIS received considerable assistance from British SOE. As early as October 1941, SOE suggested some of the themes for FIS posters illustrating American naval and air strength. SOE also provided Japanese translations for the captions. British assistance not only improved the calibre of the translations but also prevented FIS from making a number of errors. The first twelve American leaflets in the Japanese language were largely their work. In all, the text and translation of some forty-one different Japanese propaganda leaflets were prepared by the Japanese section of SOE/New York in collaboration both with the COI and, later, the OWI. One of these produced startling effects on Guadalcanal, where, for the first time in any war, Japanese troops, including officers, were induced to surrender by promises of good treatment from the enemy.

In the European Theater, the first FIS leaflet, containing a message from America to the French people and a picture of the Statue of Liberty, was dropped on France by the RAF in January 1942. Negotiations with the RAF had begun about a week after Pearl Harbor. They were carried on without any reference to State or War Departments since Sherwood feared that it would take months to get their decision. News that the first leaflets had been dropped was released from the White House.

By June 1942 FIS reported to Donovan that PWE had prepared for them five American leaflets which had been dropped by the RAF. Other leaflets "which to all practical intents and purposes have been American" had also been dropped by the RAF and in some cases distributed through subversive channels. FIS urged that the time had come to make careful preparations for its own production of leaflets in England, and particularly for their distribution by American aircraft. As early as 14 January 1942 Donovan had written a memorandum on this latter point to the President. The President referred him to General Arnold who agreed in recommending that our first bombing missions in force should carry leaflets. He stated, however, that this would not become practicable until early summer. It was not until after the dissolution of COI that American leaflets were distributed over Europe by American planes.

In addition to pictures, pamphlets and leaflets, the Division operated through books, magazines and news and personal letters. Its book section helped foreign publishers obtain rights to American books and sent copies of useful American propaganda volumes to Sweden, Brazzaville and Cairo, but it never accomplished very much. This was attributed to difficulties with authors' rights, unfortunate selection of personnel and to the bulk involved in shipping books.

In the magazine field, the Division sent En Guardia, published in Spanish and Por-

tuguese by CIAA, to Spain and Portugal. It also distributed or helped distribute National Geographic, Reader's Digest, Life, Saturday Evening Post, Newsweek and Time. Occasionally, it sent abroad single issues of a magazine because of a particular article, such as "Foundations of Peace", by Vice-President Wallace, in the January 1942 issue of the Atlantic Monthly. According to the State Department, this article was reprinted in the French edition of the local newspaper in Tangier and made a deep impression on influential French persons.

Pictures and Publications also prepared one issue of a proposed magazine for foreign distribution called Victory. On 26 May 1942 the COI Committee on Organization presented to Donovan an adverse report on this project, and the magazine was not issued during the existence of COI.

On 11 March 1942 the Division distributed its first cabled weekly news letter. This was intended to provide a background to the news. It included material not likely to be covered either in commercial or State Department cables and was sent to the American Embassy in Madrid and the Legations in Lisbon, Bern and Stockholm. Subsequently Cairo, Teheran, London and Dublin were added. The news letter also received secondary dissemination by American diplomatic missions. The Madrid news letter, for example, was mailed to ten thousand addresses every week.

By May, specialized news letters directed at professional groups were under way. Of these, a medical letter was the most successful. It was largely devoid of aggressive propaganda, and was intended to serve as a constant reminder of the intellectual capacity and humanitarian spirit of the American people. A doctor in Sweden who received a copy wrote that it was the first decent thing that had happened to him in four years. To many American-educated Chinese doctors it brought almost the first working knowledge of such new medical developments as the sulpha drugs. It had a wide circulation and influence in the Arab countries and penetrated also into enemy-occupied territories.

In the field of personal letters, Pictures and Publications sought to spread rumors which did not necessarily bear close relation to the truth. In the spring of 1942 it arranged with American and British censorship authorities to clear such letters, but its program in this field was never fully developed.

(e) THE OUTPOSTS DIVISION

The Outposts Division was established in the spring of 1942 to undertake the collection overseas of propaganda intelligence, to wage psychological warfare in the field and to provide assistance to the Special Services Branch of the War Department in keeping up the morale of American forces stationed abroad.

Propaganda intelligence consisted of information about the strengths and weaknesses of the peoples against whom propaganda was to be directed, their susceptibilities and prejudices of which propaganda should take account, and the reactions to American propaganda already being directed at them. It consisted also of detailed information on the channels and media through which propaganda might reach these peoples.

Outposts representatives were also to carry on field propaganda activities. Some of the material they were to disseminate arrived in finished form, ready for use. Some arrived in semi-finished form and some had to be prepared and produced, as well as disseminated, by the Outposts representatives themselves. Pictures, pamphlets, posters and leaflets—all the various products of the Pictures and Publications Division—might be involved. Whenever possible, short-wave radio programs from the United States had to be re-broadcast on medium-wave to reach a larger audience. Material received on microfilm had to be reproduced in form suitable for circulation. Printing equipment had to be dispatched, set up and

operated. Channels of distribution had to be opened and editors persuaded to use FIS materials.

Assistance to the Special Services Branch, first provided by FIS through the radio news and feature programs for American soldiers, was extensive. In many cases Outposts representatives were the only men available in the field who could arrange radio programs, obtain reading matter and organize other means of entertaining the troops. The Outposts Division subsidized local radio stations or purchased time from them for the re-broadcast of American programs. (This phase of its work was particularly important in Hawaii, Alaska, Iceland and Australia.) Another aspect of the Division's work for Special Services was its effort to persuade local populations to accept the American occupation of their countries. This occasionally aroused misgivings in the State Department, but FIS was able to overcome the Department's opposition by pointing to specific requests from Special Services. (One example was the sending of Outposts men to Australia despite original State Department objections.)

In connection with these three functions, the Outposts Division assisted the Radio Technical Division in the distribution of radio receiving sets and played a part in the recruiting, training and supervising of personnel for overseas service.

The first foreign outpost of FIS was in London, where an office was established in October 1941. Administratively, however, the London office was handled independently of the Outposts Division. The next major outpost,* established in Chungking before the creation of the Outposts Division, came under its direction later. In August 1941, Brigadier General John Magruder ** went to Chungking as Chief of the Military Mission to China. Before he left, Donovan had suggested to him that he have an officer or journalist attached to his mission to handle COI work. Although nothing was done at the time, after Pearl Harbor and a spate of anti-American propaganda from the Japanese in China, General Magruder radioed the War Department recommending that Donovan's suggestion be reconsidered. He also recommended that a group of counter-propagandists be attached to the Embassy in China, suggesting the appointment of F. M. Fisher, United Press correspondent in China, as their chief. Magruder's message was received at 11:30 p.m. on 17 December 1941. By 6:00 p.m. the following day, Fisher had been transferred from the United Press to COI as Chungking Director of FIS; FIS had set up a Far East Desk in Washington and was preparing to file a two-thousand word news report daily to Fisher; COI had established a $10,000 credit for Fisher to draw upon for counter-propaganda activity; and arrangements had been made with RCA for direct transmission of material to Chungking from San Francisco. The first report went out on 19 December. Subsequently, a weekly service of microfilmed current magazine and newspaper material was added.

Some months later an outpost was set up in India more or less by accident. Late in January 1942 Robert Aura Smith, a veteran Far East correspondent, was sent by ship to join Fisher in Chungking. The fall of Rangoon occurred while Smith was en route, and he was instructed by cable to explore the possibility of an Indian service. Smith started the New Delhi outpost in April. He had brought with him two thousand pounds of printing equipment and paper and arranged for cable wireless service. His first step was to begin a Voice of America radio program. By that time there was already a sizable contingent of American troops in India and, in cooperation with the Government of India, Smith made the

* One FIS man had been sent to Iceland in the fall of 1941.

** General Magruder joined OSS in the summer of 1942. In January 1943 he became Deputy Director—Intelligence Service (see Section II-B-1 below). In July 1945 he was also appointed an Assistant Director.

first American motion picture there—"Our American Allies". His news service was well received by the Indian papers. He arranged a special file of news for American troops.

Smith was obliged to recruit his staff locally, since the State Department would not sanction the sending of any Outposts men to India, and his own presence there led to many difficulties between FIS and the Department. State had approved Smith for Chungking but not for New Delhi, and held that his presence and activities in India were wholly unauthorized. One result of these difficulties was to encourage FIS to set up its own cipher system so that it was no longer dependent on State for the clearance of its cables.

By June 1942 outposts had been established in Lisbon, Stockholm, Bern, Brazzaville, Capetown, Cairo, Ankara, Honolulu and Reykjavik, and personnel were awaiting transportation for posts in Beirut, Canberra, Madrid and Pretoria.

Chiefs of the missions were usually assigned as assistants to the American ambassadors or ministers at the respective outposts, and freedom of action depended largely upon the attitude of the appropriate State Department representative and their ability to maintain good relations with him. This naturally varied in the different areas. In Cairo, for example, the Minister was extremely helpful to FIS, but in Turkey relations were extremely bad with the Ambassador. In Lisbon, after the Portuguese had refused visas to the two men COI selected for the post, the Minister to Portugal designated his own press attache to perform the duties of an FIS field representative. FIS never succeeded in establishing either an official or unofficial Russian outpost, although Donovan made repeated efforts to do so.

Transportation was always one of the Division's serious problems. Men sometimes waited around for fourteen weeks before they could get off. As of 8 May 1942, FIS had fewer than sixty representatives, analysts and technicians in the field, though many more were ready and waiting to go. As a Division, Outposts never became a full-fledged propaganda organization until after the 13 June reorganization, but it did, nevertheless, get started in spite of many obstacles.

3. Research and Analysis, and Related Branches

(a) RESEARCH AND ANALYSIS—R&A

The President's order of 11 July 1941 (Exhibit W-3) authorized COI "to collect and analyze all information and data, which may bear upon the national security" and "to correlate such information and data." R&A was thus the only Branch of COI whose function was explicitly provided for in the order.

The research and analysis function was basic to Donovan's conception of an overall intelligence agency. His legal experience had demonstrated the value of economists and other research men in the preparation of briefs and legislative studies. He had learned, too, that in such work one cannot rely upon the second best. These lessons, he felt, should be applied to the field of intelligence; the services of other countries had traditionally followed the secret police and political informer pattern, whereas he wished to emphasize the importance of a sound intellectual foundation. Therefore, Donovan's memorandum of 10 June (Exhibit W-1) specified that use be made of the experience and knowledge of "specialized trained research officials in the relative scientific fields (including technological, economic, financial and psychological scholars)."

Even before the order creating COI on 11 July, Donovan discussed with Archibald MacLeish, Librarian of Congress, his idea of R&A and its relation to intelligence, as well as problems of personnel and organ-

ization. On 29 June, MacLeish informed Donovan that the new intelligence service could rely upon the full cooperation of the Library.

At Donovan's request, MacLeish called a meeting of men in a position to know of qualified scholars possessing the interest and the competence to form a research group. On 28 July a meeting was arranged, attended by members of the Library staff and representatives of the National Archives, the American Council of Learned Societies, the Social Science Research Council, and leading social scientists from several universities. Recommendations as to key personnel, administration, and organization were submitted to Donovan the following day. On 30 July, MacLeish approved a letter addressed to him by Donovan setting forth terms of agreement between COI and the Library (Exhibit W-17).

The search for personnel of high quality began immediately. The MacLeish committee's recommendations were followed insofar as possible. Among those secured was Dr. James P. Baxter III, President of Williams College, who accepted the post of Chief * of R&A on 31 July. Academic competence was at first the only yardstick in the selection of other personnel. As experience demonstrated the value of adaptability and administrative acumen, however, these qualities were increasingly stressed. By the end of October, the key personnel secured for the Branch formed an impressive aggregation: men of outstanding ability in their respective fields, commanding nearly forty languages and dialects, were recruited from more than thirty-five universities.

A Board of Analysts was formed in early August, both to serve as a panel of experts for the Coordinator, and to give general direction to the work of R&A. The membership included, in addition to Baxter, an historian, an economist, a sociologist, and a diplomat.

The Division of Special Information (DSI) was established in the Library of Congress pursuant to the agreement between Donovan and MacLeish. To serve as director of research, and also as a member of the Board of Analysts, Donovan selected Dr. William L. Langer, Coolidge Professor of History at Harvard University.

DSI, which began operations toward the end of August, was organized in a number of regional sections responsible for basic research on their respective areas.

A Central Information Division (CID) was established in early September, to handle central filing, registry, and editing of reports. It was headed by a librarian and editor of wide experience. Donovan took a particular personal interest in CID because his legal experience had impressed upon him the great value of cross-indexing when dealing with masses of material in long and difficult trials. His observation of government intelligence agencies led him to think that one reason high officials did not have adequate information on which to base policy was that intelligence, once obtained, often was filed and never could be found again. Donovan was determined that COI should have the most up-to-date, efficient filing system possible.

In mid-October, three functional divisions—Economic, Geographic and Psychological—were established and recruiting to staff them began. The placing of the functional divisions directly under the Board of Analysts in R&A rather than in or associated with DSI in the Library of Congress was not an indication that DSI operations had been unsatisfactory. Rather, it was felt that the functional divisions would be so little dependent upon the facilities of the Library that the complications arising from divided responsibility would not be justified by any advantage that could be gained. Both Donovan and MacLeish had antici-

* The head of R&A originally had the title "Director," but during OSS was known as "Chief." The latter title will be employed throughout this account for the purpose of clarity.

pated the possibility of a separate functional set-up in their original agreement, which recognized the experimental nature of the arrangement and specified that future developments would be at the Coordinator's discretion.

This separation of functional divisions from the Library of Congress, hence from the regional sections of DSI, had certain obvious advantages for those divisions, particularly the Economics Division. However, it led inevitably to jurisdictional conflicts between functional and regional responsibilities which were not resolved until some time after the creation of OSS. Such conflicts were perhaps unavoidable in setting up an organization like R&A. Similar conflicts have constantly plagued not only intelligence agencies but other government departments. In R&A relations were particularly strained between the Economics Division and DSI, especially the Eastern European Section. Questions constantly arose, such as whether a study of the Soviet wheat crop was within the province of the appropriate regional section or of the Economics Division. The Psychology Division, being less well staffed and hence in no position to be as aggressive as were the economists, caused less difficulty. The Chief of the Geographic Division was himself largely convinced of the desirability of the regional approach and later was instrumental in the reorganization of R&A along predominantly regional lines. (See R&A in Section II below.)

(1) BRANCH CHIEF AND BOARD OF ANALYSTS

The Branch Chief functioned as the R&A executive and also sat as Chairman of the Board of Analysts, which was established as the ultimate authority for the processing, analysis and dissemination of intelligence.

In addition to Baxter and other members of the Board with academic backgrounds, men with military, naval and State Department experience were included. Major General Frank McCoy (Ret.) and Commander F. C. Denebrink USN were to gear the production of the Branch to the requirements of the Army and Navy. Mr. John Wiley, formerly the U.S. Minister to the Baltic states, advised on the needs of the State Department. The Board began to function informally on 2 August 1941; in September it established the practice of holding daily meetings.

At these meetings major questions of Branch policy were decided. The Board devoted much of its time to discussion, criticism and direction of the work of the Branch. A number of meetings were devoted to interviews with specialists returning from overseas, and to estimates, for presentation to Donovan, of changes in the strategic situation. As the production of R&A increased, the Board changed its emphasis to concentrate largely on discussion of finished reports and those in preparation. Matters of administration were the responsibility of the office of the Branch Chief; however, questions of administrative policy were occasionally dealt with by the Board of Analysts.

At a later stage of R&A the Board of Analysts might have been able to perform more valuable service in the role originally contemplated, as an over-all directing and planning body. However, while the Branch was in process of formation, preparing for production but not yet in full operation, there was not sufficient scope for direction and planning to keep the Analysts busy. Moreover, individual members of the Board became engrossed in other directions. Wiley became Chief of FN,* Langer was busy with the work of DSI, and other members became similarly occupied. The Board never fully served the purpose for which it was introduced.**

The problems of the Branch Chief, aside from his duties as Chairman of the Board of

* See "Foreign Nationalities," Section (c) below.

** See account of R&A under OSS, Section II below.

Analysts, fell into three categories: (1) Establishing and maintaining contacts with other agencies of the Government; (2) maintaining liaison and establishing working relationships with the other COI branches; and (3) dealing with internal problems of R&A, both substantive problems of research and analysis and administrative problems.

It was the normal function of R&A to maintain its own relations with outside agencies once formal contact had been made by the COI Liaison Officer. At the working level, of course, an individual analyst dealt frequently with his counterpart in other agencies. Nevertheless, it was necessary for an official high in the Branch hierarchy to take part in both the preliminary and in many of the final negotiations. Such liaison was normally performed by the Branch Chief.

He also represented the Branch at Donovan's staff meetings. Recognizing the importance of close working relations with other COI branches, he undertook the greater part of this liaison, working to improve the flow of information and the proper servicing of other branches by R&A.

No administrative section of R&A was established under COI. In the first place, since the Board of Analysts was a policy body only, the bulk of the personnel was in DSI under the administrative direction of the Library of Congress. Secondly, CID and the functional divisions were organized on a compartmentalized basis with individual administrative problems, and it was thought that such general problems as might arise could be cared for adequately by the office of the Branch Chief.

Certain problems, such as inadequate allotment of Civil Service positions and unsatisfactory classifications, were probably common to all agencies, as they were to other branches of COI. Many of the problems of an administrative nature during COI arose from the lack of governmental, administrative or executive experience of the key personnel of the Branch. The research and academic backgrounds of R&A personnel did not immediately fit smoothly into long-established government procedures. Indeed, the basis of COI was to free intelligence from inflexible procedures and methods. Dealing with the problems, real or imagined, of such men was not a job for an administrative subaltern. The principle was to adjust regulations so that they would be free to apply their energies, knowledge and experience to intelligence material and techniques. This was a quasi-diplomatic task which the Branch Chief endeavored to perform.

The reception accorded R&A reports early demonstrated the validity of Donovan's whole conception of R&A. Under Secretary Forrestal remarked on 19 December 1941 * that certain reports "have already been of real use to the Navy"; Secretary Stimson on 2 January 1942 expressed his appreciation of the "very fruitful contact" between MID and R&A and his understanding that arrangements were being made for the cooperative handling of certain new projects. He continued, "G-2 is especially appreciative of the fresh and independent outlook of your staff of experts." *

A small staff was assembled in the early fall of 1941 which was responsible for assembling, summarizing and promptly disseminating incoming intelligence of political, economic or military significance bearing on the current situation. This group was attached to the Board of Analysts. Its first product, The War This Week (classified Secret), was given a limited circulation outside the agency after 11 December 1941. Thereafter it appeared weekly, with a wide distribution list both within and outside COI. The aim of The War This Week was to present promptly a current intelligence picture, interpreted in the light of continuing research of the regional and functional sections, supplemented by special studies and printed appendices.

* See History File W-7, p. 132.

(2) DIVISION OF SPECIAL INFORMATION—DSI

By the original letter agreement between Donovan and MacLeish (Exhibit W-17), provision had been made for the establishment in the Library of a Division of Special Information for which COI would provide funds. DSI was to be administratively responsible to the Library. Its studies and reports, however, were to be subject to final review by a Board of Analysts to be established in COI, and its activities were to be directed by a Research Director appointed by Donovan from among the membership of the Board.

The agreement further provided that DSI should be organized in such regional and functional units as Donovan might approve. Eight regional sections were specifically provided for:

The British Empire Section, covering the United Kingdom, the self-governing dominions (excluding the Union of South Africa, which fell within the jurisdiction of the Mediterranean/Africa Section), India and the dependencies.

The Western Europe Section, responsible for the Low Countries, France and the Iberian Peninsula.

The Central Europe Section, concerned with the Greater Reich, Italy, Slovakia, Poland and Hungary.

The Eastern Europe Section, covering the USSR, Finland, the Baltic states and the Balkans, including Greece.

The Mediterranean Section, renamed the Africa Section in May 1942, which focussed upon North Africa but was eventually responsible for all of Africa except Egypt, as well as the Atlantic islands.

The Near East Section, covering the Arab countries, Turkey and Iran.

The Far East Section, covering Japan and Japanese-occupied areas, China, the Philippines, and Netherlands East Indies.

The Latin America Section, including Central and South America.

The agreement recognized that changes might have to be made in the light of experience, and that it might later be advisable to absorb into COI some of the personnel and functions initially established in the Library.*

The original staff of these sections consisted chiefly of historians. Langer himself was a specialist in the diplomatic history of modern Europe. Of the eight section heads five were historians, one a political scientist, one an economist and one a geographer. Naturally, in recruiting their own staffs, they thought first of men with whose work they were personally familiar, colleagues or former students, usually in the same general field.

Ideally, the regional sections of DSI should have included geographic and economic specialists as well as historians. But American universities could offer few economists and geographers who had centered their studies on one region. Thus the pattern of academic life was carried over into R&A; the historians had to struggle with unfamiliar problems in a familiar land, the functional divisions with familiar problems in unfamiliar lands. This led to gradually developing jurisdictional conflicts which were not settled until more than a year later.**

Other agencies besides COI were making the same discovery about area specialists, and historians in certain fields—notably Russia and the Far East—were hard to find, even as early as 1941. Later, as draft board calls increased and R&A had difficulty getting commissions and military slots, it was hard to keep those already recruited, for other branches of the service could often make better offers. However, in spite of obstacles, DSI came close to meeting the standards established in the Donovan-MacLeish agreement—that the sections be composed

* As it developed, DSI, after the establishment of OSS, was wholly withdrawn from the Library.

** See account of R&A under OSS in Section II below.

of men having "the highest degree of competence provided by American scholarship."

The staff was to apply the techniques of academic research to the service of a wide variety of clients. DSI customers included the War and Navy Departments, the State Department, the Office of Export Controls (later BEW), the OFF and the other branches of COI, particularly FIS. A number of DSI reports went directly to the White House. After Pearl Harbor, the principal emphasis was upon work for G-2 and ONI, particularly in connection with the preparation of certain sections of approximately 120 long-range Strategic Surveys, which were begun during COI at the request of MID.

The research techniques used by DSI were new only in their application to intelligence. Academic research is the result of extremely careful, thorough examination and evaluation of all possible sources; it is largely a matter of common sense, patience, judgment and familiarity with all types of sources. The most important function that DSI had to perform during the COI period was to build a sound body of background material through use of the resources of the Library of Congress and staff contacts with other libraries, universities, scholars and technical experts. The full results of this preliminary work were not apparent until later. Even during its earliest stages, however, individual DSI reports proved the validity of Donovan's contention (stated in his 10 June memorandum to the President), "that information already existed in the United States which, if gathered together and studied in detail by carefully trained minds, with a knowledge both of the related languages and techniques, would yield valuable and often decisive results." (Exhibit W-1)

Fuller discussion of the sources utilized and the types of studies undertaken by DSI will be found in the discussion of R&A under OSS in Section II.* In Washington and elsewhere DSI tapped between 80 and 100 large collections of source materials which had not theretofore been used by government agencies. These included the embassies and consulates of friendly countries, confiscated German and Italian reference material, university libraries, specialized collections, the files and accumulated data of industrial concerns and of other government agencies. Foreign periodicals and other publications already received by different groups or organizations within the United States were utilized to the full. Gaps in such collections, however, were found to exist.

Lack of fresh material particularly handicapped the Far East Section, for example, from the outset. Few of the more valuable published sources were finding their way into the United States, and those which did arrive were frequently diverted before reaching addresses here. In addition, after Pearl Harbor, a great deal of material was being destroyed in the process of re-locating citizens of Japanese extraction. An extensive search was made for basic material on the Far East in libraries, Japanese book stores, business firms and banks throughout America. The yield was rewarding but by no means complete. To expand its coverage, the Far East Section sent a representative to Chungking to organize the collection and forwarding of materials. Similar experiences, of the Central Europe Section in particular, were important factors in the formation of the Interdepartmental Committee for the Acquisition of Foreign Publications (IDC) in which COI played a major part.**

The types of studies produced by R&A varied from short-term or "spot" reports (of

* Because the reorganization of R&A in January 1943 absorbed the functional divisions within broad regional units, more attention is given in this section of the report to the functional divisions, and the regional studies are taken up in more detail in Section II.

** See account of IDC in (5) below.

which the greater proportion was for FIS) to extremely thorough basic studies, such as the reports on Soviet synthetic rubber production, Lend-Lease routes into Russia, the Strategic Surveys and the ONI Monographs. This wide range was the result of a number of causes. Before Pearl Harbor R&A lacked a definite focus. Its list of customers, its relations with those customers and the relative priorities which would be assigned to each were by no means established. After Pearl Harbor the natural development of work focussed on pre-invasion studies. Of such studies the most time-consuming and probably the most important were the MIS Strategic Surveys. Of the usual seven sections, R&A prepared in full sections 3 (Population and Social Conditions), 4 (Political) and 5 (Economic).

In the preparation of the Strategic Surveys, some sections of DSI were at first handicapped by the reluctance of G-2 and ONI to allow free access to materials essential to thorough study of the areas to the coverage of which DSI had been asked to contribute. This was not uniformly the case; the Eastern Europe Section, for example, had very good relations with MIS from the beginning and, although these relations were occasionally clouded by top-level controversies between COI/OSS and G-2, the Section was in general shown anything it requested to see. As experience proved the worth of the new agency, relations, particularly at the working level, improved.

The nature of the work of individual sections within DSI varied inevitably according to the status of the countries with which they were concerned.

Those that were concerned with potential, and, after Pearl Harbor, actual enemies (e.g., the Central Europe and Far East Sections) devoted themselves not only to Strategic Surveys and capabilities studies but also to analyses of enemy organizations.

The Far East Section, for example, undertook detailed studies on the economic structure of Japan, the economic factors in Japanese expansion, and problems resulting from economic pressures on Japan. These were prepared for the President's Special Advisor on Far Eastern Affairs. The Central Europe Section, in addition to surveys covering Germany, Bohemia, Moravia, Poland, Slovakia and Hungary, prepared an analysis of the SS, SD and the Wehrmacht, and produced also a three-volume handbook on Nazi Germany, which had been specifically requested by OFF. FIS was always desirous for information on enemy countries, particularly biographic material on important but, in the United States, little-known enemy figures.

The Far East Section undertook, in addition to the sections of Strategic Surveys assigned to it, the revision of the Navy's Confidential Sailing Directions * for the Japanese mandated islands, at the request of ONI.

Early in 1942, A-2 requested assistance from the Far East Section on Japanese target evaluation. This was in preparation, it developed, for General Doolittle's raid of 18 April 1942 on the home islands of Japan. The Far East Section worked on this problem in cooperation with the Economics Division, and the assignment was the beginning of the target selection work which later became one of R&A's major services to the military. Other studies related to invasion plans were the estimates of enemy capabilities in particular areas. These were largely the work of the Economics Division, but DSI made the major contribution to some, notably a report on German capabilities in North Africa, prepared by the Mediterranean Section in collaboration with the economists. DSI also cooperated with the Psychology Division in preparing Soldier's Guides.

Enemy-occupied lands and other likely battlegrounds were a second category. In this field the armed services were also the chief customers, but State, FIS and other civilian agencies were almost equally con-

* These were later known as the ONI Monographs.

cerned. Aside from the Strategic Surveys (such as those on Iberia) and capabilities studies, there were a number of large-scale undertakings. Especially notable were:

A study of Turkish railroads requested by MIS. For the preparation of this study, DSI drew not only upon the incomplete and inconclusive classified intelligence sources, but, by tapping Turkish language publications available in the United States, including technical journals, was able to present an unusually comprehensive and accurate picture.

A study of trans-Africa supply routes, undertaken at a time when it appeared that they would be essential to support the British Desert Forces at Alamein. In the preparation of this report OI rendered valuable assistance. Information on roads and travel conditions in Western Equatorial Africa was almost completely lacking in American intelligence files during early 1942. OI arranged interviews with returning missionaries and traders. The files of American companies with business interests in the area were studied, and the Mediterranean Section was thus able to accumulate much recent information, maps, photographs of roads, and the like. The question had been raised before the JCS as to whether the Congo River might be used as a link in the trans-Africa supply chain. Latest data on its navigability, on changes in currents and rapids, and on the conditions of roads and railroads about the rapids was assembled. Railroad equipment firms supplied extensive information on the condition and equipment of the Belgian Congo railroads both from their files and from the reports of their employees who had worked on building or expanding the railroads.

The Eastern Europe Section was concerned not only with the most important battlefield of the period but with the capabilities and intentions of an ally whose future course of action and strength was perhaps the major imponderable in the world strategic picture.

A study of Lines of Communication Between the United States and the Russo-German War Zone, requested in August 1941, was completed in October. The problem of determining the most practicable Lend-Lease routes to Russia made this study of great importance and urgency, although its completion was handicapped by the lack of adequate information. Subsequently, a much-expanded study on the northern, southern and eastern supply routes, including climatic conditions, harbors, overland routes, total tonnage capacity, etc., was issued.

A suggestion by the Section in December 1941 that a study of the Soviet synthetic rubber industry might provide information of value to the United States in dealing with the natural rubber shortage in this country led to a series of reports. The information collected in the United States had apparently never been gathered together before, and the revelation contained in the report of May 1942 that the total production of synthetic rubber in the USSR in 1938 was five times that of Germany, contributed to the decision to dispatch a mission to Russia from the Office of the Rubber Director.

The Section completed in March 1942 a study on occupied areas of Russia which appraised industrial resources and transport before German invasion and scorching, and the degree of German exploitation after the invasion. This was the first of a series which developed into an exhaustive capabilities study of the USSR. Succeeding studies became more comprehensive as techniques were developed for exploiting published materials from Russia and for developing statistical and allied methods of extrapolating available material. A later report, entitled The Strength of Russia, completed in April, contained estimates of Soviet industrial and agricultural manpower, agricultural and food problems, basic industries, war materiel and transportation.

The first R&A studies on Lend-Lease routes made clear to the Secretaries of War

and Navy the inadequacy of the information available in Washington. This realization was instrumental in the request of War and Navy in the fall of 1941 that the undercover intelligence work of G-2 and ONI be consolidated under COI, which led to the creation of SA/B.*

Primary emphasis was placed on Russia, although the Section also had jurisdiction over research on other countries of Eastern Europe. Frequently, the urgency of assignments on the USSR required that experts on other countries be diverted to these high priority jobs. Studies were also completed, however, on Finland, Bulgaria, Esthonia, Yugoslavia, Rumania and Greece. Most of the latter studies constituted the COI sections of the Strategic Surveys for those countries and areas.

Studies on the British Empire differed in approach from those undertaken on the Soviet Union. There was naturally a far freer flow of information between the British and ourselves, than with the Soviet Union. Over-all studies on British capabilities and future intentions were not therefore of comparable importance. The British Empire Section therefore concentrated chiefly on the trouble spots in the British Empire. Studies were undertaken on Eire and North Ireland, the routes and terrain of the Burmese border areas, and the significance of the Mohammedan-Hindu conflict in Indian affairs.

Finally, DSI was concerned with one part of the world, Latin America, from which the war was physically remote. Nonetheless, it was important to know the attitudes of Latin American countries toward the war, the extent of Axis penetration of Latin America, and its use as a base for Axis psychological warfare and espionage.

Following the President's directive to Donovan to coordinate North American intelligence, the Latin America Section dispatched two representatives to Mexico in mid-December 1941 to make an on-the-spot appraisal. They were recalled after five days when the FBI questioned whether the directive did not conflict with a previous directive placing all Western Hemisphere intelligence under its jurisdiction.* The FBI being upheld, no further field representatives were sent. In their short stay, however, these representatives collected valuable information on many subjects, including the Sinarquista movement and the Mexican labor movement (predicting that the latter would be a strong pro-United Nations force in Mexico).

Thereafter, the Section received considerable support and interest from G-2 as the result of its work on the Strategic Surveys and daily situation reports.

(3) FUNCTIONAL DIVISIONS

These units were established to handle intelligence studies on subjects which lent themselves to a functional rather than a regional approach.

Economics Division. This Division was established in October 1941. Its position was a strong one from the beginning, both within the Branch and vis-a-vis other agencies. This was due, in part, to the fact that Dr. Edward S. Mason, himself an outstanding economist and an original member of the Board of Analysts, took a particular interest in the Division. By October 1941 he was able to benefit by the early experience of DSI, as well as to appreciate the special techniques of the economists and to capitalize on their competence. Subsequently, his close association with the JIC was also of great value.

The Division was divided into the following sections: Agriculture and Standard of Living, Military Supplies, Labor Supply, and Industrial Resources. At a later date other sections were added, but the original sections produced the most important work of the Division.

* See "Special Activities" in 4 below.

* See "Survey", p. 34 above.

Although the economists were not specifically restricted to problems incident to the European war, they concentrated on that theater for the most part. At a later date, however, they expanded their sphere of interest to the USSR and the Far East.

The first study undertaken, compiled with the full cooperation of all sections of the Division, dealt with The German Military and Economic Position. The conclusions reached were interesting, not only because they appear in retrospect to have been quite accurate, but because in several instances they were in direct conflict with the prevailing opinion in high intelligence quarters. For example, at a time when it was generally believed that an acute enemy food shortage was to be expected in the near future, the Division maintained that the food supply would not become so tight as to affect the course of the German war. In fact, when predictions of imminent shortages were most firmly advanced, the Division predicted correctly that, on the contrary, an increase in the basic ration was imminent. Armaments and strategic materials, especially oil, were likewise generally regarded as likely to prove a limiting factor in Germany's ability to prosecute the war; the R&A economists thought otherwise.

The Division's Labor Supply Section took the position, which later proved to be correct, that there was and would be an increasingly critical bottleneck in the Axis manpower situation. The report started with the premise that the publication of officers' obituaries was a deep-seated point of German social custom. The analysts used a representative sample of German newspapers to compute the average number of obituaries printed by each paper per issue per month. To compensate for missing issues, link relatives were constructed of the monthly averages, where there were available continuous two-month runs. The link relatives were, in turn, chained to an index of all papers, using one month as a base, and corrected by adjustment for months in which no coverage was available. This sample total was then grouped according to the four daily circulation units into which all German newspapers fall, making it possible to establish a relationship between circulation covered by the sample and that of all German newspapers. The over-all circulation of each of the four groups was divided by its component in the sample and multiplied by the number of officer deaths. From this sum was subtracted a figure for non-battle deaths, which was obtained by applying an annual war-time non-battle death rate to the average officer strength.

The ratio of enlisted men to non-commissioned officers was established through tables of organization and other means. The battle death ratio of officers to other soldiers was computed on the basis of World War I data, to yield a figure by which the estimated officer deaths could be multiplied. By this means figures were obtained for all battle deaths.

On the basis of German experience in the last war, a relation between killed, missing, and the unfit for further service was derived. These figures, plus the number of prisoners of war (known by direct intelligence and through official Allied reports), furnished total estimates of permanent battle losses in the German army.

This technique proved to be so successful that it came to be accepted by the JIC and all other American intelligence agencies.

Results of studies on enemy oil supply likewise differed from opinions then prevailing. The British Hartley Committee believed the German oil situation to be critical, whereas the JIC subcommittee on enemy oil, on which R&A had a representative, took the position that the German oil supply was more than adequate.

By the spring of 1942, with much of the work completed on preliminary studies, attention was turned to the future enemy position and capabilities and an attempt was made to establish the basic pattern of the enemy economic position. Within three

months, the Division had begun to assemble the Summary of Strategic Information, a compilation of reports on the fundamental position of Axis Europe on food, strategic materials, armaments and manpower. A continuous effort was made to keep the Summary up to date, and periodic revaluations were made for the JIC.

An interesting example of R&A techniques was provided by another long study, the analysis of the German supply program on the Eastern Front. This report exemplified the use of the deductive method when inadequate intelligence material made the inductive method impractical. There was first prepared a specific study of the Russian rail lines on the Eastern Front. Then a specific examination was made of German supply requirements, taking into consideration the nature of operations and the size of the force engaged. Complicated estimates were needed in order to calculate, on the basis of very meager information, the approximate amounts of ammunition, food, petroleum products and engineering equipment which the German divisions would expend on the Eastern Front at varying degrees of intensity of fighting. These figures were reached by a study of British experience in the Libyan campaign and from special studies of the War Department. Thereupon, comparisons were made of the estimated capacity of the rail lines with the estimate of German requirements. The conclusion was reached that transport would not be a major factor limiting German military operations against Russia in 1942.

In May 1942 an International Trade and Shipping Section was established. This Section, which concentrated largely on German submarine production and activity, encountered difficulty throughout the COI period in obtaining information essential to its work from the Navy Department.

Despite the fact that the major emphasis was on European economic problems, attention was soon turned to problems connected with the USSR and the Far East. Among the topics covered were brief studies on Japanese steel, oil, and non-ferrous metals, as well as appreciations of the Russian, Japanese and Chinese food situation.

Geographic Division. In the fall of 1941, an Advisory Committee, composed of geographers from other government agencies, was formed to consider the establishment of a Geographic Division. This Committee, together with the future chief of the proposed division and administrative officers of COI, recommended the divisional organization which it considered would be of maximum value in integrating its activities with the programs of other agencies.

The Division was established in three sections: Cartographic, Geographic Reports and Map Information. The first two sections were established in October and November 1941, and the Map Information Section in February 1942.

(i) *The Cartographic Section* was established in October 1941 to prepare such maps as might be required by COI. At first the Section confined itself to fulfilling requests and found it was devoting itself largely to spot jobs, such as preparing presentation materials for Donovan and illustrative sketch maps for COI reports. Gradually, however, it was recognized that there was a serious gap in the governmental organization for the production of "specialty" cartography. Emphasis was therefore placed on the desirability of producing maps which were in their own right intelligence documents rather than simple illustrative maps. In order most effectively to further this trend, it was decided that compilation and construction work should be separated and, as a result, two sections were set up, known as the Compilation and the Construction Units. The latter Unit included drafting personnel, a Composing Shop and a Design Unit.

The varied types of maps produced in the Cartography Section reveal the scope of its interests and capacities: economic (industry and manufacture), agriculture and land

utilization, fishing, natural resources, mining, lumber, oil, shipping, public utilities, political (administration and movements), strategic, communications, transportation (land routes, water routes, airlines, airfields, facilities, roads, railroads), terrain and beach maps, climate and weather, population (distribution and density, ethnic, religious, distribution of diseases), ports and town plans, operational (bombing objectives), historical, base maps, informational maps (Soldier's Handbooks).

(ii) *Map Information Section.* The Map Information Section was established in February 1942.

In order to meet the needs of other units of COI most effectively the Map Information Section undertook to: (1) Evaluate published maps; (2) inventory maps available in the United States; and (3) procure hitherto unlisted published maps from all possible sources. During the COI period the Section could not become a full-scale collection agency, but it did arrange to receive all new maps from the Library of Congress, Department of State, Army War College, the Hydrographic Office, CIAA and BEW. Microfilm copies of the maps of the Army War College and the American Geographical Society were also obtained.

The entire question of procurement of maps from outside sources was a difficult one because, prior to the establishment of the Section, individuals or units throughout COI had been accustomed to procuring necessary maps on their own initiative. The matter was finally regularized by an order from Donovan requiring that all map procurement should be handled through this Section.

(iii) *Geographic Reports Section.* This Section was organized in November 1941 to handle the preparation of geographic reports. As late as March 1942, however, the pressure of work of an entirely cartographic nature was so great that the Reports Section devoted some two-thirds of its time to compiling maps.

Geographic reports work was, however, begun and attention was given to the collection and organization of topographic intelligence. A precise definition of the scope of this work, differentiating it from that of the regional sections of DSI, was difficult to formulate. In theory, the Reports Section dealt with such matters as transport routes, urban features and telecommunications, industrial location and local resources, climate, weather, vegetation, terrain, hydrography and ports. In practice, such studies were frequently undertaken by the regional sections of DSI.

Despite these problems, geographic research of importance was completed, including monographs on the Pacific Islands for ONI, sections of the Soldier's Guides, articles for The War This Week, and a volume on the ports of South Africa.

Psychology Division. This Division was organized in September 1941 and staffed by experts drawn from the fields of psychology, sociology and social anthropology. Its purpose was to assist in long-range propaganda planning by supplying background material and current information, and otherwise to apply the specialized experience, knowledge and techniques of its expert staff to intelligence problems.

In assisting the long-range planning of propaganda by FIS, the Division was handicapped by two external factors. The first was the controversy between FIS and R&A (FIS and OI had similar differences at one time) over the use of classified material in radio broadcasts. This controversy is discussed elsewhere. However, the Psychology Division, as a part of R&A, was naturally affected in its relations with FIS. The second complication grew out of the failure of the Government to authorize an official policy line to be followed by propaganda agencies, such as the CIAA and the FIS Branch of COI. FIS was geared to press-room methods and propaganda planning was subject to the doctrine of expediency. FIS established its own research section to deal with immediate

problems. In this situation the long-range studies which the Psychology Division made on such subjects as social attitudes, morale of various groups in foreign countries, domestic and foreign propaganda to which such groups were exposed, and the morale and attitudes of foreign armed forces were of little avail. In the latter days of COI the situation was further complicated by the events leading up to the reorganization of 13 June 1942.

In the course of preparing psychological studies of foreign countries, a request was received from the Special Services Division of the War Department for assistance in preparing Soldier's Guides. The result was a series of handbooks on foreign countries, their peoples, customs, etc., where American forces might serve. The Soldier's Guides were prepared by the Psychology Division in cooperation with the Geographic Division and DSI.

(4) CENTRAL INFORMATION DIVISION—CID

CID was established in September 1941 primarily to acquire, house, catalogue, and distribute the documents and records necessary for the work of R&A. In addition, a unit was created to edit R&A reports for style, uniformity and readability, and a group of experts was assembled to abstract documents and prepare preliminary reports for the convenience of analysts in the other divisions of the Branch. The last two functions were removed from CID by February 1942 since it was decided they required the attention of specialized analysts.

The Division included the following sections: The Index Section (later Document Analysis), the Service Unit (later Accessions and Document Control Sections) and the Intercepts Unit (later Censorship Materials). The last-named section was not established until April 1942.

The accessioning functions of the COI Liaison Office were taken over by CID in mid-December 1941. Certain liaison functions, primarily for CID but frequently assuming Branch proportions, were also undertaken. It was contemplated that this Division might act as a central archives for the whole agency, but this became impossible during the COI period due to the fact that several branches were still in the organizational stage.

(5) THE INTERDEPARTMENTAL COMMITTEE FOR THE ACQUISITION OF FOREIGN PUBLICATIONS—IDC

After the outbreak of war in the Far East and Europe the peacetime flow of foreign periodicals and publications to the United States virtually ceased, and there was no adequate system of distribution of those few publications that did slip through to the government agencies interested in receiving them. To COI, particularly R&A, as well as to a number of other agencies, this was a serious loss.

As a result of this situation, representatives of several government agencies and departments met informally, at the invitation of R&A, to discuss methods of obtaining and circulating these publications. These representatives decided that they could operate most efficiently if they pooled their resources. Accordingly, in the fall of 1941 an informal committee was set up, which later recommended that an organization be created to undertake the acquisition and distribution of such publications. It was felt that such an organization must have the support and backing of one agency with the staff, funds, authority and security necessary to such an operation. Donovan was asked in December if he would be willing to provide the requisite support and services. He agreed and secured the approval of the President on 22 December 1941.

IDC included representatives of COI, State, War, Navy, the Library of Congress, Treasury, Commerce, Interior, OFF, BEW, and, later, OSRD and CIAA. The Chairman was selected from the R&A Branch of COI, which assumed administrative responsibil-

ity. In matters of policy IDC was independent, having separate funds.

At first IDC was concerned only with the procurement and distribution of publications. Although it was able to make arrangements with the State Department for the cooperation of various embassies and consulates, it soon became clear that efficient operations could be hoped for only if IDC dispatched representatives to make arrangements and decisions in the field on questions of reproduction, clearance and shipping. Eventually representatives were sent to Geneva, Stockholm, Lisbon, London, Cairo, Istanbul, New Delhi and Chungking to expedite the flow of material to the United States.

The first ten months of R&A's development should properly be regarded as a preparatory phase, despite the work of definite value which was accomplished. The internal structure of the Branch, the focus of its attention, its sources and customers, its techniques and methods of operation, its place within the agency and the Government at large were still to be finally determined as experience was gained.

During the COI period the duality of functional and regional divisions was subject to some discussion. It seemed impossible to establish a line of demarcation which would clearly establish the respective jurisdictions, but since each approach produced valuable results, the problem did not come to a head under COI. A reorganization of the Branch took place later under OSS.

Most significant in the development of R&A was the gradual change in the type of reports undertaken. At first, numerous widely unrelated and "spot" reports were prepared. However, the long-range type of report, such as the Strategic Surveys for MIS and the ONI Monographs, became the main focus of attention in early 1942.

(b) ORAL INTELLIGENCE—OI

OI was established on 18 August 1941 as a part of the Coordinator's Office, with a directive "to obtain from willing sources, or as voluntarily offered, information of potential strategic value in the foreign field by informal interviews with individuals personally possessing such information".* It was shortly thereafter given the status of an independent unit. Headquarters were established in New York where refugees from Europe were arriving steadily in 1941-42.

The original aim was to canvass the New York area systematically for existing sources of information. The influx of new arrivals was so great, however, that, in order to reach the most recent sources, it became necessary to fit OI into the operational pattern of existing traveller control agencies. Among the established intelligence agencies, ONI, MID and the FBI had neither the budget nor the necessary staff of specialists for more than occasional general interviews, chiefly for security purposes. Military and Naval Intelligence headquarters in New York were contacted, as well as the regional offices of FBI, Corps G-2, Immigration and Naturalization and the New York port authorities. It was explained that OI's directive differed from routine ONI and MID interrogations in its volunteer civilian basis and in the degree of detail sought, and regular exchanges of summaries of all interview reports between the interested intelligence bureaus were proposed. As a result, on 9 September, OI was invited to join the weekly Foreign Intelligence Group meetings, held in the Office of the Area Controller. These expanded later to include MID, ONI, FBI, two branches of BEW, Postal Censorship, Navy Cable Censor and OI.

A small staff of six "field representatives" was recruited, which included a former U. S. attorney, a newspaper and labor relations man, a public opinion analyst from Roper's "Fortune" Poll staff, and three linguists, two

* See History File W-10.

of whom were fluent in French and German and one in Hungarian and Slavic languages. Two members of the staff had done extensive research on the problems of foreign refugees in America. The staff remained small and administration was correspondingly simple. In the interests of security, the OI office, originally located in the Madison Avenue office of FIS, moved to separate quarters, at 21 East 40th Street, in December 1941.

Interviewing began in September. Staff members decided among themselves the general fields of specialization since it developed that better and more detailed information could be gathered if the interviewer himself was familiar with the subjects or places known to the interviewee. Although the majority of new arrivals came from unoccupied France, so many of them had been in occupied France, Germany or Poland shortly before that it was necessary to see as many of them as possible.

It was agreed with ONI and MID that OI personnel would not board ships, because this would duplicate Navy boarding officers' activities and also because conditions on shipboard at docking time were not conducive to interviews of the extent and detail that OI required. Instead, interviews were arranged either by letter or telephone, or by introductions secured through contacts in the United States with whom the arrivals were acquainted.

Each approach was carefully made; the form letters explained that COI "was created by Executive Order to obtain general information concerning countries affected by the war" and was seeking "only information given voluntarily".* The staff had access to the meager information provided by the passenger manifests of vessels arriving in New York as soon as these were received at the Immigration and Naturalization Office. With these, and copies of the ONI boarding officers' reports, it became possible in time to pick out most persons who had valuable information to offer. Inevitably, however, many opportunities were missed because of incorrect addresses or because the individuals left the New York area before the OI staff could contact them. Access in advance to State Department information on file with the Visa Division in Washington might have greatly reduced the numbers of such lost opportunities.

The British Security Coordination Office used OI as its first point of contact with COI and also as the medium for the exchange of secret intelligence data, as part of the close cooperation between Donovan and Stephenson. Copies of many OI interview reports were passed to the British, and British interrogation, censorship and intercept material, as well as official secret intelligence data, was received and passed to Washington headquarters.

Offices of other foreign intelligence services, particularly the Poles, Czechs and Norwegians, also used OI to pass official confidential material to the attention of American intelligence authorities. OI not only fostered these liaisons but expanded them to include MID, ONI and FBI as recipients. Further sources of information were developed among such official or semi-official agencies as information services, trade missions, "Free" groups (Free Denmark, Free French), relief societies and seamen's aid institutions. These contacts were subsequently turned over to SA/B and SA/G.

Numerous among the recent arrivals were persons sponsored by foreign nationality groups, refugee societies, or by individuals in this country active in national or religious minority affairs. Frequently, advance information was supplied on the arrival of well-informed persons from areas of interest, and introductions arranged after arrival. From contacts acquired through such connections, several were selected as of possible use to other sections of COI. A number of key staff and field men for COI was recruited in this manner. Liaisons with foreign na-

* See History File W-10.

tionality groups were later turned over to FN.

The head offices of trading, shipping, banking, insurance and manufacturing concerns, as well as missionary, educational and relief organizations, were contacted. Several regularly sent their returning field men to OI for interrogation, and opened their files for any information of interest on foreign areas. Certain of these contacts subsequently proved valuable to the work of SA/B, though their immediate value was to R&A. Much of the data for the R&A study of North African railroads came from the files of American locomotive or equipment firms, or from recent arrivals, some of whom had been sent by the Vichy French to forced labor on various lines including the abortive "Trans-Sahara" railroad.

Few report evaluations were ever received except from FIS and from the British. FIS wished to know European reactions to American propaganda broadcasts and they were also interested in the techniques and effects of enemy propaganda abroad. The interviews showed that very few Europeans heard American short-wave broadcasts. A variety of propaganda ideas and suggestions were volunteered and acknowledged as helpful by FIS. The British frequently submitted specific questionnaires or requests for specific interviews and were quick to express appreciation and praise for answers received.

By the time of Pearl Harbor specific intelligence directives were being received from the Board of Analysts and close liaison existed between the staff members of R&A and OI.

Re-interviewing of individual well-informed sources was begun in the spring of 1942 as specific requests for intelligence were received. Some sources were further interrogated in person by representatives of R&A and other Washington branches. By summer, a list of persons with specific information on particular regions or subjects was started. This activity proved of such value that a separate unit, the Survey of Foreign Experts (SFE),* was established in August under the direction of an OI staff member to develop a roster of sources by region and subject and perform highly detailed interrogations as requested.

Detailed maps and photographs were used by the interviewers to aid in obtaining details and to refresh the memories of sources. In addition, sources were canvassed for recent snapshots, road maps and guidebooks which might be of use to R&A. Also, clothing, ration and identity cards, and any consumers' goods from enemy or enemy-occupied countries, were passed to Washington to assist in the preparation of agents for missions abroad.

The liquidation of OI was started shortly after 13 June. The number of arrivals in New York had begun to drop except for exchange ships, while the interrogation staffs of ONI and MID, expanded after Pearl Harbor, were in a position to conduct general interrogations in New York.

For a short period under OSS, OI concentrated entirely on intensive supplementary interviews requested by other branches and on maintaining its liaison activities. The creation of SFE, using OI personnel and experience, effected a necessary crystallization of the re-interviewing program and also closed another gap in the program by establishing a San Francisco office to cover the West Coast. Most of the remainder of OI was absorbed either by SA/B or in the establishment of a New York office for R&A.

After having conducted some 2,000 formal interrogations and initiated important contacts for all parts of OSS, OI was officially dissolved in September 1942.

(c) FOREIGN NATIONALITIES—FN

The Foreign Nationalities Branch was established to provide an additional source of foreign political intelligence through study of activities and sentiments in the United States reflecting the situation abroad, as re-

* See New York Office, Section II below.

vealed through contact with influential political refugees and leaders of foreign nationality groups, and by scanning of the foreign language press.

Donovan realized the necessity for this service in the fall of 1941. He then conceived it not only as a source of foreign intelligence but also as a gauge of the fifth column threat to the United States. Since the Special Defense Unit of the Department of Justice was already examining the foreign language press for indications of subversive activities, Donovan suggested to the Attorney General on 26 September that COI provide supplementary funds for the expansion of this work to obtain the additional information desired.* Before this suggestion could be put into effect, however, the Department of State proposed that COI survey the foreign language press for political intelligence as a complement to the Department of Justice scanning. The COI treatment would include special study of foreign language groups, which State Department did not wish to undertake for reasons of prudence and practicability.

It was at first contemplated that the Radio News Branch and R&A would be able to supply the State Department with such information. However, it developed that the work was so extensive and complex as to necessitate the creation of a new branch.

Early in November, therefore, Donovan asked Mr. John C. Wiley to investigate and make recommendations for the organization of such a branch. Wiley, United States Minister to Latvia and Esthonia, was loaned to COI in August and became a member of the Board of Analysts. He secured as his assistant Mr. DeWitt Clinton Poole, a former consular and diplomatic official of long experience, who previously had been at Princeton University as Director of the School of Public Affairs and a member of the Institute for Advanced Studies.

After consultation with the State Department, the Special Defense Unit and the FBI, Wiley prepared recommendations for the new branch which were circulated among the Board of Analysts on 14 November. These differed in only two important respects from those later approved by the Bureau of the Budget: proposals to conduct public opinion polls and monitor the domestic foreign language radic were deleted, in view of the fact that the OFF, formed on 24 October, and the FCC were already performing these functions and could supply the necessary information to COI.

Wiley's memorandum, as revised and amplified by Poole, became the charter for FN.* It pointed out the special character of the United States population, sections of which had living ties with every other considerable population in the world. The size of the foreign language press, which included some 1,700 newspapers in 51 languages, was cited as an indication of the persistence of those ties. Furthermore, since the United States was the most powerful single political unit in the world and American opinion played such a decisive role in many foreign situations, this country had become a busy theater of foreign political activity and intrigue. Since it was impossible to appraise adequately American interest in foreign political situations without study of possible repercussions in the United States, it was planned that studies of conditions at home and abroad proceed simultaneously. The State Department desired that the COI personnel to handle the studies be experienced in diplomacy and familiar with State Department requirements.

It was therefore recommended that FN be established to enable the Government, and particularly the Department of State, to analyze political conditions outside the United States in the light of their reflections here. This was to be accomplished in two ways: (1) By maintaining contact with certain individuals of foreign origin, including those arriving from abroad with the intention of influencing American opinion and

* See History File W-28, Tab A.

* See History File W-28, Tab F.

government policy in the field of foreign affairs; and (2) by collecting information pertaining to foreign affairs on the sentiments, activities and cross-currents within foreign nationality groups in this country and on the characters of their leaders, press and radio. Subversive activities were declared to be outside FN's sphere.

Since political information gathered by FN would be valuable to other branches of COI, principally FIS in preparing shortwave broadcasts for beaming abroad, part of the new Branch's assignment was to follow up contacts after the original interviews.

On 22 December, the President approved the establishment of the Branch on the basis indicated, and COI proceeded to the preparation of precise estimates for the Bureau of the Budget. Since no precedent existed, certain interdepartmental adjustments were necessary before Budget approval could be secured.

One point of opposition was that the contemplated scanning of the foreign language press seemed to duplicate the work being carried on by the Department of Justice. The Wiley-Poole recommendations had already suggested that FN should seek assistance in such work from other agencies already thus engaged. The recommendation noted at the same time that the nature and purpose of FN differed essentially from that of the Department of Justice, which consisted merely in translation and summary, to uncover subversive activities in the United States. FN's purpose, on the other hand, was to secure foreign intelligence through study and analysis, a service not available elsewhere in the Government. The solution came with the establishment, at no cost to the Government, of a network of volunteer readers at universities throughout the country who were highly qualified to read and analyze the foreign language press from the standpoint of foreign relations.

Another problem was the opposition which had developed in certain State Department quarters out of the fear that FN might encroach on the policy field. Secretary Hull's approval on 12 January* effectively settled the question. The Bureau of the Budget thereafter approved the FN estimates on 27 January.

The Branch remained small throughout the COI period, hence its organization was simple and entailed a minimum of administrative problems. The Director's office performed the executive and supervisory functions; the main body of work was carried on by two divisions—Field Study and Chancery.

Director's Office. Wiley was responsible for general supervision of the Branch, his membership on the Board of Analysts of R&A and the Planning Board of FIS contributing greatly to close cooperation with other COI branches. Poole was the operating director: he had immediate supervision of FN activities and maintained liaison with the New York offices of COI. Wiley and Poole together had the responsibility for certain of FN's more important contacts among foreign leaders and for maintaining liaison with other United States Government departments and agencies.

Field Study Division. This Division obtained the raw intelligence necessary for the Branch reports through direct contact with foreign groups and individuals and through study and analysis of the foreign language press. Field representatives, occasionally assisted by special experts, kept up the contacts. Volunteer helpers at "academic outposts" took on the press scanning; their numbers increased rapidly, so that by March 1942 they included small groups of outstanding scholars at Princeton, Harvard and the Universities of Minnesota and Wisconsin, in addition to a special group at Albany.**

* See History File W-27, p. 15.

** The Bureau of the Budget was so impressed by the economy of this system of operation that in March it inquired whether all press scanning in the United States might not be organized on a similar basis. It was decided, however, that the Department of Justice could not rely on volunteers for the gathering of prosecutional data.

Chancery Division. This Division comprised four geographic desks: Slavic, Latin, German and Miscellaneous. It collected all material received (including supplemental information from other government agencies) and had responsibility for the processing, preparation and dissemination of all reports. In addition, it maintained complete files of all information that came into the Branch to be used for special studies requested on short notice.

Special consultants comprised an important source of information. These included, for example, an outstanding Yugoslav journalist and a German refugee acquainted with leading figures of the German refugee groups in this country. They worked on a part-time basis and were paid in terms of services rendered.

Wiley and Poole personally maintained contacts with such outstanding foreign political personalities as Count Czernin, Count Sforza, Mr. Papaneck and similar leaders. Other Branch representatives kept in close touch with all the various foreign groups and individuals who comprised a considerable proportion of the total United States population. This contact work was carried on outside Washington, notably New York, both for security reasons and because in an unofficial atmosphere it was found that the subject was more inclined to speak freely.

Production of processed intelligence began in January and FN products soon included periodic reports on the views of prominent foreign political personalities and analyses of the views of segments of the foreign language press. For example, one of the early reports prepared by an FN consultant was a comprehensive editorial survey of military, naval and air installations in Greece. It received a commendation from the Chief of G-2.

By March FN was supplying information regularly to the State Department, OFF, MID, ONI, and the Special Defense Unit and FBI of the Department of Justice. The State Department was the principal customer for FN reports and Poole regularly attended meetings of an Interdepartmental Committee on Foreign Nationalities Problems, which was set up by Assistant Secretary Berle to serve as a medium for the exchange of information among interested agencies. Donovan wrote to Secretary Hull on 6 April* outlining FN's progress and stating that its work was primarily oriented to the needs of State Department. Relations with other agencies were smooth; the original fear of duplication with the work of the Department of Justice soon disappeared. On 18 March J. Edgar Hoover wrote Donovan that he felt much information of value could be exchanged between FN and FBI, and stated that the latter agency would be available for any information which might be required.**

Within COI, activities were closely coordinated with R&A, FIS and OI, and FN was especially valuable to the new SA/B and SA/G Branches in suggesting potential agent and staff personnel from its contacts among individuals of foreign origin.

When COI dissolved in June 1942, the Foreign Nationalities Branch had been organized for approximately four months; its total personnel consisted of 35 full-time workers and 50 volunteer helpers. A steady stream of raw intelligence data flowed from its field representatives into the Chancery Division in Washington, where it was processed into regular and special reports on the political activity of more than 30 foreign nationality groups. The Branch had precise information on each group—its leaders, its political activities and its various publications. This data was used not only for spot reports but also for detailed basic reports on various political situations.

During May 1942 FN distributed 594 memoranda, letters and reports, received 923, and interviewed 344 persons. By June, 92 memoranda and reports had been prepared and distributed and comprehensive basic reports

* See History File W-28, Tab N.

** See History File W-27, p. 26.

on the Greeks, Austrians, Bulgarians and Italians were ready for printing and distribution.

FN represented a new field of political study and reportage, which by June 1942 had demonstrated its value to outside agencies of the Government.

(d) VISUAL PRESENTATION—VP

The Visual Presentation Branch was set up to aid in quick and clear presentation of reports and data through the development and utilization of visual techniques.

In early September Donovan and Atherton Richards discussed such a branch primarily as an aid to the President and other high officials concerned with the formulation of policy in studying the various elements pertinent to national defense. Accordingly, VP was established in late September. Its main functions were the formulation of techniques of visual presentation, the erection of a presentation building for the use of the President, and the preparation of displays to be used therein. Presidential approval was obtained on 7 November and Budget approval on 8 December.

The Branch was organized in three main divisions: (1) The Reports Division, responsible for the illustration of reports, which was composed of a Graphics Section, specializing in graphs and charts, and a Pictorial Records Section, which assembled pictorial data on areas of strategic importance; (2) the Presentation Division, responsible for the development of techniques to be used in the new building, which was composed of sections corresponding to the types of information to be presented— the Resources Depiction Section, the Current Information Section, and the Statistical Reports Section; and (3) the Field Photographic Division, which was assigned the task of photographing designated subjects in the field.*

* In view of the subsequent development of Pictorial Records and Field Photographic as indeppendent units, they are discussed separately below.

Under COI the main efforts of the staff were devoted to plans for the construction of the new building, designated Q-2. Richards, together with Merian Cooper, a former motion picture director then in A-2 but serving part time as Special Assistant to Donovan, worked out the original plans. These provided for a building composed of a main display room and twelve theater rooms, in which could be presented at any hour a complete display of world conditions relating to the war. According to the Branch's first budget estimates of 29 September, an official presentation of this sort for the President could be made in a matter of minutes, whereas if the same information and data were presented in written or verbal form it might take months to assimilate. The country's best engineers and industrial designers were enlisted to work on the plans.

As they evolved finally, the plans for Q-2 called for a windowless two-story building containing two semi-circular auditoriums, a motion picture theater, and twelve category rooms. The main auditorium was designed to exhibit strategic information, allowing simultaneous and flexible presentation of the various data involved in one subject: one-half of the room was designed to contain a series of semi-transparent screens, on which to project information from both the front and the back by a number of projectors and epidiascopes (machines which could project directly from an opaque surface, such as a map or the page of a book); the other half of the room was designed for the exhibition of any type of statistical information on charts made of adjustable panels of light. Current events were to be presented in the other auditorium, by means of specially-constructed maps, television where possible, and also specially developed devices to reproduce on a screen the animated simulation of tactics employed in a battle fought a few hours earlier. The pictures were to be supported by terrain models and various three-dimensional displays. The category rooms were to present in graphic form the main facts re-

lating to twelve broad economies, including oil, coal, communications, transportation, etc. R&A, MID, ONI, OPM, the Bureau of Labor Statistics and other authoritative sources were to provide the technical data for the displays.

Blueprints and scale models for Q-2 were completed in April and came to the attention of the JCS, who requested that some of the devices be installed in their own building. A maximum of the special plans and facilities developed for Q-2 was adapted for use in situation and conference rooms for the JCS. The latter were so strongly impressed with the potentialities of these rooms that they requested that Q-2 be located next to the Combined Chiefs of Staff building. On 11 May 1942 the JCS requested that the erection of Q-2 be postponed, pending completion of plans for the JCS rooms. In June it was decided that the rooms would suffice to meet the President's requirements. Accordingly, the JCS ordered the termination of plans for Q-2. On 27 June Donovan informed the Public Buildings Commissioner that the building would not be erected, but, since the plans were near completion, he asked that they be finished and held for possible future use.

The Presentation Division had begun actual construction of the rooms for the JCS in June; the Categories Section had collected a great deal of basic information for the categories rooms from other government agencies and private concerns.

By June, the Graphics Section of the Reports Division was well established and had produced a number of map and chart presentations for the Army and Navy and other COI branches, including diagrams of Russian supply routes, similar studies of the Burma Road and routes to Alaska, and pictorial evaluations of the supply requirements of Germany.

With the end of COI in June 1942, the Visual Presentation Branch was broken up; the Presentation Division and the Pictorial Records Section became separate divisions of R&A, part of the Graphics Section was turned over to OWI, and the Field Photographic Division became an independent unit of OSS.

(e) PICTORIAL RECORDS

Pictorial Records originated as a section of the Visual Presentation Branch. It was established to assemble and make available photographs, films and other pictorial records from commercial, governmental, foreign, personal, and other sources, depicting areas and subjects of strategic importance.

As originally planned in November 1941, the Section was to serve two purposes: It would provide pictorial information of strategic value and at the same time would assist VP in the preparation of visual presentations. As a result of its early work in collecting information for the Army and Navy, it soon became the central collection point for pictorial data. Its secondary function for Visual Presentation was never realized.

Pictorial Records was precluded from the motion picture field and it addressed itself exclusively to the collection of "still" pictorial data. Sources contacted to carry out the assignment included American film companies owning various types of films on foreign countries, a large number of American tourists and explorers who had penetrated almost every part of the globe, the archives of the government departments, and the film units which existed in many universities. Pictorial Records personnel comprised research editors, research technicians, librarians, and photographers, working principally in Washington and New York.

On 19 February, at a meeting in which the Army, Navy and Air Force were represented, an official list of priorities was given Pictorial Records. It was agreed that G-2 and ONI would furnish Pictorial Records with advisors to assist in recognition of the type of data desired.

By June 1942 Pictorial Records personnel numbered approximately twenty. By that time, requests for information from the

Army and Navy had increased to such an extent that budget estimates for the next year called for additional personnel totalling eighty-six. During the COI period, Pictorial Records assembled and catalogued an enormous number of photographs and films: for example, in April 1942, 40,000 feet of film were received, of which 30,000 feet were studied and marked for duplication; over 12,000 still pictures were received, of which 2,600 were catalogued and 2,500 were copied. The Section performed special services on request, such as supplying to the Navy Bureau of Aeronautics a list of 410 motion pictures of special interest.

With the end of COI, Pictorial Records became for a short period a separate branch of OSS. By August 1943, however, it was made a division of R&A.

(f) FIELD PHOTOGRAPHIC DIVISION

The Field Photographic Division of the Visual Presentation Branch was established to produce motion and still picture reports of strategic areas in various parts of the world.

In September 1941 Merian Cooper suggested to Donovan that such a division was necessary to prepare films on strategic information for the President. He stated that there was informally organized in California a Naval Reserve unit of the best Hollywood technicians, who had begun training on their own initiative and had been awaiting call to active duty for 18 months. Donovan sent a request to Secretary Knox, and the unit was called to active duty on 13 September.* Numbering ten officers and twenty-one enlisted men, it was immediately assigned to COI. The group began promptly to assemble equipment, recruit additional personnel, and set up its organization within VP.

On 21 October, Donovan informed the President that the Field Photographic Division was ready to prepare for him any films he might require, and suggested confidential or secret films on strategic areas which the President had not seen, such as Iceland, where American forces had landed on 7 July. On the same day President Roosevelt replied: "Having directed you to organize a Photographic Presentation group, I hereby authorize you to send it to Iceland."*

By 19 December, approximately three months after call to active duty, Field Photographic had two camera groups in Iceland, two in Panama photographing military installations, and five with the first Atlantic convoy.

Due to the confidential nature of the films it was necessary to establish a laboratory where they could be processed under conditions of strict security. Facilities to meet this need were obtained in the South Agriculture Building pursuant to an agreement with the Department of Agriculture effective 18 December.** Since this laboratory was the only one available secure enough to process highly classified films on short notice, various departments of the Army, Navy and Marine Corps began to entrust the processing of such films to Field Photographic.

Following the outbreak of war, the Division began to carry out War and Navy Department requests, in addition to requests made by the President. Emphasis was shifted from pictures of areas of potential interest to pictures of intelligence characteristics which could be used as a visual aid in the conduct of the war.

On 10 January the Secretary of the Navy requested Field Photographic to prepare an historical documentation of the Pearl Harbor attack, and on 29 January a large contingent of men left Washington to begin work on this project.

By 13 June, the Field Photographic Division had a total of approximately 130 naval personnel. Films had been completed on Panama, Iceland, the first Atlantic convoy,

* See History File W-7, p. 106.

* See History File W-7, p. 108.

** See History File W-8a, Tab A.

Martinique and Guadeloupe, and work on the Pearl Harbor film was in progress. In addition, the repair of the U.S.S. Kearney had been photographed as an incident of the Iceland mission. The Navy's Bureau of Ships found the resultant film particularly useful for training purposes. The Martinique film, an aerial reconnaissance of the coastline and of military installations on the Island, was highly commended by the Marine Corps amphibious force at Quantico, which subsequently requested several other projects.

With the end of COI, Field Photographic was separated from VP and became an independent unit of OSS.

4. Special Activities

On 10 October 1941 there was established in the Coordinator's office a section designated "Special Activities—K and L Funds." This section was destined to handle the work of COI in connection with espionage, subversive activities (including sabotage) and guerrilla units.

Donovan's basic concept, evolved from his experience extending back to World War I and particularly his observation of wars from 1935 through 1940, had envisaged a "softening-up" process to pave the way for the regular armed forces, consisting broadly of three phases: First, secret intelligence infiltration and preparation; second, sabotage and subversive harassing tactics; and third, resistance groups and guerrilla or commando operations.* While he conceived these as separate and distinct functions requiring different techniques and training, he saw them as related and interdependent, each preparing for and assisting the others as successive phases of a continuing process. Even before his appointment as Coordinator of Information he had urged these ideas often and cogently in speeches to select official groups, in personal conference and in memoranda.

The general pattern of this concept was included as part of the idea for a permanent over-all intelligence agency expounded by Donovan to a committee of Cabinet members appointed by the President in the summer of 1941. As a result, the committee recommended that an agency be set up to secure information by secret means and also to organize "morale and physical subversion". (Exhibit W-18) It was after the submission of this recommendation that the COI was established on 11 July 1941 by the President's order which authorized the Coordinator to carry out, when requested by the President, "such supplementary activities as may facilitate the securing of information important for national security not now available to the Government."*

Nevertheless, Donovan did not immediately undertake the organization of undercover intelligence or subversive activities. Both Army and Navy were already in the secret intelligence field, albeit handicapped by inadequate appropriations and, with the United States at peace, by their official and military status. (State Department, in the field to a lesser extent, was subject to the same handicaps; FBI was concerned exclusively with the Western Hemisphere.) Merely to place another entrant in the intelligence field might have led to unnecessary friction which would have handicapped effectiveness. There was no agency of the Government concerned with subversive activities, but this subject, by its very nature, had to be approached with the greatest degree of circumspection even within our own Government in the summer and fall of 1941.

* This concept is here limited to "Special Activities" only; propaganda was, of course, a basic factor in Donovan's view.

* It should be noted that the phrase "supplementary activities" was more than a cover for the "Special Activities" here under consideration. It was inserted at the instance of Donovan to meet *any* situation that might arise. He realized that the evolution of the organization might necessarily be subject to wide ramifications the exact nature and extent of which would be impossible of precise definition at that early stage.

For the first two months Donovan proceeded with the organization of the other, more overt, work of COI, awaiting the turn of events to clear the way for "Special Activities".

It was the secret intelligence situation which was first resolved. As early as December 1940, representatives of G-2, ONI, State Department and FBI had discussed and agreed in principle on the desirability of consolidating undercover intelligence activities under one head. In view of the difficulties which each of these agencies faced, however, no definite action had been taken and the matter was left in abeyance. The establishment of COI seemed to provide an answer to the problem. Since it was a civilian agency with access to secret funds as a part of the Executive Office of the President, it seemed free from the principal handicaps which had beset ONI and G-2. The War and Navy Departments initiated discussions in August and September 1941 looking toward consolidation of undercover intelligence under COI, and on 6 September the War Department recommended the consolidation. (Exhibit W-19) The Navy followed suit in early October.* On 10 October Donovan advised the President of the consolidation and the reasons therefor (Exhibit W-20):

> By joint action of the Military and Naval Intelligence Services there was consolidated under the Coordinator of Information the undercover intelligence of the two services. In their memorandum the reasons stated for the action are:
>
> 1. That such a service is much more effective under one head rather than three, and
> 2. A civilian agency has distinct advantages over any military or naval agency in the administration of such a service.
>
> This consolidation has been approved by the Secretary of War and the Secretary of the Navy.

COI was therefore in a position to consider what form the secret intelligence organization should take. But even as study of this subject proceeded, an actual problem in the field was being met. Donovan's 10 October memorandum to the President continued:

> As a concrete illustration of what can be done, we are now planning to deal with a very present problem in North Africa by setting up at once a wireless station in Tangier and having stationed there an assistant Naval or Military Attache who can unify the activities of the Vice-Consuls in North Africa and stimulate efforts in the selection of local agents of information.

The North African situation, on which action was being taken concurrently with the formation of the Washington organization in the last three months of 1941, had a profound effect on the Special Activities set-up. In the first place, North Africa was a perfect target for Donovan's concept. If we were eventually to invade, not only intelligence penetration, but subversive action, organization of resistance groups and guerrilla or commando activities would be of obvious and inestimable value. Conversely, if the Germans occupied French North Africa (a very real possibility right up to D-Day in November 1942), in the words of a memorandum (Exhibit W-21) from Donovan to the President on 22 December 1941, "the need of sowing the dragon's teeth" should be recognized. From an intelligence standpoint, French North Africa was a unique situation in which to develop an independent American network, the British having been denied official status there in 1940 following the French Armistice and attacks on Mers-el-Kebir and Dakar. From the standpoint of subversive activities, it was an early opportunity to collaborate with SOE which was operating in Tangier. The situation in North Africa is more fully discussed in Section C below in connection with the early Washington preparations,* but mention is made here to point up three factors which influenced the development of Special Activities by COI: First, the North African situation proved an urgent and easily understandable example to dem-

* A contributing factor to the services' decision was the lack of information on Lend-Lease routes to Russia which became apparent in connection with the R&A studies in September. (See R&A, 3 (a) above.)

* See also the account of *TORCH* in Europe-Africa Section.

onstrate the relation between intelligence and subversive action; second, COI plans for North Africa, as developed by Donovan in late 1941 and approved by the President, became the original charter for special operations; * and third, North Africa was an early practical example in the field of the necessity for division between secret intelligence and special operations in working with the two completely separate British organizations—SIS and SOE.**

In December 1941 Donovan sent to the President an account of the development of the British Commandos, following this on 22 December 1941 with a memorandum (Exhibit W-21) suggesting that subversive activities and guerrilla units be considered in strategic planning. Here, again, the North African situation was used as an immediate and pressing example, and the relation between subversive action, resistance groups and guerrilla units was stressed. Specifically, this memorandum recommended:

1. That as an essential part of any strategic plan, there be recognized the need of sowing the dragon's teeth in those territories from which we must withdraw and in which the enemy will place his army; for example, the Azores or North Africa. That the aid of native chiefs be obtained, the loyalty of the inhabitants be cultivated; Fifth columnists organized and placed, demolition material cached; and guerrilla bands of bold and daring men organized and installed.

2. That there be organized now, in the United States, a guerrilla corps, independent and separate from the Army and Navy, and imbued with a maximum of the offensive and imaginative spirit. This force should, of course, be created along disciplined military lines, analogous to the British Commando principle, a statement of which I sent you recently.

The President replied on the following day, "I want you to take this up with Mr. Churchill [who was then staying at the White House] and find out whom we should work with in England toward this end." ***

The first personnel secured by Donovan to organize Special Activities were drawn from G-2 and ONI. Two of them, Mr. Wallace B. Phillips and Lieutenant Colonel Robert A. Solborg, were assigned to COI and took up their duties in mid-October. A third, Major (later Colonel) M. Preston Goodfellow, was not formally assigned to the organization until after the formation of OSS in June 1942, but became G-2 liaison officer with the agency in August 1941 and contributed greatly to the organization and development of the Special Operations Branch.

Phillips was a civilian who had been engaged in December 1940 as a Special Assistant to the Director of ONI to develop an undercover intelligence service. Phillips moved to COI offices on or about 15 October 1941, his transfer being formalized by letter of Captain T. S. Wilkinson to Colonel Donovan on 15 December 1941. With him, Phillips brought some 13 agents,* all under State Department cover, who had been dispatched primarily to secure naval intelligence. Phillips was to head up undercover intelligence activities and was asked to prepare his recommendations as to the form of organization to handle this work.

Donovan, at Goodfellow's suggestion, secured the services of a G-2 officer, Lieutenant Colonel Robert A. Solborg, to study the subject of Special Operations and to make recommendations as to the form of organization for these activities. Solborg, who had had experience in the summer of 1941 as an intelligence agent under civilian cover in North Africa, reported to COI as Chief of Operations of Special Activities on 9 October 1941. He departed for England later that month to study SOE methods and organization.

Goodfellow, who had been G-2 liaison officer with COI since August, was particularly helpful in this period in connection with

* See SA/G below.

** British Secret Intelligence Service and Special Operations Executive.

*** See History File W-7, p. 135.

* This figure does not include the twelve control officers in North Africa who were originally sent out under joint G-2—State Department—ONI auspices. See "North Africa," Section C below.

plans for Special Operations. He had long advocated experimentation in unconventional methods of warfare and was naturally attracted by Donovan's ideas for subversive activities and the organization of guerrilla units.

The question of the separation of Secret Intelligence and Special Operations organizationally was the subject of some misunderstanding in this early period on the part of both Phillips and Solborg. On 21 October 1941, before he left for England, the latter recommended that the two be combined under a single branch chief.* At about the same time Phillips made a similar proposal. Donovan, however, realized that, while a high degree of cooperation, even collaboration at some stages, should exist between the two activities, administrative separation was a practical necessity. As he wrote to Phillips in an undated memorandum, probably written in late October or early November 1941, "I have gone over your memorandum. The set-up you have does not conform in all respects to what I have in mind. . . . I want you to be in charge of Intelligence as distinct from Operations. The Operations I will have headed up separately. The functions are distinct." (Exhibit W-22) He went on, however, to state that intelligence agents in a given territory must be prepared to act under the operations officer in some contingencies.

The outbreak of war on 7 December 1941 stepped up the pressure on the whole of COI and made immediate decision of the organizational question imperative. A state of war also made it clear that neither function could be adequately performed on a small, one-man basis. Further, the preparations for subversive activities and guerrilla units, which had been necessarily most circumspect even within our own Government before Pearl Harbor, could be approached more directly thereafter. Goodfellow had already been of great assistance in getting these preparations under way.

The determining factor, however, in the decision to split Special Activities into Secret Intelligence and Special Operations, each having branch status, was the necessity of immediate cooperation with the British in a common war effort. Their SIS and SOE were completely separate organizations under different cabinet ministers. In the course of discussions with Stephenson in connection with the plan for North Africa, Donovan had been apprised of the high degree of rivalry and, on occasion, jealousy, between the two British agencies. Consequently, he realized that it would be impracticable to have one branch of COI to deal with both SOE and SIS. To meet this political necessity, and at the same time preserve the advantages of unified control and direction, Donovan separated Special Activities into a Secret Intelligence Branch and a Special Operations Branch in December. Mr. (later Colonel) David K. E. Bruce was appointed Chief of the Secret Intelligence Branch, designated SA/B (Special Activities/Bruce).

Solborg returned from England in early January 1942 and his memorandum of 13 January, recommending a completely separate Special Operations Branch, clearly showed the effects of his training and study with SOE.* A week later, however, he wrote a memorandum in which he again proposed that the two functions be combined under one head. Such a combination was impossible in the situation then existing. On 23 January 1942 Goodfellow agreed to take on temporarily, in addition to his liaison duties, the job of organizing and directing the Special Operations Branch, which was thereafter designated SA/G (Special Activities/Goodfellow).

The independent organization and development of SA/B and SA/G under COI are discussed in (a) and (b) below. The Special (Unvouchered) Funds Division is discussed in (c). The latter serviced both SA/B and SA/G and, in view of the unique

* See History File W-8, Tab S.

* See History File W-8a, Tab W.

nature of its services and its subsequent development, it is treated independently.

(a) SECRET INTELLIGENCE—SA/B

The purpose of SA/B was to create for the United States an independent service to obtain information outside the Western Hemisphere by secret means, principally through undercover agents. Such a service was an essential part of the intelligence agency proposed by Donovan in June 1941 as a peacetime function. Its relation to the other elements of Special Activities was one application of this function in time of war. The outbreak of war complicated its normal task of establishing a system of intelligence coverage by making necessary penetration of enemy and enemy-occupied territory and preparation in other areas for the event of either Allied or enemy occupation or affiliation.

There was no American precedent for this undertaking. Personnel had to be found and trained and an organization established; at the same time immediate operations to get agents into the field were necessary. As was the case with so much of COI, action was coincident with organization.

At a stage of the war when our armies had not achieved footholds abroad, the objectives of intelligence operations fell into two categories: (1) Establishment of agents in neutral territories to report on local conditions and Axis activity and also to penetrate adjacent enemy and enemy-occupied territory through native contacts and subagents; and (2) establishment of bases in friendly territories, e.g., England, Egypt, China, from which penetration of enemy and enemy-occupied territory could be organized and directed.

Donovan's memorandum to the President of 10 October (Exhibit W-20) had stressed three basic requirements for the secret intelligence service:

(1) *Cover*—the ostensible reason for the agent's presence in a given area under the cloak of which his intelligence work can be performed.

(2) *Security*—of activities in the field, which makes it necessary in certain cases that the agent have official status.

(3) *Communications*—access to diplomatic pouch and other established facilities. Also the secret use of radio to establish a line of communications which will endure after the severance of diplomatic relations.

These objectives and requirements had a major influence on the selection of personnel and the type of organization established.

In the selection of both staff and agent personnel the basic requirements were, of course, experience abroad and knowledge of foreign lands and language. A majority of the key men first selected to assist Bruce had diplomatic and/or commercial experience abroad. Since these men had wide acquaintance among Americans who had worked or resided in foreign countries, additional staff and agent personnel were recruited through such contacts. In addition, their intimate knowledge of foreign countries and the nature of American diplomatic and commercial activities in those countries facilitated the development of intelligence plans.

Organizationally, it was possible to set up the Branch without waiting for the development of new devices or the establishment of machinery for the illegal reproduction of documents. The principal asset of a secret agent is ingenuity. The only devices he should carry in a neutral country are those natural to his cover. The rapid procurement of authentic credentials to support cover was dependent only upon the cooperation of our own authorities.

In the early profusion of ideas, system was necessary. Procedure was established in January whereby all ideas for intelligence operations were formulated into projects to facilitate approval, coordination and control. The few agents who had been in the field under Phillips, primarily for naval intelligence, were incorporated into this sys-

tem and their purposes redefined. Projects were kept in three categories: "Approved and in operation", "approved and in preparation" and "formulated but not yet approved". Donovan's approval was required for all projects prior to implementation.

Bruce directed the activities of SA/B. He was assisted by a Production Officer, who coordinated the activities of the operating sections (Geographic Desks) and supervised recruiting and training, and an Executive Officer who supervised the administrative sections. Staff meetings of the principal Branch officers oversaw general policy; an office in New York assisted all sections of the Branch on matters requiring attention there; and a Reporting Board was responsible for the evaluation and dissemination of intelligence received.

The organization and functions of the principal components of SA/B were as follows:

(1) GEOGRAPHIC DESKS

These Desks were the operating sections and the emphasis of the entire Branch organization was on facilitating their activities. They were established in the first few months of 1942 as rapidly as qualified personnel could be found. By May there were nine Geographic Desks organized on a regional basis—Western Europe, Central Europe, Northern Europe, British Empire, Italy, Eastern Europe, Africa, Near East and Far East—each consisting of from one to eight country sections.

The Desks formulated intelligence projects which passed through the Production Officer to Bruce for approval. Thereupon they went to Donovan and, if he approved, were returned to the respective originating Desks for implementation.

The principal cover used was State Department or other government agency; commercial or professional cover was employed to a lesser extent. However, any usual or logical reason for the presence of the agent in a given area was potential cover. Occasionally, the background of the recruit suggested the cover and the project. On other occasions, the project was first devised and appropriate agents subsequently recruited.

Recruiting agent personnel was a major problem. A recruiting section serviced both SA/B and SA/G; COI branches—OI and FN, for example—suggested possible recruits; also, SA/B staff members drew on personal contacts for agent material. In each case, however, final approval of the recruit was the responsibility of the Desk concerned.

Once employed, the recruit went to the Training Section for a period of training. During that time the Desk maintained close liaison with both the instructors and the recruit. The regional experts who staffed the Desks studied field conditions closely and were responsible for operational briefing of agents.

The Desk arranged for the agent's transportation and passport through the COI Liaison Office where such procedure was feasible. In some cases, however, considerations of cover and security made it advisable for the agent to arrange these matters himself, or for the Desk to handle them through private channels.

Once the agent was in the field, the Desk was his sole point of contact in Washington on all matters, such as approving and expediting the forwarding of funds and supplies and the recruitment, briefing and dispatch of additional personnel.

These matters were handled with the utmost discretion to protect the agent's cover in the United States and prevent revelation of his connection with COI. They were handled through the COI Liaison Office when State Department was the cover. When other cover was used, discreet arrangements were made by personal contact with a reliable individual in the business firm or other organization concerned. The Desk also handled personal matters for the agent in cases where the security of the project might be involved.

It was realized from the start that in the secret intelligence field, where the keys to the agent's success are such intangibles as energy, discretion, loyalty and, above all, ingenuity, the human factor is of prime importance. Although the organization as a whole necessarily grew to impersonal proportions, there was a continuing effort to maintain a close feeling of mutual understanding and friendship between the agent in the field and the Desk man at home.

All intelligence, requested and reported, was routed through the Desk. During COI's existence, when the volume of agent intelligence was comparatively small and there were no intervening units of command, the Desk was also responsible for the evaluation and dissemination of intelligence received from its agents.

(2) TRAINING

In late December 1941 the problem of organizing and directing a training program for intelligence agents was assigned to an R&A psychologist. He had not had any previous experience in undercover intelligence work (few Americans had), but immediately set about surveying the subject and preparing a program.

Actual training began in mid-January when the training director gave individual coaching to a single recruit from the Western European Desk. In early February there were four students and indications of greater numbers in succeeding months. Additional training personnel was assigned in March and two rooms in Q Building were made available.

The training director attended the SOE intelligence school in Canada in April (as did other training staff members later) and made arrangements to secure not only copies of their training lecture courses, but the advisory services of one of their experts. Also, arrangements were made in May for SA/B recruits to attend the more military SA/G schools in cases where such training seemed desirable.

In April, negotiations were concluded to lease a 100-acre estate about 20 miles from Washington, where, on 5 May 1942, the SA/B training school (RTU-11) opened with a class of eight. RTU-11, or "The Farm", as it was generally called, was capable of housing approximately 15 students. Cover was provided by the story that it was a headquarters for a small group of army officers and men testing new devices and equipment.

The regular period of training was four weeks, but shorter concentrated courses were given to individual students whenever necessary. Students resided at "The Farm" during training and classes were conducted in an informal civilian atmosphere. Students went under assumed names, and were not permitted to discuss their prospective plans or assignments with one another.

One of the most important subjects studied was the cipher system. A system was devised so that each cipher, though individual, could be memorized. Mastery of this cipher made it unnecessary for the agent to carry with him any incriminating evidence of his real activity. Students also mastered other cipher systems of an entirely different type which could be adapted to use by sub-agents in the field without endangering the security of the main system. The technique of writing letters which appeared ordinary but concealed an enciphered message ("innocent texts") was also practiced.

Other subjects studied included the techniques of Security; Cover; Counter-Intelligence; General Communications; Recruiting, Organization and Handling of Agents; Police Methods and Interrogation; Reporting; Recognition and Identification (materiel and order of battle); Small Arms; Close Combat; Concealment (of objects); Bribery; Lying; Photography; and Elementary Fieldcraft and Sketching. The methods of training included lectures, study of specially prepared handbooks and relevant printed material, field and laboratory exercises, motion pictures, and observation trips to such centers as Aberdeen, Norfolk and Bolling Field.

In the summer of 1942, specialists from other branches of COI (principally R&A and Special Funds) began to visit "The Farm" regularly to lecture on ways to improve agent intelligence for their respective purposes. Field problems involving undercover trips to nearby cities, such as Philadelphia and Baltimore, were also added to the courses.

At the end of the training period an evaluation of the student's aptitudes and conduct during training was prepared for his Desk.

(3) REPORTING BOARD

The genesis of the Reporting Board was a memorandum of 27 March 1942 to Bruce from certain of his assistants suggesting the desirability of supervising and channeling all outgoing material. On 7 April Bruce issued a branch directive pointing out that intelligence received by SA/B would probably consist of reports from its own agents and reports obtained from secret services of other nations.* To be responsible for evaluating and disseminating the latter, he designated a Reporting Board of three members. The Board was augmented by the appointment of an Executive Secretary later in the month.

In setting up procedure for the evaluation of intelligence, the Reporting Board adopted the British letter and number system and so informed State Department, ONI, G-2, A-2, BEW and the R&A Branch of COI on 23 May 1942. These American agencies and departments agreed to conform to the system shortly thereafter.

Reproduction and distribution methods were set up with a view to later expansion. In addition, certain corollary services were organized which proved of great value to the Desks. On 6 May 1942 a Reference Room was established to collect and make available existing operational information. It acquired a pool of area specialists which, in addition to services directly rendered to operating staffs, soon became a valuable source of personnel upon which the Desks could draw for experts already indoctrinated in SA/B procedures. Within the Reference Room were also established a Geographic Index of Persons and a Press Survey which proved of value to other divisions. The Reference Room also reviewed and circulated to interested SA/B personnel abstracts and catalogues of information procured from the researches of R&A and other government agencies.

From the standpoint of the Reporting Board the COI period was principally one of "getting set". The evaluation procedure, established in the spring of 1942, remained in effect throughout the war; methods of reproduction and rapid distribution also proved adequate to the expansion which later demands required.

(4) NEW YORK OFFICE

In February 1942 the New York Office was established in the International Building at 630 Fifth Avenue. Its purpose was primarily recruiting and liaison with parallel services in United Nations. It was also available for special inquiries through civilian channels. The New York Office maintained close liaison with the other divisions of SA/B in Washington, as well as with certain other branches, such as OI and FN.

The value and importance of services that the New York Office could render caused rapid expansion throughout the COI period, so that by 13 June its total personnel numbered 46 of the SA/B total of 179. SA/G established a representative there in April.

International labor and maritime contacts first developed by the New York Office resulted in the establishment of a Labor Unit there in the Spring of 1942. This unit later became the Labor Desk, an important functional division of SI under OSS. The "George Project" also developed out of ac-

* See History File W-55, "Reporting Board," p. 6.

tivities initiated in the New York Office under COI.*

(5) EXECUTIVE OFFICE

This office handled administrative problems including supply, registry, office management, personnel, cable, mail and special services. Certain sections set up for SA/B and SA/G jointly also serviced SA/B through the Executive Office: Special Funds, Security, Communications and Recruiting.

Operations were effected while the organization was developing. By the end of April 1942, SA/B had 15 representatives in the field and the Production Officer reported a total of 34 projects approved and in preparation.

By 15 June 46 projects were in operation or preparation; a total of 27 agents was in the field.

Four representatives, stationed in London, Cairo and Chungking, were engaged in establishing field bases in those cities. Nine agents** were operating in the Near East. There were agents in Sweden, Switzerland, Portugal and Spain. Four agents were in West Africa, one in South Africa and an additional intelligence agent had been dispatched as a member of the *TORCH* team in North Africa.

Projects were approved and in preparation (some merely awaiting transportation or passports) to send additional agents to the areas mentioned above, and also to place agents in Greece, Afghanistan, Yugoslavia and France. Additional projects were in process of formulation, covering certain portions of the above countries and, in addition, India, Ceylon and Rumania.

Cover was not limited to government or commercial representation. A glance at a few of the projects in operation or preparation in June indicates the diversity of talent, ingenuity and effort of SA/B in developing "secret means" of information outside the Western Hemisphere: "An American woman traveling in Kashmir"; "two teachers in Kabul"; "an American resident of Jerusalem"; "a representative of American universities interested in the excavation of Antioch"; "a field representative of the American Museum of Natural History in the Belgian Congo"; "certain missionaries in West Africa"; "two dentists having Near East experience will conduct a survey of dental needs in Iraq at the request of the American Dental Association and the Office of the Surgeon General".

Relations were excellent with parallel services of other nations. As early as April, negotiations were concluded with the Czechoslovak intelligence service to receive their reports.* By 15 June, negotiations were well under way for regular receipt of the reports of other services, such as the French, Polish, Dutch, Yugoslav and Greek, and some reports were already being received. Relations with the British were characterized by the same good feeling and mutual assistance which existed throughout the various branches and divisions of COI.

Dealings with secret services of other nations never reached the stage of collaboration, however. Strict regard was had to the concept of independence in secret intelligence which Donovan had emphasized from the beginning.

Initially, G-2 and ONI viewed SA/B with some distrust. This was due in part to lack of assurance that COI security was adequate, and, in part, to doubt that civilian agents would have sufficient technical knowledge and background to make their observations reliable and valuable for military and naval purposes. The resolution of the security question came with the establishment of the COI Security Division. The second point of doubt was not resolved until later. Both older services began to acquire confidence in SA/B, however, as the volume of its intelligence increased and they had an opportu-

* See New York Office in Section II below.

** Including certain personnel under government cover in Cairo.

* This service had remained independent after Munich and had an effective network in Europe and the Near East.

nity to check and evaluate it. It was found that a great deal of the agent information was secured through sub-agents recruited in the field who possessed the requisite technical experience. In addition, the development of SA/B training increasingly stressed the preparation of recruits to report on matters of military and naval interest. In a report prepared for the Bureau of the Budget on 4 August 1942, SA/B stated: "Agents about to be sent into the field are furnished with a list of concrete objectives suggested by representatives of G-2 and ONI."*

Of course, during the COI period SA/B was not as close to the military and naval services as it later became when OSS was placed under JCS. Also, in this early period relations were not complicated by the problem of military command in the field, since theaters of operation were not functioning.

Relations with FBI were satisfactory at the working level, and the respective fields of operation were clearly defined.

Other government agencies and departments, such as Interior, Treasury and Censorship, were cooperative, rendering particularly useful assistance in training matters.

Relations with State Department were somewhat closer and hence subject to more friction. As indicated above, SA/B was largely dependent upon State Department for three essentials of operation: cover, credentials and communications. The number of agents put into the field under State Department cover shows that assistance was given. And in most areas in the field relations with the Department's personnel were cordial and cooperative. There were incidents, however, both in Washington and in the field, which were symptomatic of misunderstanding of the nature of SA/B's work and distrust of its operations. The American Minister in Stockholm ** complained of COI activities there as early as April; the Ambassador to Spain complained of COI activities there in May; an agent was recalled from Syria in May on charges voiced by the American Consul General; delay in securing passports caused the cancellation in June of a project to send two agents to Vichy France; on 15 June a project was postponed indefinitely because State Department revoked its agreement to appoint the agent as assistant to the Consul General at Baghdad.

The above represent only a few of the incidents illustrative of SA/B's difficulties with State Department which occurred during and subsequent to the COI period. Many were of minor significance in themselves. They are indicative, however, of a controversy which goes to the essence of secret intelligence operations both in peace and war. A secret intelligence service must find acceptance and understanding on the part of its own government, it must have access to established channels of communication, and it must have passport privileges. Donovan made this clear in his memorandum to the President on 10 October 1941 and restated it many times thereafter. The traditional indifference, or aversion, of the United States to secret intelligence may explain the fact that all the handicaps which beset SA/B, and later SI, were not of the enemy's contriving.

During the COI period, however, only a few of the "difficulties and vicissitudes of this organization in finding acceptance of its services by those who needed it most"* became apparent.

The transition from COI and SA/B to OSS and SI did not materially change the nature of the organization or arrest its progress. SA/B began with only the necessity for immediate action; there were no guiding precedents, no tools, no reservoir of experienced personnel and no organization. An organization was established, operations effected and techniques developed which came to fruition later. The 50 intelligence reports distributed to G-2 and ONI in May 1942 are

* See History File W-54, p. 34.

** He later became a strong supporter of OSS. See "Stockholm" in Europe-Africa section.

* Exhibit W-18.

mainly significant in contrast to the 3,000 distributed in the same month of 1943.

13 June 1942 marked only a change of symbols in the process of development of a secret intelligence service.

(b) SPECIAL OPERATIONS—SA/G

The purpose of SA/G was to organize and execute morale and physical subversion, including sabotage, fifth column activities and guerrilla warfare.

As noted above in Special Activities, Donovan had the subject of Special Operations under consideration as early as 10 October 1941. In that connection, one officer was sent to England in November to study the organization and methods of SOE. The first formal expression of SA/G objectives, however, was contained in a memorandum to the President of 22 December (Exhibit W-21). To the factors of sabotage, fifth column activities and other forms of subversive action, this memorandum added two types of guerrilla warfare: (1) The establishment and support of small bands of local origin under definite leaders, and (2) the formation in the United States of guerrilla forces military in nature.

SA/G was thus faced with the problem of setting up recruiting, training and supply facilities suitable for adaptation to the needs of guerrilla units at such time as appropriate military authorization and allotments could be secured.

Subversive action can serve both a political and a military purpose. In the case of SA/G, however, peacetime preparation was impossible and its principal efforts were therefore directed from the beginning toward unorthodox warfare in support of military operations. Unlike SA/B, which during the COI period was placing agents in neutral territories to report directly to Washington, SA/G was to operate in support of local area commands. Consequently, the Washington headquarters did not have direct operational control over its missions in the field,* and its principal function was a servicing one in the general categories of recruiting, training and supply.

The organization and administration of the Branch was along military lines and its first personnel were drawn from the armed services, principally the Army.

Training. The SA/G training program was created primarily for the instruction of agent personnel recruited for infiltration into enemy and enemy-occupied territory, either as individual saboteurs and fifth columnists or to organize and direct locally-recruited guerrilla bands or chains of individual sub-agents. The program was further designed to permit such agents to effect arrangements to supply local resistance groups. However, it was considered that the same basic training would be necessary for militarized guerrilla units recruited in the United States and facilities were secured with a view to future expansion to meet the needs of such guerrilla units.

Following a survey of potential sites for training establishments, Goodfellow selected four areas near Washington as suitable from the standpoint of security, housing and terrain. Since these areas had been the sites of CCC camps or summer recreational projects of the National Park Service, no new construction was required initially. The areas, procured through arrangement with the Department of the Interior, were secured for the duration of the war:

Area A—5,000 acres of wooded terrain located five miles west of Quantico, Virginia.

Area B—9,000 acres of mountainous terrain situated in the Catoctin Area, some twenty miles north of Frederick, Maryland.

Area C—4,000 acres of wooded terrain adjacent to Area A, five miles west of Quantico.

Area D—1,400 acres of wooded terrain on the Potomac River across from Quantico.

* Except for certain representatives sent to neutral countries, such as Portugal and Vichy France, for survey purposes.

On 17 February 1942 Donovan requested commissioned and enlisted personnel from the War Department to operate the prospective schools and to serve as instructors and station complement.* Secretary Stimson replied on 23 February that the Personnel Division had been instructed to make the requested personnel immediately available to COI.** Pursuant to this authority, the Coordinator of Information Service Command was activated on 1 April 1942 with Goodfellow as Commanding Officer and Lieutenant Colonel Garland Williams in charge of the Training Unit (Exhibit W-23). Williams, formerly director of the New York Bureau of Narcotics, had transferred from the War Department to COI in the late fall of 1941. Following training with SOE in Canada, he began preparations for a training program for subversive agents and for activation of guerrilla units.

The following training program was evolved:

Preliminary School (two weeks)—elementary instruction in demolitions, weapons, close combat, silent killing, physical conditioning and fieldcraft.

Basic School (two weeks)—further and more advanced training in the above subjects and the techniques of sabotage; practical exercise in raids, attacks and sabotage.

Advanced Training School (two weeks)—instruction in undercover work in a foreign country with particular reference to cover, organizing natives, and the conduct of passive resistance and sabotage of enemy activities.***

Parachute School (one week)—five parachute jumps and practice in disposing of the evidence of such landing. Also practice in receiving supplies by parachute and disposing of same.

Maritime School (one week)—instruction and practice in landing from submarine and surface craft on hostile shores in darkness and returning to such vessels after completion of mission. Practice in receiving supplies by means of underwater containers. Special instruction for students who might be concerned with vessel sabotage.

Industrial Sabotage School—special instruction of a technical nature for students to be assigned to sabotage in factories or industrial establishments.

Localized Social School—sabotage and guerrilla warfare being only possible with the active cooperation or at least the tacit approval of the nearby populace, agents were instructed in elementary principles of social control and their applicability to control the local population.

While the areas were being placed in condition to receive trainees and the station complements were in process of transfer from the Army, arrangements were made for staff and agent personnel to attend the British SOE school in Canada. This was a temporary arrangement to expedite SA/G's immediate operations.

Early in April 1942 the basic school was opened at Area B and the advanced school at Area A. Within two weeks communications training began at Area C. No official communications branch existed at that time and the organization of the area was informal, courses including Morse Code, Secret Cipher and Clandestine Radio Techniques.*

In late April a maritime school was established at Area D. It was under the direction of a British naval officer, experienced in the specialized methods of clandestine infiltration and exfiltration by sea, who had been loaned to COI by the Royal Navy in February. Instructors and station complement comprised personnel made available by the Navy Department.

All the SA/G areas were run along military lines. As early as February 1942 the commander of the COI Training Unit recommended that all SA/G operatives be militarized, not only because of the control factor involved, but because "this will eliminate the

* See History File W-8a, Tab NN.

** See History File W-8a, Tab OO.

*** Much of the curriculum in this school was similar, if more elemental, to corresponding "cover" and "agent organization" courses at "The Farm," SA/B training area.

* Upon the establishment of a Communications Branch in November 1942 all training at the Area was placed under that Branch and it remained in SO (the branch designation of SA/G following October 1942) only for purposes of administration.

tremendously involved problems which will arise in connection with dependents, accidents, sickness, incarceration in foreign prisons, benefits to dependents in case of death, etc."* Consequently a table of organization covering some 2,000 enlisted grades was prepared.**

Recruiting. Effective efforts to recruit for the projected guerrilla units were stymied in the COI period due to the lack of a War Department allotment. However, agent recruiting proceeded and the majority of those recruited in the first four months of 1942 were in the field by the end of May.

A Recruiting Section serviced both SA/B and SA/G. Potential agents secured through this Section were evaluated in terms of the type of work for which they were best fitted and assigned accordingly. OI and FN made substantial contributions in supplying contacts to secure foreign-language personnel, FN being particularly valuable in this regard because of its extensive contacts with foreign nationality groups in the United States. SA/G recruiting officers combed Army and Navy centers for qualified men willing to volunteer for hazardous service behind enemy lines.*** Also, as in the case of SA/B, many recruits were secured through the personal contacts of the original staff members. Personnel were first evaluated from the standpoint of their ability to work as individuals or as members of small, tightly-organized units. Those in the latter category were placed in holding areas and given elementary training pending authorization of tables of organization for guerrilla units; those who showed the requisite qualities of leadership, initiative and ingenuity were given basic and advanced training and dispatched to the field.

The fundamental requirements were knowledge of a foreign language, and, if possible, experience in foreign areas. Since the nature of SA/G activities was such as to require a much greater emphasis upon physical conditioning than was necessary with respect to SA/B agents, personnel for special operations were generally of a lower age level and more physically fit than those selected for SA/B. There were many exceptions, however, and SA/G recruited from all types. A noted anthropologist, a businessman, an explorer, a high-pressure salesman, a professional football player, a former Treasury agent and an adventurer-author were only a few of the many Americans trained in the arts of sabotage and subversion and dispatched as agents under COI.

Supply. SA/G was obliged to supply its first missions from sources outside COI, e.g., from SOE in North Africa and from Stilwell's theater command in Burma. At the same time, however, the Branch began preparation of its own facilities for research, development and procurement of the demolitions devices and other special materiel essential to special operations.

One of the first sections established by SA/G was the Technical Development Section. SOE made available the services of two British experts, whose knowledge of SOE's devices and operational experience made them of particular value. SA/G placed a representative in the New York office of SA/B in March 1942. He performed certain recruiting duties, but his major function was in connection with negotiations for the manufacture of special weapons and other devices.

Standard weapons and equipment were not essential until the training schools opened in April, when procedures were established to secure them from the appropriate branches of the armed forces.

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* See History File W-60, p. 6.

** This T/O was intended to include the guerrilla units which Donovan had requested and which the President and the War Department had indicated would be authorized. For an account of the difficulties in securing approval of this allotment, see Section II A below, and also section on Operational Groups in II B.

*** This source was more fully exploited later when the agency came under the aegis of the JCS.

The materials necessary to the production of special weapons and equipment were generally priority items, and a board was established within COI to facilitate issuance of the requisite priorities. Among the materials first secured were potassium chlorate, lead shot, micro-switches, shaft assemblies, spring coshes, battery cups with primer, ampoules of sulphuric acid for cigarettes, rubber sleeves for use in time pencils, and the like.

The Technical Development Section began research and development on special operations gadgets.* It also did research and assisted in the further development of many devices previously conceived or used by SOE. In this, as in other phases of COI's work, SOE was particularly cooperative. Various types of booby traps, limpets, "train toys", knockout drops and poisons (K and L pills), incendiary leaves and abrasive tablets for sabotage of machinery constituted only a few of the items necessary to the subversive agent.

External factors complicated the development of the various forms of subversive action begun under SA/G. There were no classic methods in this field. Each form of subversive action—morale subversion, sabotage, guerrilla bands, either locally organized or infiltrated, maritime activities **—depended for their method and form of organization upon the local field situation. Further, the authorization of these activities and the extent to which they could be executed depended upon acceptance of Donovan's concept of psychological warfare and authorization to prosecute it in support of orthodox military operations.

Guerrilla activities were not authorized during the COI period; maritime activities were limited to training in methods of infiltration and exfiltration; in this period the development of morale subversion was not recognized as the major function which it later became under MO.

Missions were prepared and dispatched to the field, however. Some of these groups not only performed valuable service before 13 June, but their operations became notable landmarks in COI/OSS history later in the war.

In December 1941 two agents were recruited and trained by SOE in Canada for dispatch to North Africa. They arrived there under State Department cover in May and rendered valuable service in the preparation for *TORCH* and in subsequent Mediterranean operations. SA/G serviced the COI representatives, including the vice-consuls,* and all reports from that area were specially handled through Goodfellow's office until the late summer of 1942, when Donovan personally supervised OSS activities in the final stages of the operation, to which all branches contributed.

The original members of Detachment 101** were recruited, trained and dispatched to Burma prior to June 1942. The leader of this detachment had been a Treasury agent operating on the Mexican border before he was commissioned in the Army. He was subsequently assigned to COI, and he and Goodfellow conceived a plan to send an operational mission to the Far East to assist General Stilwell. Following Donovan's approval and the requisite negotiations with the military authorities both in Washington and the theater, the mission departed in May.

Two professional explorers were dispatched on a scouting trip across Tibet from India to China in another early SA/G mission. Goodfellow and Donovan recognized the potential value of this reconnaissance as an attempt to discover an additional land

* Research and development work was taken over by the R&D Branch upon its organization in October 1942. See account of R&D in Section II B below.

** It will be seen in Section II that each of these elements of subversion became a major branch of OSS.

* See account of North Africa in C below.

** See account of Detachment 101 in Far East Section.

route to China, at a time when the Japanese advance threatened the principal existing road.*

The preparation of "Expedition 90" was also begun under COI. Its purpose was, among other things, to survey the potentialities of the Near East in aiding the Allied prosecution of the war. Discussions were held on a high echelon and recruiting and procurement of supplies began.**

SA/G also sent representatives to neutral territory to survey the possibilities of subversive action in the event of a change in status. One such representative was dispatched to Portugal in the spring of 1942; he was recalled following the North African invasion when the military threat of the Iberian Peninsula diminished. Another representative was dispatched to Vichy France under State Department cover in the summer of 1942 to lay the groundwork for future special operations in the event that diplomatic relations were severed and the Germans occupied Vichy France. Unfortunately, prior to his departure a State Department representative informed the Vichy Ambassador in Washington that he was actually going to France for COI/OSS. With cover thus violated, his usefulness was so curtailed that the monthly report of the Special Operations Branch in October 1942 stated: "It is not believed that this representative can be of any real service to the organization by reason of the fact that his association with us was disclosed prior to departure. He should be recalled and another chief representative substituted."* By that time a replacement was impossible, since Vichy France was occupied by the Germans immediately after the North African invasion on 7 November.

A representative of SA/G was sent to Cairo in the spring of 1942 to prepare for activities from that base. However, since METO was a British theater, definite plans had to await the conclusion of firm agreements with SOE and the establishment of an over-all COI/-OSS mission in Cairo.

Between the fall of 1941 and June 1942 several SA/G representatives visited London for varying periods, for both training and negotiations. It was essential to work out some form of collaboration between SOE and SA/G. Unlike the field of secret intelligence, where absolute independence in operation was advantageous, duplication in special operations would have resulted in confusion and chaos. Therefore, the question of defining terms of cooperation and collaboration between SA/G and SOE was of the essence. In early June 1942 Donovan and Goodfellow departed for London to negotiate with SOE the special operations agreements which were to have such an important influence on the future of the Branch.

These negotiations were in progress in London on 13 June 1942 when COI became OSS.

(c) SPECIAL (UNVOUCHERED) FUNDS

Special funds are moneys, for which no voucher is submitted to the General Accounting Office, to be employed in instances where the use of vouchered funds would divulge information prejudicial to the public interest, and where the services or materials necessary could not be purchased with vouchered funds or acquired from military, naval or other government services for security reasons.

* The letter which these representatives carried from President Roosevelt to the Dalai Lama at Lhasa was the first such document exchanged between these two heads of State.

** Due to difficulties arising in part out of the separation of FIS and COI and the establishment of OWI as an independent executive agency, "Expedition 90" was postponed and subjected to protracted discussion during the summer and fall of 1942. As finally dispatched, it was under State Department and did not conform to the original plan. The materiel and personnel which had been secured were used in other OSS operations.

* See History Files, SO Progress Report, October 1942.

It was obvious from the beginning that such funds would be a prerequisite to the secret and confidential activities of COI. Naturally, the branches which had the greatest need for special funds were those engaged in secret intelligence and morale and physical subversion.

The first allocation of special funds ($100,000) was made by the President in September 1941, and on 10 October 1941 the handling of special funds was included organizationally in the Coordinator's office under Special Activities in a section designated "K and L Funds".* Since special funds were to be used almost exclusively for Special Activities, it was not until the SA/B and SA/G Branches were formally established that the Special Funds Division was set up in January 1942 to service both branches. A man with long and varied experience in the banking field became Chief of the Division.**

During the COI period the greater part of the work of the Division concerned expenditures made in the United States. Such matters as establishing the SA/B "Farm", which was undercover; establishing and operating various cover corporations, such as FBQ; and payment of salaries of certain personnel not openly employed by COI came within the purview of Special Funds. During the period when the New York office of SA/B was exclusively for that Branch and SA/G, it also had to be operated with special funds, due to the secret nature of the activities carried on there. In addition there were certain recruiting offices in New York which were operated on special funds, due to the fact that security was essential, both for the protection of agent recruits accepted and for the protection of the agency's security in the case of those who were rejected.

As SA/B agents were dispatched to neutral countries they presented a dual problem to Special Funds. One aspect was domestic, involving the payment of allotments to families in America with due regard to preserving the security of the agent. The second aspect, which was to develop into one of the most important of Special Funds' responsibilities, was that of transmitting the appropriate foreign currencies to the agents overseas.

In connection with the latter problem, the basic obstacle was the fact that practically all nations in wartime established stringent regulations with regard to financial transactions. It soon became obvious that it would be necessary to employ various devices to get money into the many countries in which COI was operating, since the initial supplies carried by agents would not satisfy operational needs for long periods. It was early suggested that Special Funds officers be dispatched to certain neutral countries where COI began extensive operations, but the demands for agent representation were increasing and adequate agent covers were scarce.

Operations in enemy and enemy-occupied territories, the sealing off of neutral countries (e.g., Switzerland) and large operational field bases did not become realities under COI. They were clearly in prospect, however, and plans were being made to meet the problems which these conditions would entail once the agency's status was settled.

5. Services

As the administrative branches of COI were established to meet the expanding needs of the agency, they were grouped under the Executive Officer.

During July and August, while the organization was being set up, and before the establishment of regular channels, administrative matters involving officials of other agencies were handled informally and on a personal basis. Liaison officers from the Bu-

* The letters "K" and "L" were arbitrarily chosen; they have no significance.

** From 19 January 1942, when he entered on duty with COI, until the dissolution of OSS, he directed the Special Funds Division in COI and, later, the Special Funds Branch of OSS.

reau of the Budget, in particular, were helpful in advising on such matters as how to approach the Public Buildings Administration, the General Accounting Office, and the Civil Service Commission on problems of space, procurement, and personnel, respectively.

By the middle of September the number of COI personnel reached a total of approximately 150. An Administrative Order issued 11 September appointed an Executive Officer, with authority to coordinate and exercise full responsibility in all fiscal, organizational and administrative matters. The same order appointed a Budget and Planning Officer, a Business Officer and a Personnel Officer to carry out these functions under the jurisdiction of the Executive Officer. The work of the Budget and Planning Office was divided between a Budget Section and a Planning and Procedures Section. In the Business Office, which was responsible for purchase requisitions, payrolls and other vouchers and obligation documents, were established a Fiscal Section and a Service Operations Section. The Personnel Office was divided into Employment, Classification and Appointment Sections.

As the organization grew, other services developed under the jurisdiction of the Executive Officer, including the Administrative Section of the New York office, the Reproduction Section, and the courier service. The first security regulations were issued on 20 October. Certain services functions, including the Transportation Office, the Mail and Files Section and the Message Center, were set up initially under the COI Liaison Officer because of the immediacy of their dealings with other agencies.

On 15 December the Business Office was transferred to the Budget and Planning Office, and on 12 January the Executive Office was reorganized into two Divisions: Budget and Finance, and Personnel. In addition to fiscal, organizational and administrative functions, the Executive Officer had authority over communications, equipment and personnel, transportation, and security. The Budget and Finance Division had responsibility for all budget and finance, accounting, audit and certification of all types of vouchers, travel authorization, administrative service operations, including purchase and supply, contracts, priorities, maintenance and communication, reproduction and mail and files functions. The Personnel Division had responsibility, in addition to the ordinary phases of personnel administration, for a stenographic pool, an emergency room, and the supervision of employee morale activities.

The functions of the more important services sections are discussed separately below.

Space. One of the first problems was to obtain office space for a rapidly-growing agency at a time when most government agencies were expanding and no new facilities were available. In early July 1941, COI was allotted a modest total of 725 square feet in the State Department. On 30 July 1941, 32 rooms were obtained in the Apex Building, but these, too, were only a stopgap for the expanding staff. By 5 September space was obtained at 25th and E Streets, N.W. in buildings previously occupied by the National Institute of Health, and by the end of the month COI employees occupied space in the Administration, South and North Buildings. Before the end of the year, it became necessary to secure two buildings in the Naval Hospital grounds and to begin construction of Temporary Que Building. FIS obtained space in New York at 270 Madison Avenue; the Field Photographic Division secured laboratory facilities in the South Agriculture Building. A San Francisco office was established in the middle of February 1942.

On 13 June COI in New York had several floors at 270 Madison Avenue (FIS), half a floor at 21 East 40th Street (OI), and one floor at 630 Fifth Avenue (SA/B). COI offices in Washington were concentrated in the group of buildings mentioned above at 25th and E Streets, N.W.

Personnel. The Personnel Division was responsible for cooperating with the various COI staff officials to secure qualified personnel from all available sources, to effect their appointments in accordance with regulations of the Civil Service Commission, and to establish equitable salary rates in accordance with law. To facilitate handling of the great volume of detail required in this work, the Division was organized in three major sections:

(1) The Employment Section was responsible for hiring the best-qualified personnel available—a duty rendered difficult not only because of the personnel shortage but also because of COI demands for persons with special qualifications not covered by Civil Service Regulations. As the agency increased in size, a Civil Service Commission representative was delegated to work with this Section to approve the qualifications of prospective employees and to initiate character investigations. In addition to regular duties pertaining to the recruiting of personnel, this Section maintained a stenographic training and placement pool and supervised employee morale activities.

(2) The Classification Section insured the proper classification of personnel within the framework of the Classification Act of 1923, by maintaining liaison with the Civil Service Commission and by conducting periodic surveys of COI personnel to make the necessary adjustments resulting from reorganization and growth. This Section also worked closely with the Planning and Procedures Office in reorganizing various other sections of the agency.

(3) The Appointment Section was responsible for the maintenance of complete personnel records on all employees, including those detailed from the Army, Navy, Marine Corps and other agencies, but excluding those paid from unvouchered funds.

The burden placed on the Personnel Division is indicated by the fact that total COI personnel increased from approximately 100, when the Division was established in September 1941, to 2320 as of 13 June 1942.

Security. From the beginning, the security problem was one of COI's prime concerns, although a separate branch to handle security matters was not organized until March 1942. Prior to that time, responsibility was delegated to branch heads, and regulations varied according to the degree of secrecy required in the work of the respective branches. There was no basic pattern for security procedures, and problems were met as they presented themselves.

From the first, guards were supplied by the Public Buildings Administration. Building passes were assigned on 16 August 1941 and, after 2 September, identification badges were worn. As of 26 September the Intelligence Unit of the Bureau of Internal Revenue tested the telephones of key COI officials for evidences of wire-tapping. Initially, the security check on new personnel constituted simply the fact that the COI staff suggested and vouched for them. By August the Civil Service Commission provided a security check for personnel, but this check was rarely available before the individual entered on duty. The security of classified documents was regulated by appropriate restrictions on their circulation. All secret and confidential material was kept in safes and transferred from place to place under lock and key by couriers; collections of confidential trash were made periodically.

Experienced members of the armed services assisted in security matters, particularly with regard to cryptographic security. From time to time non-COI military officers inspected COI physical security. The branches which required the greatest protection, SA/B, SA/G and OI, had close association with British services through which they gained the benefit of British experience in security matters.

The first formal security regulations were issued by the Executive Officer on 20 October 1941, and served to clarify existing measures and to delegate responsibility officially.

The Public Buildings Administration was responsible for the protection of COI buildings, the Business Office for issuance of badges, and branch heads for the indoctrination of personnel and the security of documents. This division of responsibility illustrated the fact that, while COI considered security important, at this stage it was looked upon largely as a by-product. With the outbreak of war, the security picture changed. One day after Pearl Harbor it was directed that all incoming employees be checked by the FBI before enrollment in COI. Donovan appointed an experienced naval officer, already attached to COI in a liaison capacity, as the first Security Officer. A new set of security regulations was issued on 20 December. It specified stricter procedures for identification of employees and visitors, the movement of property and documents, the handling of classified material, and the security of offices, buildings and grounds. Employees were advised of special precautions which should be taken to safeguard security while away from the office.

Despite the appointment of a Security Officer, security continued to be essentially a branch concern until February 1942 when Donovan established a COI Security Office. The office was staffed by Army and Navy officers and a series of orders designed to tighten security, both internally and externally, was issued. At about that time it became apparent that the FBI would not be able to continue security checks of COI personnel because of the growing pressure of other work and increasing commitments to other agencies.

A thorough investigation of incoming personnel became imperative as actual operations got under way, especially as the various types of work to be done in COI required many different types of personnel, and there was danger of selection on the basis of technical qualifications, without consideration of background and character. Civil Service checks could be used for Civil Service personnel, but the two important operating branches, SA/B and SA/G were using military personnel and personnel paid from unvouchered funds almost exclusively, and it was particularly essential that there be no question of their loyalty.

The Security Office therefore organized a COI investigative system. All applicants for positions were thereafter required to submit a detailed personal history statement, on the basis of which they were checked as to suitability for employment. The office consulted information existing in other government agencies and engaged the Hooper-Holmes Credit Bureau to perform investigations. Subsequently, special investigators were hired from various private agencies throughout the country to do special work that required the direct supervision of the Security Officer, for example, investigating refugees with no references in this country, and maintaining a check on certain employees already hired.

By the end of March, 63 investigations were completed; the number reached 345 in the following month. Some opposition to the security methods was encountered in the SA/G Branch, since the investigations required 30 to 45 days and delayed recruiting, but this objection became academic due to the delay in military authorization for guerrilla units.

The Security Office also dealt with the problem of physical security and issued regulations concerning communications, transportation, receptionists, messengers and escorts. In April, special directions were issued for Que Building, where the greatest precautions were necessary. Because of the extreme secrecy required by the work of SA/B, its personnel was segregated from other branches in Que Building, and the office space kept separate by means of special badges. At the same time, a series of security indoctrination lectures by representatives of British Security Coordination was instituted.

On 20 May the Security Office was officially established by Administrative Order. With

this strengthening of authority a new series of directives was issued covering all phases of security. By the end of the COI period the Security Office was firmly established.

As new problems were presented, each Branch for its own security was given a high degree of autonomy so that if one segment became infected, this infection could not affect the entire organization. The setting up of a Counter-espionage unit abroad known as X-2, further protected the personnel abroad from enemy infiltration. Finally, an Assessment School was established, staffed with a group of psychologists and psychiatrists who assessed the merits of men and women who were assigned to work in foreign theaters.

Transportation. The Transportation Office was established formally in December 1941 as part of the Liaison Office. The Liaison Officer had in the preceding months assumed the duties pertaining to travel arrangements since these required liaison with many government agencies. Following Pearl Harbor, a separate office was necessary to meet the increased demands for personnel overseas.

Several men, experienced in travel agencies in New York, were engaged to set up appropriate procedures. These procedures amounted to some fifty steps, from securing draft board permits and arranging for passports, physical examinations, and pay, to advice on clothing and personal equipment. Each overseas prospect became an individual problem the importance of which had to be impressed on the shipping company or airline to secure transportation.

All arrangements were undertaken with strictest secrecy. Enemy counter-intelligence in America was so active that on one occasion four men intended for Lisbon had to be re-routed at the last minute, when it developed that the enemy knew their names and their time of departure. The submarine menace reached its peak in early 1942, and personnel going to the Middle East were routed around the Cape of Good Hope on a trip requiring three months. Even plane trips to Europe usually required three weeks.

Other duties of the Transportation Office included arranging for pouch facilities and shipping personal belongings overseas. Domestic travel was another problem. To meet the heavy demand for air travel, an approved air priority certificate was obtained to enable personnel to use commercial air lines. Since COI was closely associated with the British Security Office, the COI Transportation Office also handled domestic priorities for the British; the latter reciprocated by supplying space, when possible, on British planes going overseas.

The Transportation Office contributed to COI's intelligence fund by obtaining from travel bureaus volumes of maps, time-tables and descriptive booklets which dealt with remote regions of the world. A "World Digest of Travel" was begun in March 1942 to serve as a general fact-finding guide to all the countries of the world and their principal cities and ports. The Digest was completed in the OSS period and proved of continuing value. Various OSS branches used it, as well as other government agencies; it was used by the White House in connection with the President's trip to Casablanca in January 1943.

Reproduction. COI farmed out its duplication work to other government agencies until the establishment in September 1941 of a Duplicating Section within the Service Operations Section of the Business Office. The Section was set up to do mimeographing and printing work for other COI branches, and within a few months began to do photostat and photography work as well. Its size increased rapidly to meet the expanding needs of COI, but it encountered difficulties in securing personnel, space and equipment.

In April 1942, the JCS needed a secure place for reproduction work, and since the Section had demonstrated its inability, through lack of facilities, to complete an important Navy job, Donovan asked Goodfellow to improve reproduction facilities to in-

sure sufficient security and efficiency to handle JCS assignments. Goodfellow recruited the chief of the G-2 cartographic and reproduction sections to head a combined COI and G-2 reproduction unit. A number of army personnel were brought in, and thereafter personnel were predominantly military to meet the requirements of G-2 and the JCS. Stricter security measures were inaugurated, as well as a system of production record and control.

By 13 June, almost the whole of the South Building basement was allotted to reproduction operations, and a night shift was established to maintain steady production.

Communications. During the COI period the several branches explored and developed various phases of communications. A Communications Branch was not formally established until late in 1942.* "Mainline" communications between principal bases were the responsibility of the Message Center, under the Liaison Officer's jurisdiction, as were communications with agents in neutral territories.

Since there was no precedent in the United States for the establishment of a clandestine communications organization, the advice of British services was enlisted, both for "mainline" and agent communications. In September 1941 COI commissioned an FCC engineer to study British secret communications problems in London. In October, the chief of communications for SIS prepared a detailed report for Donovan on all aspects of clandestine communications, and arranged to make available to COI for consultation the Chief of the Communications Division of the British Security Coordination in America.

The Message Center was the only communications function set up adequately during COI. It was as completely segregated as possible to meet the requirements of cryptographic security. As early as July 1941 COI obtained the services of a cipher expert from the Coast Guard to set up an independent code room and message center.

In September 1941 the first overseas office was established in the American Embassy in London. A message center was established there, and by 13 June 1942 traffic to Washington had reached a total of 300 to 400 messages a month.

Preparations for a communications network in the Far East were begun in April 1942. At that time two enlisted men were recruited from the Signal Corps to explore the communications equipment needs of Detachment 101 then preparing to leave for Burma. On 28 May, organized and reasonably well-equipped, the Detachment left the United States.

An SA/G project which later became a responsibility of the Communications Branch was "FBQ."* This consisted of foreign radio monitoring operations on the East and West Coasts of the United States. Goodfellow conceived the idea in March 1942 and assigned an MIS officer to investigate the feasibility of such operations to obtain intelligence. His investigations resulted in the purchase of sites in Long Island and California. "FBQ" was the name of the cover corporation to administer the project. FCC suggested the possibility of duplication, but since FBQ was to monitor not only foreign broadcasts but also signals transmitted by COI offices and agents abroad, it was decided that its functions were distinct from those of the FCC.

By May 1942 a station was set up at Bellmore, Long Island, to perform limited operations, including monitoring clandestine broadcasts not covered by the FCC. Construction of the West Coast station at Reseda, California, was under way at that time but operations were not begun until late summer.

FBQ disseminated to COI branches and MIS preliminary basic information on for-

* See "Communications," in Section II-B, below.

* See account of CD Branch in Section II-B-1 below.

eign stations all over the world, and supplied R&A with intercepts. Its full possibilities were not realized until the OSS period, however.

Planning for another COI project, "Africa 101", began in May 1942. It was designed to protect the Liberian Task Force from enemy espionage by means of radio monitoring, direction-finding and intelligence reporting.*

Couriers. In December 1941 a courier service was established by the Executive Officer. This service handled the transmission of classified documents in Washington and between the various New York offices and Washington headquarters. It was planned that this service would expand to cover foreign areas as the overseas bases of COI were established, and for this reason, personnel of very high calibre was recruited. However, permission for international courier operations never materialized. When COI became OSS the original courier personnel were absorbed by various operating branches and a domestic courier service continued in the OSS period, first under the Registry and later as an adjunct to the Services Branch.

Budget and Procedures. During the first two months of COI, financial plans were discussed informally with officials of the Bureau of the Budget, who assisted COI in establishing budgetary procedures. COI received its first allocation on 25 July when President Roosevelt instructed the Treasury to make available to COI from his emergency funds a total of $350,000 plus $100,000 to be used for DSI at the Library of Congress.

On 2 September 1941 a Budget and Planning Officer was appointed and the Budget Section and Planning and Procedures Section were organized. On 3 September President Roosevelt allotted to COI $100,000 for unvouchered expenditures, the first "special funds." Control of these funds was not within the Budget Section's jurisdiction.

On 29 September the first formal request, based on branch estimates of existing and planned operations for the fiscal year ending 30 June 1942, was submitted to the Bureau of the Budget. The total was $11,690,168, including unvouchered funds. Deductions for lapses, funds for DSI and for allotments already received brought the total down to $10,010,000. As between the principal branches, the allocation was as follows: 30% for FIS, 25% for VP, and 10% for R&A.

The Bureau of the Budget did not finally approve these estimates, but continued to make emergency allotments to allow operations to proceed almost on a month-to-month basis. This procrastination was due principally to the fact that COI activities were unprecedented in the United States Government, and therefore of special concern to normally cautious Budget officials. The domestic political situation, particularly in the period before Pearl Harbor, made it difficult to demonstrate the need for clandestine activities, and, in view of the security factor, the nature of certain COI confidential activities could not be revealed to outside officials. COI never solved the difficulties arising from security considerations; in many cases failure to get the funds requested resulted in the slowing down of operations and postponement of planned activities. In several instances the President intervened so that new branches could begin operations.

Allocations of $75,000 and $600,000 in October for normal activities and $900,000 on 1 November for confidential activities kept the agency operating until 8 December, when $3,162,786 was provided on the basis of the September estimates.

In January the Planning and Procedures Section was placed directly under the Executive Officer, and the Budget Section became part of the Budget and Finance Division. However, they continued to work closely together in developing budget estimates.

Soon after the submission of the initial estimates, the Budget Section began a series

* This project is described in the accounts of Communications and CD in Sections II-B-1 and II-B-2 below.

of supplemental estimates to cover new activities. By February 1942, the COI program had expanded to such a degree and changed so radically that the Budget Section planned to present a formal request to Congress for a deficiency appropriation, and estimates were prepared for the period from 1 February through 30 June. These were never submitted to Congress, but served instead as the basis for additional allocations from the President's emergency funds in the amount of $12,713,256, including $5,000,000 unvouchered funds, to operate the agency through 30 June. The Bureau of the Budget had deferred action on $15,000,000 requested for FIS and approved allocation of approximately two-thirds of the remainder requested. At this time, the Director of the Budget suggested to the President that COI activities be re-defined in view of the extent of their development.

In the spring of 1942 the Bureau of the Budget announced plans to submit COI estimates to Congress for the fiscal year 1943—1 July 1942 through 30 June 1943. Extensive hearings were held with the branches over a period of two months. Estimates were revised downward twice at Donovan's request before requests for a total of $50,000,000 were submitted to the Bureau of the Budget. With the establishment of OSS on 13 June, these estimates were nullified.

COI received from the President's emergency funds a total, vouchered and unvouchered, of $19,001,042. Approximately 36% of this amount was for SA/B and SA/G, 32% for FIS, 11% for VP, 4% for R&A, less than 1% each for FN and OI, and 10% for various administrative activities. Approximately 5% consisted of budgetary reserves and other amounts not available for apportionment.

C. NORTH AFRICA

North Africa * was a constantly recurring theme in the history of COI. On 10 October 1941 Donovan presented to the President a plan for undercover intelligence there as "a concrete illustration of what can be done". Again, on 22 December, he cited North Africa in stressing the importance of subversive action, local resistance and guerrilla-commando units to strategic planning. In the spring of 1942 it was used once more in urging that COI be made a supporting agency of the JCS, and the latter body made North Africa the subject of its first directive to Donovan, while he was still Coordinator of Information, in March 1942.

COI operations in North Africa were necessarily effected with a view to the possibility of either Allied or Axis occupation. Much of the time it seemed probable that the Axis would act first. Certainly, in the duel of intrigue which took place there in 1941-1942, the obvious advantages were on the side of the experienced German and Italian representatives and their Vichy satellites.

The presence of German and Italian commissions at key points in French North Africa was a condition of the Armistice in 1940—an advantage that was strengthened by the wave of anti-British feeling which followed the attacks on Mers-el-Kebir (Oran) and Dakar later that year. The Axis position was even more enhanced when the attacks resulted in the severance of diplomatic relations with Vichy and the consequent ejection of the British from the area. The net result was Axis monopoly in the intelligence and propaganda fields.

America, by continuing relations with Vichy, maintained consular representation, and in French Morocco enjoyed extra-territorial rights under its treaty with the Sultan (such rights had been abandoned by the British after World War I). However, the United States was not at war. There was awareness in many quarters that something should be done, but there was no clear plan.

The conclusion of the Weygand-Murphy Accord in February 1941 was the first step. Under the terms of this Accord the United States agreed to send certain essential materials and supplies to North Africa on condition that they be used there and not reshipped to continental Europe where they might benefit the Axis. Significantly, it was understood that the United States would send to French North Africa certain officials to see that this proviso was not disregarded or evaded.

In the spring of 1941, therefore, twelve control officers were selected by G-2, State Department and ONI. It had been decided to use these men also to secure information, and each department briefed the men it had selected in the type of intelligence it desired. The officers were recruited from all walks of life, principally for their knowledge of the French language and their experience abroad. Most of them had seen service in World War I; several had served with the French Army prior to the entry of the United States into that conflict.

The control officers were dispatched in the summer of 1941 to be stationed, ostensibly as regular vice-consuls, in Casablanca, Algiers, Oran, Tunis and Rabat. The career officers already in these cities did not know their real purpose, however, and the new group was actually responsible to Robert D. Murphy in Algiers.

* The Europe-Africa Section contains a detailed account of COI/OSS participation in Operation *TORCH*. Certain aspects of the COI preparation for the North African invasion are set forth here, however, because of their importance to the agency in Washington.

North Africa thus presented a unique opportunity for the United States in the field of intelligence, fifth column, subversive propaganda and related activities. Until COI was organized, however, there was no agency prepared to exploit the situation and no unified plan for future action.

Donovan had long been conscious of the opportunity and the challenge inherent in the North African situation. When he was asked to consolidate the undercover intelligence of G-2, ONI and COI in October 1941, therefore, he had a definite plan prepared. It was, as he reported to the President, to station a COI representative at Tangier who could "unify the activities of the vice-consuls" and "stimulate" their efforts (Exhibit W-20). The representative would have official status for the security of his activities, and a clandestine radio network would be established which could continue to operate in the event of a break in diplomatic relations; the use of diplomatic pouch and cable was set forth as essential to effective communications.

It was not feasible, in the pre-Pearl Harbor domestic situation, to be more explicit regarding the subversive attributes of the plan. Those aspects became apparent later.

Colonel William A. Eddy USMCR was selected to fill the important post at Tangier. Donovan had heard of him in Cairo where he had served as Naval Attache. Eddy had a distinguished record with the Marines in World War I. Subsequently, he had been President of Hobart College; he had wide experience in Africa; and he spoke Arabic fluently. By an appeal to Secretary Knox, Donovan secured Eddy's appointment as Naval Attache in Tangier in December 1941 (a post which had not theretofore existed).

In his memorandum to the President of 22 December (Exhibit W-21), Donovan indicated further the plans in which Eddy was briefed: "That the aid of native chiefs be obtained, the loyalty of the inhabitants be cultivated; fifth columnists organized and placed, demolition materials cached; and guerrilla bands of bold and daring men organized and installed."

Eddy was instructed to maintain a line of demarcation, in so far as practicable, between operations and intelligence. It was in connection with the North African plan that Stephenson (British Security Coordinator in America) had advised Donovan of the political implications in England of the separate SOE and SIS organizations.* At Tangier it would be necessary to deal with both SOE and SIS.

SA/G recruited two men to serve Eddy in special operations. One was a noted anthropologist with extensive knowledge of and experience with the Arabs; the other was a businessman who had had commercial experience in Morocco. Pursuant to arrangements with SOE, both men were sent to Canada for training early in 1942.

Eddy departed for Tangier on 3 January 1942. Prior to his departure, Donovan arranged through Mr. Wallace Murray, of State Department, that Murphy and Mr. Edward Rives Childs (Chargé d'Affaires at Tangier) be instructed to give Eddy "their effective cooperation and support" and that he was to be given appropriate authority over the control officers.**

Following Eddy's arrival, all intelligence secured by the operatives in North Africa was routed to him by pouch and radio. Seemingly routine courier trips to Tangier by the vice-consuls provided opportunities for necessary personal conferences and the transportation of operational supplies. The British supplied agent radio sets, and by the summer of 1942 the clandestine COI radio network was in operation: MIDWAY (key station) at Tangier, YANKEE at Algiers, LINCOLN at Casablanca, FRANKLIN at Oran, and PILGRIM at Tunis.

* It was in great part as a result of these discussions with Stephenson, wherein he was apprised of the rivalry and jealousy between the two British organizations, that Donovan decided to separate Special Activities into two branches. See "Special Activities" above.

** History File W-8a, Tab U.

A spirit of mutual cooperation and cordial understanding between Eddy and Murphy characterized American operations in the field. Eddy also cooperated closely with the British at Tangier and Gibraltar. His reports to Washington were handled through Goodfellow's office, all receiving Donovan's personal scrutiny and attention.

The two SA/G agents arrived in North Africa in the spring of 1942, as did an intelligence agent who had been recruited and trained by SA/B. All three were under State Department cover as vice-consuls.*

The situation in North Africa became more difficult in the spring of 1942. Laval's rise to power in Vichy France and the increasingly collaborationist tendencies of such organizations as the S.O.L. and the P.P.F.,** both powerful in North Africa, further enhanced the position of the Axis and made the undercover work of the Americans more difficult. The Allies could not act immediately; it seemed probable that the Axis, assisted by Spain and/or Vichy France, would. The morale of the friendly elements cultivated by the Americans was deteriorating with despair of Allied action, lack of materiel, and the growing confidence of the Germans and Italians, as evidence mounted of Laval's support of what then seemed to be the winning team. The Americans redoubled their efforts, and reported the portents to Washington. Eddy urgently inquired as to the promised Allied invasion and requested authority and materiel to arm the local groups with which he was in contact.

The question of North Africa was taken up by Donovan with the JPWC in March 1942. Thereafter and in the same month, the JCS issued its first directive to COI. The directive confirmed the plan for secret intelligence and subversive action and directed the establishment of a stockpile of materiel to arm local guerrilla groups, but only in the event of Axis aggression. As the United States was not ready to act, it seemed that if the Axis were to invade there was nothing to be done except to "sow the dragon's teeth". The JCS directive in March 1942 had a significance to COI wholly apart from its subject matter. In March the general reorganization of information agencies in Washington was pending. It was in that month also that the JCS proposed to the President, with Donovan's concurrence, that COI be made a supporting agency of the JCS. As in the case of the plan for the Cape Verde Islands in January,* North Africa presented an easily recognizable example of the manner in which the COI concept of secret intelligence, propaganda, morale and physical subversion, and guerrilla action could be used in preparing the way for a large-scale invasion.

Therefore, COI operations in North Africa constituted a cogent argument that the agency should be placed under the JCS in the spring and summer of 1942. Subsequently, these operations were to prove the first large-scale test of Donovan's concept of softening up a target area prior to invasion. As such, they were to be influential in the JCS decision when the continuance of OSS came into question in the fall of 1942.

* Since two members of the original group had been returned to the United States, the arrival of the new recruits did not mark a suspicious increase in the American representation in North Africa.

** Service d'Ordre de la Légion and Parti Populaire Français.

* See p. 37 above.

Section II

THE OFFICE OF STRATEGIC SERVICES - OSS
(13 June 1942 - 1 October 1945)

A. GENERAL SURVEY

13 June - 23 December 1942

Before an approach could be made to the major problems growing out of the general reorganization of 13 June 1942, it was necessary to resolve the immediate confusion into which the COI activities continued in OSS were thrown. For example, COI budget estimates for the ensuing fiscal year were automatically nullified, and, since the functions of OSS had yet to be defined by the JCS, it was impossible to prepare new estimates in time to go before Congress for budget approval. A further situation arising out of uncertainty as to the agency's future was the fact that other agencies and departments of the Government with which COI had had contracts and arrangements necessary to current operations demanded some definite authority for their continuance.*

In the absence of Donovan,** and pending decision by the JCS about OSS functions, the Assistant Director took steps to work out a temporary solution. Negotiations were undertaken to secure allocations from the President's Emergency Fund in order to supply the finances necessary for the fiscal year 1943. And on 22 June 1942, at the instance of the Assistant Director, Brigadier General W. B. Smith, Secretary of the JCS, issued the following interim order:

> Pending the issuance of specific instructions as to its functions, the Joint Chiefs of Staff desire that the Office of Strategic Services continue the duties and activities of such Branches and Divisions of the former Office of the Coordinator of Information as have not been transferred to the Office of War Information.
>
> This order is designed solely to clarify the relation of the Office of Strategic Services to other government agencies, to facilitate the transaction of current operations, and to make possible the continuance of existing contracts and services.*

The formulation of "specific instructions as to its functions", however, was to prove no easy problem, since it was intimately bound up in larger issues of definition and organization. Among the necessary steps were the reconstitution by JCS of several committees in order to fit OSS into its structure, and the definition of psychological warfare. The attempt to solve these problems inaugurated a period of confusion and controversy that was not to be resolved for some six months, and then not entirely.

Donovan returned from London in late June to find OSS operating on the basis of the interim order. On 9 July General Smith requested a report explaining the organization of OSS and giving some description of its activities and projects, in order to fa-

* State Department, in particular, wanted assurance that it would be reimbursed for communications and other services it rendered in connection with agents in neutral territories under government cover.

** Donovan was in London negotiating the SO/SOE agreements. See General Survey, Section I above.

* See History File W-17, Ch. XXVI, p. 3.

miliarize appropriate JCS officials with the new agency. A lengthy memorandum (Exhibit W-23) responded to this request on 17 August. It set forth the general functions and basic conception of OSS, an outline of organization, and exhibits which detailed the purposes and operations of the various branches: R&A, SI, SO, FN and Field Photographic.

In the meantime, the JCS set about bringing order out of the psychological warfare situation. There were already several agencies acknowledged to be engaged in "psychological warfare", even though the term was subject to conflicting definitions and was used to cover a variety of meanings and intentions. JCS had in early March 1942 established a Joint Psychological Warfare Committee (JPWC)* which had been engaged in planning for psychological warfare. There also existed a Psychological Warfare Branch of G-2. These two entities, together with OSS, were subject to the control and direction of JCS. However, there were other agencies outside the jurisdiction of the JCS which were engaged in certain phases of psychological warfare: CIAA, BEW and the new OWI. State Department, of course, had a corollary interest in the subject.

The new set-up which was created on 21 June 1942 by JCS 68 (Exhibit W-24) revolved around a reconstituted JPWC. The Committee was reorganized with a membership of general and flag officers representing G-2, ONI, WDGS and COMINCH, and Donovan was named chairman. Pursuant to the authorizing directive, the major responsibilities of JPWC were to initiate and develop plans for psychological warfare in conjunction with appropriate agencies of the JCS and the State Department or other existing governmental agencies; to coordinate psychological warfare activities of other United States Government agencies, and to collaborate with interested nations to bring psychological warfare in accord with strategy approved by the JCS; to designate the executive agencies to implement and approve psychological warfare plans; and to submit such plans to the JCS through the Joint Staff Planners (JSP). A Joint Psychological Warfare Sub-Committee (JPWSC) was simultaneously established as a working committee for the JPWC; and Donovan established within OSS a Supporting Committee on Psychological Warfare.

To provide for the coordination of the psychological warfare activities of other existing governmental agencies, JCS 68 also provided for a Joint Psychological Warfare Advisory Committee (JPWAC). The JPWAC, under the chairmanship of Donovan, was to include representatives of OWI, BEW, CIAA and State Department.*

The JPWC, JPWSC and OSS Supporting Committee held their first meetings on 8 July. One of the first items on the agenda was the definition of psychological warfare. This was not to be accomplished even within these committees for some two months, but there was awareness at the outset of a basic difficulty: "Since propaganda is an essential part of psychological warfare," the JPWSC commented in a memorandum to its parent committee on 18 July 1942, "it is obvious that the JPWC in following its directive to 'initiate, formulate and develop plans for psychological warfare in connection with other U. S. Government agencies,' finds itself deprived of one of the essential tools for conducting this type of warfare." **

Nevertheless, the JPWC proceeded to the problem of definition. The result was a "Basic Estimate of Psychological Warfare" prepared by the OSS Supporting Committee which, after being referred back and forth several times between that Committee and the JPWSC and the JPWC, was finally ap-

* The JPWC held its first meeting on 18 March.

* The JPWAC held only 6 meetings in October and November 1942. The OWI representative did not attend after the first few meetings.

** See History File W-16, p. 3.

proved by the latter on 7 September. The Basic Estimate is noteworthy as the first United States attempt to formulate in a comprehensive manner the doctrine of psychological warfare, its objectives, and the means available to the attainment of those objectives. Note may be taken here of the general definition it contained and the means it enumerated. According to the Basic Estimate, psychological warfare

> is the coordination and use of all means, including moral and physical, by which the end is to be attained — other than those of recognized military operations, but including the psychological exploitation of the result of those recognized military actions—which tend to destroy the will of the enemy to achieve victory and to damage his political or economic capacity to do so; which tend to deprive the enemy of the support, assistance or sympathy of his allies or associates or of neutrals, or to prevent his acquisition of such support, assistance or sympathy; or which tend to create, maintain, or increase the will to victory of our own people and allies and to acquire, maintain, or increase the support, assistance and sympathy of neutrals.*

As the principal means necessary to the prosecution of psychological warfare, the Basic Estimate specified propaganda, subversion, combat propaganda companies and intelligence secured by research and espionage.

The Basic Estimate, though approved by the JPWC on 7 September, was not submitted to the JCS. The essence of its definition of psychological warfare was reflected in directives of the JCS many months later, however, and was to underlie many of the difficulties which eventually had to be resolved by action of the President.

OSS as an agency, however, was in 1942 only indirectly affected by the position of JPWC (and/or the JCS) vis-a-vis the executive agencies necessary to the prosecution of psychological warfare. Of more direct and immediate consequence was its relationship to the committees which controlled it. The already cumbersome situation created by JCS 68 was complicated to the point of impracticability on 15 August 1942, when JCS 67/3 (Exhibit W-25) added to the responsibilities of JPWC the administration of OSS. The directive read in part: "All plans for projects to be undertaken by the Office of Strategic Services will be submitted to the Joint U. S. Chiefs of Staff through the Joint Psychological Warfare Committee for approval. The Joint Psychological Warfare Committee will refer such papers as it deems necessary to the Joint Staff Planners prior to submission to the Joint U. S. Chiefs of Staff. The Joint Psychological Warfare Committee will take final action on all internal administrative plans pertaining to the Office of Strategic Services which do not involve military or naval personnel or military or naval equipment."

The resulting situation was difficult both for the JPWC and OSS. Neither the JPWC nor the JPWSC was composed of full-time members, nor were the members specialists in the various elements of psychological warfare. Thus, for example, the G-2 representative on the senior committee was the Assistant Chief of Staff G-2, who sat on the JIC, and also on the Joint Security Control (JSC), which was established in August; and the ONI representative had equally varied responsibilities. It was not long before the JPWC was involved in a mass of administrative problems of OSS, and its agenda was thrown into a state of confusion which resisted periodic attempts at clarification.

From the standpoint of OSS, the situation was frustrating, to say the least. A given project had to be taken up with the OSS Supporting Committee; thereafter, it would be lodged in the JPWSC. After consideration there, it would be passed to the JPWC. If the project had been approved at each of these stages, it was referred to the JSP, which, if it approved, would present its recommendations to the JCS.* It should be

* See History File W-16, Ch. XXVI, p. 11.

* An exception was on matters of a purely intelligence nature, where the channel was JIC-JSP-JCS.

borne in mind that at any one or more of these stages the project could be, and very often was, referred back to the preceding echelon for reconsideration, revision and resubmission.

Two examples may be briefly cited to demonstrate the effects of this committee entanglement upon OSS activities. On 13 July General Marshall addressed a memorandum to Donovan (circulated on 14 July as JPWC 21/D) on the subject of organized sabotage and guerrilla units for OSS, which read in part:

> 1. I have looked into the questions involved as to the functions of the OSS in relation to subversive activities and guerrilla warfare. The following is my conception of the set-up and relationships:
>
> *a.* That the OSS will operate training centers with instructors furnished by the Army and Navy. The trainees will be trained as individuals to participate in subversive activities and possibly as units for guerrilla warfare if such units are needed by theater commanders in carrying out their missions.
>
> *b.* That subversive activities and guerrilla warfare will be carried out under the direction of the theater commander in those areas where theater commanders have been designated. In other localities they must act directly under your immediate control, subject to the directions of the Joint Chiefs of Staff.
>
> * * * *
>
> 3. The entire subject should be reviewed by the Joint Psychological Warfare Committee and its recommendations submitted to the Joint Chiefs of Staff.*

The matter was thereupon taken up through the JPWSC and the JPWC. Recommendations setting forth the nature of operations and training for both saboteurs and guerrilla units were forwarded to the JSP, which approved them on 12 August and sent them on to the JCS. On 19 August JCS 83/1 ** embodied the recommendations which it had received, and added, among other things, "that the Joint U. S. Chiefs of Staff accept in principle the functions of the Office of Strategic Services as indicated herein; further study will be made by the Joint Psychological Warfare Committee as to training, type of men used and organization, and that the Committee will make further recommendations to the Joint U. S. Chiefs of Staff."

The matter was thus back in the JPWC and its Sub-Committee. Tables of organization were drawn up by OSS and submitted; they were referred back to the agency for more detailed information as to duties and assignments. Revised and resubmitted, they were referred back once more for further information, since the proportion of 77 officers to train approximately 2,000 men was questioned as being higher than normal in the Army. They were revised and submitted once more on 18 September, when the JPWSC decided that they should be incorporated in a proposed over-all procurement objective to cover all OSS needs. Subsequent repeated attempts to bring the proposed requirements for guerrillas and saboteurs to the attention of the JCS were also blocked, and on 10 November the matter was still in the JPWC. It did not reach the JCS until December, and then only in conjunction with the over-all consideration of the status of OSS and the JPWC which is discussed below.

Another example was the OSS Catalogue of Materiel, which comprised its requirements of munitions and special devices, such as Sten guns, pull switches, clams, limpets, K-tablets, pocket incendiaries, plastic explosives, etc. The first request was brought up in the JPWSC meeting of 5 August. The Catalogue was subject to modification, revision and expansion until October. It reached the level of the JSP in November, but was referred back for re-examination to determine if any items for "foreign nations" were included in it, and, if so, to delete such items and stipulate that any requirements of the British should be obtained through the normal machinery of Lend-Lease. The

* See History File W-16, p. 26.

** See JCS Directives, Vol. I, OSS Director's Files.

British thereupon communicated to the Chief of the Services of Supply the reasons of security which precluded handling the matter through "normal machinery." The Chief of Staff, SOS, therefore, recommended to the JPWC on 19 November that OSS include British SOE demands as a separate list in a catalogue of United States and United Kingdom requirements, such catalogue to be processed by the JPWC through the JSP to the JCS. The Catalogue never reached the JCS during 1942.

The atmosphere produced by this situation was reflected in the minutes of the JPWSC meeting of 1 December. While the discussion was at this point directed to the delays in approval of the Catalogue, it was perhaps engendered in some part by the delays attending other matters and certainly epitomizes the general situation:

[ONI representative:] I brought up this question of your catalogue yesterday — at a meeting of the parent committee. At least, I asked where it was, and they said it is back here. Personally, I think it is a crying shame that this thing has not long since been passed along, approved and gotten under way.

[OSS representative:] It is a terrible handicap — absolutely stymied.

[ONI representative:] I think we should do something about getting that thing approved. I have never seen it since it came back from the Joint Staff Planners.

[JPWSC Secretary:] There was no paper submitted to us. There was action by the Planners in their minutes.

[ONI representative:] It doesn't come up before the parent committee; it doesn't come up before this committee. It is still bogged down, befuddled in committees. The OSS is practically stymied on their materials.

[JPWSC Secretary:] It is a question of whether it is superseded by this paper, JPWC 54.

[G-2 representative:] 54 incorporates a general catalogue.

[ONI representative:] 54 does not cover the catalogue. It merely covers a process.

[G-2 representative:] That is all it is, a process for obtaining what the catalogue approves.

[ONI representative:] It is a process for obtaining these things after the catalogue is approved. The catalogue hasn't been approved. The thing has worried me for some time. There wasn't anything I could do about it. Even in the parent committee the acting chairman has been bent on getting one thing finished.

[OSS representative:] What rubbish pile is the catalogue in just now? *

A contributing factor to the whole situation was a definite resentment of OSS, as such, which found its strongest expression in Donovan's colleagues on the JPWC. This resentment seemed to be based, in part, upon the fact that OSS was a civilian agency, and, in part, upon the position of OSS as an agency of the JCS and fear that it might encroach upon the functions of G-2 and/or ONI.** Needless to say, this attitude was far from universal, but, centered in the JPWC which had direct and complete control over OSS, it assumed a disproportionate importance, and must be mentioned here since it directly contributed to the deadlock which resulted in a fundamental reorganization of the psychological warfare machinery of the JCS.

That the JCS was cognizant of the situation is indicated in a directive of 11 October 1942 *** from General Marshall to the JPWC

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* See History File W-16, p. 37.

** This attitude was expressed in the meetings of the JPWC. For example, in the meeting of 2 November 1942 the G-2 representative "questioned whether the theory that the utilization of scholars to evaluate military intelligence is tenable unless the same logic could be applied to other professional fields. He believed that the tools used by soldiers must be made by them." (Minutes, JPWC, 33rd meeting, 2 November 1942. See History File W-72a.)

Again, in the meeting of 9 November, the ONI representative, in referring to certain proposed directives of OSS, "stated that the organization proposed by the OSS appeared to constitute an intelligence center which would make the Army and Navy intelligence agencies merely an adjunct of the OSS." The G-2 representative "added that it would result in the Joint Chiefs of Staff depending upon information furnished by civilians, and that this condition would not be corrected by militarization of the OSS." (Minutes, JPWC, 34th meeting, 9 November 1942. See History File W-72a.)

*** Circulated on 12 October 1942 as JPWC 37/2/D.

(Exhibit W-26). In directing the Committee to consider the question of militarization of OSS, he enjoined it "to retain the organization as an instrument of the Joint U. S. Chiefs of Staff and not as a sub-agency of either the Army or the Navy", and further, "there should be no attempt to change the present functions of OSS."

Before consideration of militarization could get under way, however, another directive was issued which, in combination with action taken by the JSC in connection with the psychological warfare preparation for Operation *TORCH*, caused a deadlock in the JPWC which it was possible to break only by direct action of the JCS.

At the instance of General Marshall, the JCS on 22 October 1942 instructed the JPWC (Exhibit W-27)* to submit recommendations which would "clearly define the functions of the several branches of" the OSS. In this connection, JPWC was ordered to indicate: "A clear line of demarcation" between the functions of R&A and BEW; and "clearly what intelligence functions the OSS is better prepared to perform than either ONI or the Military Intelligence Service." The JPWC was further instructed to investigate whether OSS photographic activities overlapped those of the Army, Navy or OWI, and was clearly to define the functions of other subsidiary activities of OSS. As to SO activities it was indicated that JCS 83/1 sufficed, but should be incorporated in the responsive study for the sake of completeness.

Within a few days thereafter, however, an incident occurred which precipitated a crisis resulting in a complete overhauling of the JCS psychological warfare set-up. At that time the JSC completely by-passed both the JPWC and OSS in placing the conduct of psychological warfare in connection with the *TORCH* operation in the hands of OWI and CIAA. Specifically, the JSC submitted to JCS a memorandum on the implementation of the Italian Plan for psychological warfare, and at the same time sent to OWI and CIAA paraphrases of the Spanish and Portuguese plans which had been drafted, as well as the general directive for propaganda for all countries. No notification was given to JPWC, which learned of the matter only indirectly.

This course of action elicited an outspoken demurrer from OSS which was expressed in the 1 November Revised Corrigendum to JPWC 49. After a lengthy exposition of the immediate results of the JSC action, the Revised Corrigendum indicated some of the difficulties inherent in the position of the JPWC:

> (c) It may be urged that JPWC, with its Subcommittee, Advisory Committee and the OSS Supporting Committee have failed to develop the capability either to plan or to operate as contemplated by the directives. If this is true, it is due
>
> (1) to the fact that JPWC, having been assigned the supervision of all of the administrative operations of OSS is overwhelmed by their detail;
>
> (2) to the fact that it has become a cockpit for jurisdictional disputes involving OSS;
>
> (3) to the fact that the necessary coordination of OWI, CIAA, and BEW with the Joint Chiefs of Staff is resented by them (although in varying degree) and that the Presidential directives support their attitude of independence;
>
> (4) to the fact that the planning and operation of psychological warfare, a highly skilled task involving foreign knowledge, talent in public affairs, sensitivity to current intelligence and a knowledge of "black" or SO procedures used by all countries against each other, is not characteristic of even the best soldiers, and to some degree is inconsistent with their highest efficiency in their real task.*

In conclusion, the Revised Corrigendum stated that the principles of psychological warfare, and the developed conceptions of it, were in confusion; that there was no unified opinion on policy; that the machinery set up by the directive had been completely set aside; and that "it seems necessary to start from the beginning and set

* Circulated on 24 October 1942 as JPWC 45/D.

* See History File W-16, p. 20.

up a planning and operational unit which is workable and adequately staffed, if the United States is to take an extensive part in modern warfare." *

The JSC responded to the Revised Corrigendum on 6 November. It gave three reasons for its action: (a) The working time which was available before D-Day required that some agency initiate promptly the necessary action with OWI and CIAA to coordinate planning prior to broadcasts on D-Day; (b) requirements for security were such that action taken had to be restricted to informing the minimum number of people of the minimum amount of information necessary for initial planning; and (c) it had appeared to the JSC that to implement and supervise the execution of the various plans would require both JPWC and JPWSC to remain practically in constant session. "This would be obviously impossible due to the very limited time at the disposal of the members." **

The JSC denied concerning itself with attempted control of subversive activities or long-range planning, and made the following statement as to the relationship of OWI to JCS:

> It is the opinion of the undersigned that the propaganda as such is not under the positive control of the Joint U. S. Chiefs of Staff. The Executive Order which set up OWI and CIAA gives the directors of these agencies the sole authority under the President for planning and executing such propaganda as they deem necessary or advisable. It is no through military direction, but as the result of loyal cooperation of the directors of OWI and CIAA that the Joint U. S. Chiefs of Staff exercise control of these important agencies. The legal authority for this control does not exist at present.**

Whatever the merits of the respective contentions as to the particular action of the JSC, both sides seemed agreed on the ineffectuality of the JPWC position.

* See History File W-16, p. 21.
** See History File W-16, p. 22.

On 31 October 1942, OSS prepared and laid before the JPWC a comprehensive 4500-word response to the directive on the functions of OSS (Exhibit W-28).* This statement set forth in detail the functions and purposes of the agency and its various branches, and differentiated them from the activities of other departments and agencies.

At the same time, however, OSS submitted directly to the JCS proposed new directives (Exhibit W-29)** designed to eliminate the JPWC, strengthen OSS and reorganize completely the psychological warfare machinery of the JCS.

The issue was thus clearly joined. The JPWC discussions, beginning with the meeting of 2 November and concluding with the meeting on 17 November, resulted in a deadlock. In the interests of objectivity, Donovan absented himself from these meetings and OSS was represented by the Assistant Director and two other key officials. From these discussions JPWC issued a majority report and a minority report (Exhibit W-30).*** The former stated that many OSS activities were duplicative, and recommended the continuance of a more powerful JPWC. The latter consisted of the proposed directives of 31 October, accompanied by a memorandum from Donovan to the JPWC dated 16 November which, after relating the background of the deadlock, stated:

> From the discussions that have taken place, it seems clear that there is a fundamental difference of opinion as to the status of OSS between the representatives of the Office of Strategic Services and other members of the Committee. It appears that no agreement can be reached on this question. OSS cannot recede from its position and it is apparent that other members of the Committee will not recede from their position.

The memorandum concluded, therefore, that further discussion would serve no pur-

* Circulated on 2 November 1942 as JPWC 45/1.
** Circulated on 2 November 1942 as JPWC 50.
*** Circulated on 17 November 1942 as JPWC 45/2.

pose but would merely delay a decision which had necessarily to be made by higher authority. This was followed on 19 November by an OSS dissent to the majority report (Exhibit W-31).*

These papers were submitted to the JIC, which forwarded them on 20 November to the JCS with a memorandum (Exhibit W-32) stating that a majority of the JIC concurred in the JPWC majority report. However, the JIC went on to state:

> The Committee unanimously agrees . . . that a decision by the Joint U. S. Chiefs of Staff is essential to a satisfactory determination of the functions and activities of the Office of Strategic Services and is a necessary prerequisite to the formulation of a new directive replacing the provisions of JCS 67, 67/4, 68 and 83/1.**

The matter was thus officially placed in the hands of the higher authority of the JCS.

While the committee entanglements of OSS had been approaching this crisis, however, the other activities of the agency were beginning to bear fruit. The secret intelligence network outside the Western Hemisphere was expanding, with the volume of intelligence received doubling and trebling each month. The value of R&A's studies and reports was receiving more and wider recognition, and experience was developing new techniques in such complex intelligence subjects as target analysis and estimates of enemy capabilities and intentions. FN was a steady source of political reporting, mainly of service to the State Department but also useful in providing background material on political attitudes and movements. SO had several missions in the field which were beginning to attract attention. The services rendered by Field Photographic and Presentation were of acknowledged value.

Recognition of the individual value of the various components of OSS, however, was not sufficient. The organization was predicated upon their combined effect in support of military strategy and operations. This was a concept, however valid in theory, that could only be proved in action, i.e., in the field. Throughout the summer and fall of 1942, the test was in the making in North Africa. The question was, as it had been in the spring, whether the organization should "be disturbed at home before it shall ever be put to its really crucial work abroad." *

Operation *TORCH* provided the first large-scale test of OSS. As set forth in the account of COI, the agency had been preparing for action in North Africa from its earliest days.** The action of the JSC in Washington could not prevent fulfillment of those preparations when the operation took place. The account of COI/OSS participation in *TORCH* is set forth elsewhere.*** Note may be taken here of the fact that when the test came, all branches of OSS took part. Comprehensive R&A studies on the target areas were made available for both the planning and the operational stage; Field Photographic personnel accompanied the invasion forces; OSS representatives formed an integral part of the AFHQ Psychological Warfare Board established by General Eisenhower; a clandestine secret intelligence radio network had been in operation in North Africa from March 1942 on; and cells of resistance had been organized. OSS agents who had been in North Africa for more than a year prior to the invasion accompanied the various task forces. Perhaps most important, through facilities established by OSS at AFHQ on Gibraltar, the commander of the greatest amphibious invasion in history up to that time was enabled to receive within a matter of hours secret intelligence by clandestine radio from the areas toward which his forces were destined.

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* Circulated as JPWC 45/3; also JIC 59/2.

** See History File W-16, p. 72.

* Exhibit W-11.

** See North Africa in Section I above.

*** See account of *TORCH* in Europe-Africa Section.

In deliberating the future of OSS, the JCS thus had before it, not only the paper record of committee discussions, but the concrete example of accomplishment in action.

Early in November the JCS designated General McNarney and Admiral Horne to inquire into OSS and make recommendations as to its functions. They visited the agency separately. Donovan talked with each of them and prevailed upon them to spend an entire day with the staff to see the organization at work.

On 19 November Donovan sent them a number of memoranda and directives reflecting the history and position of COI/-OSS. They studied the relevant papers and correlated their study with what they had themselves seen. Their findings were favorable and resulted in recommending that the JCS issue a directive corresponding in the main to the OSS proposals.

As a result, on 23 December 1942, there was issued JCS 155/4/D (Exhibit W-33), which constituted the first definitive charter of OSS. By this directive the JPWC was abolished and OSS was designated as the agency of the JCS charged (outside the Western Hemisphere), in general, with "the planning, development, coordination and execution of the military program for psychological warfare," and with "the compilation of such political, psychological, sociological and economic information as may be required by military operations." The propaganda aspects of such plans were limited to recommendations to the JCS which was responsible for securing the cooperation of OWI. OSS was given authority to operate in the fields of sabotage, espionage and counter-espionage in enemy-occupied or controlled territory, guerrilla warfare, underground groups in enemy-occupied or controlled territory and foreign nationality groups in the United States. It provided for a Planning Group to be "set up in the Office of Strategic Services" consisting of one member from State, two appointed by the Chief of Staff, two by the Commander-in-Chief U. S. Fleet and Chief of Naval Operations, and four members, including the Chairman, appointed by the Director of OSS. It stipulated that OSS psychological warfare plans be submitted to the JCS through the JSP. In the field of intelligence it placed OSS on a par with MIS and ONI.

Consequent upon this directive the committee entanglement of OSS was resolved. The abolition of the JPWC led to the concomitant abolition of the JPWSC and the JPWAC. The OSS Supporting Committee and its Planning Group were abolished, and the functions of all were absorbed in the new full-time OSS Planning Group established in accordance with the terms of JCS 155/4/D.

In a letter to Donovan written on the same day that the directive was issued, 23 December, General Marshall stated:

> I regret that after voluntarily coming under the jurisdiction of the Joint Chiefs of Staff your organization has not had smoother sailing. Nevertheless, it has rendered invaluable service, particularly with reference to the North African Campaign. I am hopeful that the new Office of Strategic Services' directive will eliminate most, if not all, of your difficulties.

23 December 1942 - 27 October 1943

The issuance of JCS 155/4/D did not solve the problem of propaganda. The directive merely had the effect of placing the responsibility for securing OWI cooperation on a higher echelon—that of the JCS. This, of course, did not materially affect the fundamental issue of military coordination, which was not to come to a head for several months.

The directive firmly established OSS, however. The agency had for the first time a definitive charter, and the frustrating barriers in its lines of authority to the JCS were removed. The immediate effect was a rapid expansion which was reflected not only in actual operations, but organizationally in the establishment of additional branches. Such branches did not represent innova-

tions, but the long-suppressed logical development of existing functions.

The reorganization of OSS, directed by JCS 155/4/D, was accomplished by General Order No. 9 dated 3 January 1943 (Exhibit W-35).* It carried still further a trend toward a more military set-up which had begun on 17 October 1942. At that time, in anticipation of JPWC action upon the militarization directive of General Marshall, OSS branches had been reorganized in three groups: SI and SO, R&A and FN, and Services.**

In the January reorganization a full-time Planning Group for Psychological Warfare was established to supervise and coordinate the planning and execution of military programs for psychological warfare, to integrate major projects and plans for psychological warfare with military and naval programs, and to develop a psychological warfare doctrine. An Advisory Committee was established to include representatives of other agencies as provided in the directive. A Psychological Warfare Staff became, in effect, the working committee of the Planning Group.

Under the Director and Assistant Director there were established certain independent branches and administrative functions, such as Security, Technical Assistants, Secretariat, General Counsel, Special Relations, Research and Development, etc.

A Deputy Director, Intelligence Service, supervised and directed the activities of the Secret Intelligence, Research and Analysis and Foreign Nationalities Branches.

Under a Deputy Director, Psychological Warfare Operations, were the Special Operations Branch, which was responsible for sabotage and physical subversion, and the Morale Operations Branch (MO)—responsible for morale subversion to be carried out by methods which included the organization and conduct of secret ("black") propaganda disseminated by radio, rumors, pamphlets, leaflets, photographs, etc., and the manipulation of individuals or groups.

A Deputy Director, Services, was responsible for such functions as Procurement and Supply, Budget and Finance, Personnel, Communications, Medical Services and Special Funds.

Two branches were established at the level of the Intelligence and Operations Branches, but not responsible to a Deputy Director: Schools and Training and Field Photographic.

The JCS directive and the new General Order marked a distinct step forward for OSS. Its functions were much more precisely defined than those of the original COI; its operations were to be planned and supervised by a single authority—the Planning Group. The agency was more efficiently organized, furthermore, in that much authority was delegated to the Deputy Directors. They relieved Donovan of a volume of immediate matters requiring his personal decision and which had begun to outgrow the capacities of any single human being.

For the first time, therefore, OSS had a definite mandate and from this time forward it was established as an integral part of the JCS structure. But the over-all psychological warfare situation was still in a confused state. Under the provisions of JCS 155/4/D the Planning Group could submit to the JCS recommendations as to propaganda objectives which the JCS could in turn request OWI to carry out. The necessary liaison was provided for in the Advisory Committee. However, the position was false in that the JCS had no control over BEW and OWI as instrumentalities necessary to the execution of the military program for psychological warfare.

The injection of "black" propaganda into the matter by the establishment of the MO Branch pursuant to General Order No. 9 further complicated the matter.

* The Order was approved by the JCS on 15 January 1943, and made an attachment to JCS 155/4/D.

** See Central Administrative Units and Technical Branches below.

Representatives of Donovan and Elmer Davis met and negotiated week after week in an attempt to work out the problem of establishing a clear line of demarcation between the spheres of operation of the two agencies, but without success. OWI was uncertain as to whether or not it thought it should engage in "black" propaganda, but the old issue of fear of military control which had existed in FIS colored its actions.

Finally, on 9 March 1943, the President issued Executive Order 9312 (Exhibit W-36), directing that OWI be responsible for planning, developing and executing all foreign propaganda activities "involving the dissemination of information". The latter phrase clearly applied to open, or "white", propaganda; its application, if any, to "black" propaganda was to be subject to later interpretation.

The President's Order made it incumbent upon the JCS to revise the basic directive of 23 December 1942, however. This was accomplished by the issuance of JCS 155/7/D on 4 April 1943 (Exhibit W-37). The revised directive merely eliminated all reference to OWI and propaganda from its text, and stated in paragraph 2:

> As used in this directive, psychological warfare includes all measures, except propaganda, taken to enforce our will upon the enemy by means other than military action, as may be applied in support of actual or planned military operations.

Although the above definition was qualified by limitation to the "military program" contemplated by the directive, it clearly shows that "psychological warfare" had become a misnomer. Psychological warfare, in the broad sense in which Donovan used it, included many things, prime among them being propaganda. As the term was used by many others, it envisioned solely propaganda. Still others used the term to mean propaganda and a few of the activities included in Donovan's interpretation. In any event, propaganda was an integral part of psychological warfare. Without propaganda the military program was not psychological warfare.

The words were unreal. However, the important thing was that in the JCS directive OSS had a mandate which, if not as complete and specific as could be desired, at least gave it a valid and unquestioned reason for existence and a sphere in which to operate. Refinements of phrasing could be taken care of later—1943 was a year of operation and expansion.

Actually, a basic change had been taking place following the invasion of North Africa. The real decision as to what any agency would be able to accomplish in the field was being removed from Washington. General authority which might be granted in Washington on almost any question was subject to the specific permission of theater commanders. By January 1943 most of the areas of interest in the world were operating military theaters. Thus, for example, in the North African Theater, General Eisenhower had established a Psychological Warfare Board which included OWI, PWE, MOI and OSS personnel. Regardless of whether OWI was under civil or military control jurisdictionally in Washington, it was obvious that any activities it performed in the theaters would be subject to military direction.

The inception of the OG Branch illustrates this fact. It grew in part, of course, out of the repeated attempts to secure authorization of guerrilla units throughout 1942. The closest thing to guerrilla units in the December directive was the mention of "operational nuclei", for which recruiting had begun in late 1942. The actual organization of the Branch, however, resulted from a request by the Theater Command in NATO.

Even prior to the issuance of JCS 155/4/D, a plan of operations for OSS in the Western Mediterranean had been under discussion in the JPWC. After the final meeting of the JPWC on 7 December, the plan was submitted through the JSP to the JCS and emerged on 18 December as JCS 170 (Exhibit W-38). The directive provided for activities based on

Algiers as follows: (a) SI activities in North Africa from French West Africa to and including Libya; south and southwest Europe, including the Iberian Peninsula and southern France to the eastern boundaries of Italy and adjacent islands; (b) SO activities in Italy, Sicily, Sardinia, Corsica, France and such other places as might be required by the theater commander; and (c) appropriate counter-subversive and counter-intelligence activity. JCS 170 further provided for the establishment of a North Africa OSS mission and the dispatch of appropriate personnel and equipment and materiel believed to be necessary. Prior to any action, however, it was required that the Theater Commander approve the plan.

The Deputy Director-Psychological Warfare Operations made an extensive tour of NATO, METO and ETO at the beginning of 1943. As a result of his conferences at AFHQ in Algiers, General Eisenhower on 4 February approved JCS 170 in principle. Subsequently, and growing out of these same conferences, General Eisenhower cabled a request for "operational nuclei" to be used in subsequent operations directed toward the Continent.

Request to the War Department for appropriate allotments resulted in an inquiry as to whether further allotments for other theaters would later be submitted. OSS replied in the affirmative, and the Operational Group Command was established by Special Order No. 21 effective 4 May 1943.

Later, JCS 166/3/D of 27 May 1943 (Exhibit W-39) provided for OSS activities in the Middle East, and JPS 178/D of 6 May 1943 provided for OSS operations in ETO.*

A major intelligence function developed out of the provision in JCS 155/4/D authorizing OSS to perform "counter-espionage in enemy-occupied or controlled territory". It had always been recognized that the development of a secret intelligence organization would necessitate the performance of counter-intelligence activities for its protection. However, through the close relations which obtained between the British Security Coordination and OSS, the British made an offer which created an unusually advantageous opportunity for the United States, through the medium of OSS, to develop an organization in the wider field of counter-espionage.

The British had built up over many years a highly coordinated net of security services which had by long experience been pointed to a high degree of efficiency and world-wide coverage. Prior to 7 December 1941, they were exchanging some counter-espionage information with G-2, ONI, FBI and COI/OSS. After the outbreak of war, however, the British became disturbed about giving such information to several uncoordinated agencies which lacked carefully-trained specialists concerned exclusively with counter-espionage techniques. Therefore, they suggested that all counter-espionage material be channeled through a single agency, and offered to make available to such an agency the body of counter-espionage records which they had accumulated.

Following negotiations in London in the winter of 1942-43 between OSS and the British security services, a Counter-Intelligence Division* was established within SI on 1 March 1943. Included in the agreements made with the British in London were arrangements for the transfer to America of duplicates of the large body of counter-espionage records which the British had accumulated. The United States thus gained in a very short time the fruits of years of counter-espionage activity. The Counter-Intelligence Division sent a small staff to London to arrange for the transmittal of the files.

It soon became evident that, by working in close collaboration with the British,

* Authority for operations in ETO was subject to much discussion and revision.

* This Division was to receive all counter-espionage information sent by the British, except that relating to espionage in the Western Hemisphere, for which FBI continued independent liaison.

knowledge could be acquired and personnel trained in the highly intricate techniques of counter-espionage manipulation and the control of enemy agents through which knowledge could be gained of the enemy's plans and intentions and the enemy could be deceived as to one's own.

With the unique opportunity thus offered to create in a short time a counter-espionage organization and to engage in such activity on a wide scale, proposals were made that the Counter-Intelligence Division of SI be given separate branch status. Therefore, on 15 June 1943, the Division became the Counter-Espionage Branch (X-2), one of the three major branches of the Intelligence Service.

Following relaxation of transportation freezes, particularly in the North African Theater after the conclusion of the Tunisian campaign, there was a rapid build-up of OSS field base personnel. Problems of adjustment occurred when it became apparent that the theater commands were not familiar with the expanded scope of OSS, and the organization had to struggle for the opportunity to prove itself in the theaters, very much as it had had to battle for the acceptance of the concept which underlay its establishment in Washington. In some cases field representatives of OSS who had left Washington in 1942 were not themselves cognizant of the development of its various functions. As the headquarters of the various theater commands ceased to be operational zones, the traditional aversion of field men to the establishment of headquarters procedures asserted itself. This was a natural development but, in combination with transportation and equipment difficulties, it may be mentioned in passing as a problem of adjustment in the development of the major field bases. By the fall of 1943, however, bases in London, Algiers and Cairo reflected the Washington pattern of organization.

However, authorizations given in Washington were being substantiated in the field. The fact was that the functions undertaken by COI/OSS, being new, had to be subject to evolution. This may well explain the difficulties which had beset the attempts at predefinition. Only general definitions were possible before more exact capabilities were indicated in practice. The crucial tests were being met in the field and it was in the light of experience that specific definitions had to be drawn; they could not be pre-conceived, or, if so, would be meaningless.

This became apparent again in the summer of 1943. As part of its responsibility for the development of psychological warfare doctrine, OSS prepared a "Provisional Basic Field Manual—Psychological Warfare", which was submitted to the JSP for approval on 12 June. The Manual, in accord with the realities of the situation, provided for the conduct of operations by OSS which were not authorized by the basic JCS directive (155/7/D) and which JSP, therefore, could not approve. OSS had the approval of JCS, however, for the conduct of these types of operations in certain specific cases (for example, JCS 170, 166/3/D, and JCS approval of General Order No. 9), and it therefore seemed probable that the JCS would also authorize them generally as a matter of principle. The JSP accordingly proposed to Donovan that he draft and submit to the JCS a new general directive which would confer on OSS explicitly, formally and for general use, the additional authority which the agency was already exercising in certain cases and which it wished to provide for in the Basic Field Manual.

Thereupon, the Planning Group, in collaboration with the heads of the operating branches of OSS, prepared and submitted to the JCS a new revision of the basic directive. In transmitting the draft, Donovan wrote to the JCS on 4 September 1943:

1. There is submitted herewith, for your consideration and with the request that you give it your approval, draft of a proposed directive to replace JCS 155/7/D defining the functions of OSS. This proposed directive is submitted in accordance with letter of the Joint Staff Planners dated 4 August 1943 suggesting (in trans-

mitting recommendations of its subcommittee upon a proposed Basic Field Manual — Psychological Warfare which I had placed before you for approval on 12 June 1943), as an alternative, that specific request be made to you to widen the authority contained in JCS 155/7/D. This suggestion apparently was made so that the basic directive on the functions of OSS might be broadened to conform with present procedure and practice of OSS as specifically authorized by you in various basic military plans for psychological warfare (JCS 166/3/D and JCS 170).

2. The proposed directive submitted herewith was drafted by the OSS Planning Group in conjunction with operating branch heads. In the opinion of the Planning Group the proposed directive adds no additional functions beyond those already authorized in basic plans previously authorized by you or required of OSS by the armed services. . . .*

The new directive, designated JCS 155/11/D (Exhibit W-40), was issued on 27 October 1943. It was the final basic directive for OSS and was not thereafter revised. It contained several changes of considerable consequence. Unlike the earlier directives of the 155 series, the new directive incorporated specifically the designations and functions of the various branches along the lines previously appearing in General Order No. 9.

Further, it acknowledged the fact that psychological warfare was a meaningless term once propaganda activities had been removed from its definition, as had been done in JCS 155/7/D following the President's Order of 9 March. It changed the term "Psychological Warfare Operations" to "Strategic Services Operations". This was a distinct step forward, since it acknowledged that OSS had progressed, both in theory and practice, to the point where "strategic services" had a new and independent meaning. As defined briefly in JCS 155/11/D, the term "strategic services" included "all measures (except those pertaining to the Federal program of radio, press, publication and related foreign propaganda activity involving the dissemination of information) taken to enforce our will upon the enemy by means other than military action, as may be applied in support of actual or planned military operations or in furtherance of the war effort."

The directive specifically approved the maintenance of bases by SI in Latin America to serve as ports of exit and entry for personnel, materiel and information going to and from Europe and the Far East; it stipulated that OSS was to have the right to use MIS and ONI facilities for transmitting reports from Latin America to the United States; it more specifically provided for counter-espionage operations; it explicitly freed R&A from any geographic restrictions; it granted specific authority for MO operations; it broadened the authority of R&D; and it conferred on OSS special powers to set up and operate its own communications system.

The directive did not affect the basic organizational pattern of the agency and it was not necessary, in view of the fact that the directive itself followed the lines of General Order No. 9, immediately to revise the Order.

Thus, after some twenty-seven months as COI and OSS, the agency had definitive authorization and sufficient scope to develop maximum efficiency. By that time it was accepted as a valid and valuable auxiliary to military operations.

A glance at the organization accepted and recognized in October 1943 graphically demonstrates how short-sighted it would have been to subject the original branches in 1941 or 1942 to the stifling effect of precise definition; certainly no conception of some OSS activities at that time would have envisioned the extent of their development in the brief period of a year or two. Moreover, such a restricting definition would unquestionably have retarded their development even more than the struggles which accompanied their battle for existence. The "morale and physical subversion" to which Donovan had alluded in his conferences with the Cabinet

* See Director's File 12,570, OSS Archives.

committee in the summer of 1941,* and which had found its first expression under COI as the SA/G Branch, was in 1943 the SO Branch, engaged in sabotage and support of resistance; the OG Branch, which placed harassing bands of highly-trained, bilingual guerrillas behind the lines; the MO Branch, which engaged in world-wide dissemination of "black" propaganda and other forms of morale subversion; and the MU Branch which engaged in maritime infiltration, development of maritime devices and maritime sabotage operations. The Secret Intelligence functions which were begun as SA/B in late 1941 had developed into the extensive espionage network of SI, and the major branch of X-2 which handled the various aspects of counter-espionage. These are but two of the examples which could be multiplied many times by a closer examination of the development of various smaller sections and various independent branches. The activity which they represented had rendered service of acknowledged value; the greatest value was yet to come.

With the issuance of JCS 155/11/D, OSS/Washington had achieved its major purpose. The organization which it had established was not only functioning but authorized to function. The justification for the long struggle would rest with those whom it sent to the field.

27 October 1943 - 27 September 1944

By October 1943, the Allies had established a foothold in southern Italy. In the succeeding year the European war reached its climax with the invasion of France.

The task of OSS/Washington was one of supporting the widespread field organizations which it had dispatched. All branches were called upon constantly for both agent and staff recruits for the field. As the actual invasion of France drew closer, large-scale projects, such as *Jedburgh, Sussex* and *Proust,* necessitated intense recruiting drives. OSS/Washington, in addition to training large numbers of recruits, had to arrange appropriate clearances for their dispatch to the field in time to be of service.

The obligation of OSS to support resistance groups created equally intense demands for materiel and supplies. It was necessary to surmount many difficulties in arranging for shipment, in view of the fact that available shipping space was already taxed to the utmost with regular military demands.

To meet these demands required not only that OSS be accepted in Washington, for this had in large part been accomplished with the issuance of JCS 155/11/D, but also that the agency be accepted in the various theaters in which it operated. To this end, Donovan made frequent trips to the field in 1943 and 1944. On such trips he buttressed the field organizations in their efforts to achieve appropriate status. In addition, he acquainted Washington with the peculiar needs of the various bases which grew out of the differing situations in the theaters and the nature of their respective strategic and tactical objectives.

Further, he was able, by such frequent trips to the field, to facilitate the proper development of another OSS function—the formulation of the doctrine of psychological warfare and the various aspects of strategic services operations. This doctrine, as laid down in the basic manuals and the over-all programs of the Planning Group in Washington, could not remain static. The specific programs, which were necessary to the implementation of basic plans, were necessarily affected by the limitations which local operating situations placed upon their execution. By acquainting Washington with developments in the various theaters, based upon his personal observation and intimate knowledge of all phases of OSS operations, and by acquainting the field with Washington developments, Donovan was able to bring about the necessary consonance between over-all planning and implementational planning.

* See Exhibit W-18.

There were numerous problems of adjustment within OSS which accompanied the development of its various field activities. Most of these problems were either local or transitory in their significance. One problem, however, which was common to practically all theaters, and which reappeared throughout the existence of OSS, was the degree to which the various field bases and field detachments should reflect the pattern of OSS branch organization, and the degree of control which could be exercised by the respective branches in Washington over their personnel in the field.

OSS was designed to provide strategic services. The services which it could render and the form which they took, however, were conditioned by the needs of the respective local authorities in the field. In the European theaters, strategic services were most significant in the preparation of territory for large-scale amphibious operations. In the Far East, they were most useful in the development of guerrilla and subversive tactics directed against the enemy's lines of communication, where OSS units served to take the place of regular military components. The form of OSS activities was further conditioned by relations with parallel services of Allied governments. The position of OSS in the various theaters was, at first glance, ambiguous: The agency was designed to serve the local command, but at the same time, it was responsible to the higher authority of the JCS. The value of the unorthodox services rendered by OSS depended upon its strategic position with ultimate jurisdiction at the highest echelon and its freedom from the possibility of operating bias which would have attended its attachment exclusively to any one command or any one branch of service. The state of organization of OSS in the various theaters had, in some instances, to be modified from the Washington branch pattern. It was only as the various theater commands, and on occasion, the representatives of OSS itself, became educated to the value of the activities represented by the new branches which were formed in Washington, that those branches could perform their most effective service in the field.

It was not unusual for local commanders to fear the possibility of divided allegiance on the part of an organization which owed responsibility directly to Washington. The resolution of this problem was only possible as experience demonstrated the value of the organization and the fact that a strategic basis was necessary for its activities.

Another problem, which was related to the question of branch-type organization in field bases, was the degree of control which could be exercised by the Washington branches over the personnel they sent to the field. Personnel in the field were frequently assigned to tasks which transcended branch lines or were of purely local priority. The branches in Washington, for the most part dealing with more long-range and strategic subjects, were desirous that priority be placed upon their needs by branch personnel in the field. For example, R&A might wish some of its personnel in a given area to search out facts or material necessary to a long-range strategic survey in progress in Washington. In the field, on the other hand, the demands of immediate operations might require that the R&A personnel devote themselves to the preparation of intelligence for pinpoint selection, briefing, etc. Also, an R&D man in the field might be under constant pressure from Washington to send back information of value to the progress of research and development in the United States, when the immediate demands of the theater required his attention to the demonstration of weapons and devices already produced or to the production of documents or physical accessories necessary for immediate agent operations. While complaints on the part of the Washington branches in this connection were not infrequent, it was the field which in general had the priority. The decision as to the assignments of personnel in a given area was the

responsibility of the respective strategic services officers. They stood in the same relation to local commands as did Donovan to the JCS in Washington.

External relations in the various theaters created numerous problems, many of which evolved from the local situation and from the nature of a particular theater establishment. There was, however, one difficulty which was common to most theaters. This difficulty revolved around the firm premise which Donovan had enunciated from the beginning, namely, that the secret intelligence organization of OSS should be free and independent. The reasons for this independence had often been stated. In fact, as Donovan noted in his memorandum of 17 September 1943 to Major General W. B. Smith (Exhibit W-18), the committee of Cabinet members, which met in Washington in the summer of 1941, had stressed the point of independence in secret intelligence. After conferring with Donovan, that committee had stated that the requirements for a long-range strategic intelligence service with subversive attributes made it mandatory:

> . . . that the intelligence services of one nation should be kept independent from that of any other nation, each with its own agents, communications, and transportation — for the following reasons:
>
> a. *Security.* The disclosure of one will not necessarily involve damage to another.
>
> b. *Verification.* If networks are truly separate, it is improbable that information, simultaneously received from the two chains, springs from a single source.
>
> c. *Control.* The effectiveness of intelligence work is dependent upon permanence — at least in so far as it is not subject to the power of another to terminate it. The danger that its operation may be terminated by the act of another means subordination.

The independence of SI was subject to question in widely separated areas. With regard to the British, the question was raised in London at an early date. In NATO it was necessary to negctiate constantly during 1943 to secure transportation and documents which would allow SI to operate in France and Italy from the Algiers base without being dependent upon the British. In NATO, also, it was necessary to preserve independence with regard to the French intelligence services in connection with operations into France. In Cairo, while METO was a theater under British command, the independence of intelligence operations—particularly those directed toward the Balkans—came into constant question.

The problem was no less acute in the Far East, particularly in China, where the intelligence services of General Tai Li sought to control all intelligence work. The theater sections of this Report set forth the details of these conflicts. From the standpoint of OSS/Washington, however, the issue was not one of localized significance. As exemplified by the *Sussex* and *Proust* operations, SI stood ready to collaborate in specific projects with any of the Allies. OSS, however, in accordance with its mandate to develop an American secret intelligence service, refused to allow domination of that service which might impair its effectiveness in the future. Perhaps more than in any other phase of its activities, it was necessary that OSS be conscious of the potential peacetime significance of its effort to develop the first American espionage and counter-espionage organization.

By 1944, OSS was in a position, both in the field and in Washington, to render varied and effective services.

In neutral countries, as well as in the European and Far East theaters, world-wide espionage and counter-espionage systems had been established. R&A, centered in Washington but constantly expanding in the field to service both the Branch and local commands, constituted an effective service for the collation and analysis of intelligence.

The operations branches supported military operations by unorthodox warfare and organized and supplied resistance and guerrilla groups—from the Maquis in France to the Kachins in Burma.

In the European theaters, one of the most significant developments was the perfection

of the "softening up" of target areas prior to amphibious invasion. In the Far East theaters, which had secondary priority, differences of terrain, race and culture required that OSS develop in a somewhat different fashion. The emphasis was upon guerrilla activities, with intelligence generally tactical in use and of secondary importance. / By 1944, Detachment 101 had demonstrated that the unorthodox methods of OSS could, in the situation in which 101 operated, take the place of sizable regular units.

ANVIL, the last large-scale amphibious invasion of the war in Europe, provided the highest development of the "softening up" process and the support of military operations of this nature on the part of OSS. The infiltration of secret intelligence agents by parachute or rubber boat, which had begun from Algiers in early 1943, had developed a sizable clandestine radio network within a year. OSS/Spain had organized French agent chains which reported by courier and provided a steady and voluminous flow of secret information. OSS/Algiers was taken into the planning of the actual operation at an early stage, and assigned a special detachment to work with the planners of *ANVIL.* The military planners were thus able to secure replies to intelligence questionnaires on items of specific and immediate interest to invasion plans. The SO build-up in southern France was directed from London and coordinated with SO and SOE in Algiers. Shortly before the invasion, OG's were parachuted to disrupt enemy communications, harass troop movements, etc. The secret intelligence facilities provided for *ANVIL* marked an advance over those which had been provided for *TORCH.* At that time, AFHQ at Gibraltar had been placed in possession of secret radio intelligence from the three widely separated areas toward which troops were destined. In the case of *ANVIL,* OSS Communications at Algiers had, for some time before the invasion, established mechanical transmitters which sent a continuous stream of dummy messages for some time prior to the actual invasion. When the invasion armada got under way, real messages were inserted into the stream of dummy messages and, in all, some 90 messages of fresh secret intelligence were received on the command ship while the fleet was moving to the invasion area and during the initial stages of the landings. Such intelligence included the answers to last-minute questions about enemy dispositions, movements and installations in the target area.

The rapid advance of Allied armies in Europe in the summer and fall of 1944 made it seem that the end of the European conflict was in sight, and the center of military interest began to shift to the Pacific. The requirements of resistance groups in Europe for materiel and supplies decreased sharply and a great deal of materiel, previously earmarked by OSS for European resistance, was reassigned to supply increased requirements in the Far East. There was also a decrease in numbers of personnel being dispatched to the European theaters and a shift of personnel movement to the Orient. At the same time, OSS plans for Europe began to be concerned principally with post-hostilities activities.

On 18 September 1944 the President instructed the Director of the Bureau of the Budget to study the problem of reconversion of government agencies to a peacetime basis and to submit recommendations for (1) the liquidation of war agencies and the reassignment of such permanent or continuing functions as they possessed, (2) the reduction of government personnel to a peacetime basis, and (3) the simplification and adaptation of administrative structures to peacetime requirements. This was to be done primarily in regard to adjustments needed following the conclusion of hostilities in Europe.

On 23 September 1944, the Bureau of the Budget transmitted to Donovan a copy of the President's 18 September letter, and asked information as to the possibility of reduction or change in the activities of OSS

which might be consequent upon the rapid development of the European war. The Bureau further requested that Donovan appoint a representative to deal with this matter.

On 27 September 1944, Donovan appointed the Deputy Director, Services, to work out liquidation arrangements for OSS with the Budget representatives.

27 September 1944 - 15 August 1945

The progress of Allied armies in Europe during the fall of 1944 resulted in a decrease of resistance group requirements for materiel and supply, and there was a sharp drop in shipments. In addition to changes in supply requirements, as the emphasis began to shift to the Far East, there was also a decrease in the numbers of personnel required for the European war. While the actual termination of hostilities in Europe was not to occur for some six months, the defeat of Germany was clearly in prospect.

Donovan had never lost sight of the fact that, while OSS was in one sense a wartime expedient, it was also an experiment of vital significance to determination of the question of a peacetime intelligence structure for the United States. His own thinking on the matter, which led to the establishment of COI in 1941, had been buttressed by some three years' actual experience which the organization had accumulated by the fall of 1944.

On 31 October 1944, President Roosevelt asked Donovan to submit his views on the organization of an intelligence service for the post-war period. Donovan replied in a memorandum of 18 November, with which he submitted a proposal for a central intelligence service (Exhibit W-43). In his memorandum, Donovan proposed the liquidation of OSS once the wartime necessity for the organization had ceased. However, he was anxious to preserve its intelligence functions in some form for permanent peacetime use. In essence, this involved returning to the original COI concept of a central authority, reporting directly to the President, which could collect and analyze the mass of intelligence material required for the planning and implementation of national policy and strategy. In his memorandum, Donovan stated:

> In the early days of the war, when the demands upon intelligence services were mainly in and for military operations, the OSS was placed under the direction of the JCS.
>
> Once our enemies are defeated the demand will be equally pressing for information that will aid us in solving the problems of peace.
>
> This will require two things:
>
> 1. That intelligence control be returned to the supervision of the President.
>
> 2. The establishment of a central authority reporting directly to you, with responsibility to frame intelligence objectives and to collect and coordinate the intelligence material required by the Executive Branch in planning and carrying out national policy and strategy.
>
> I attach in the form of a draft directive (Tab A) the means by which I think this could be realized without difficulty or loss of time. You will note that coordination and centralization are placed at the policy level but operational intelligence (that pertaining primarily to Department action) remains within the existing agencies concerned. The creation of a central authority thus would not conflict with or limit necessary intelligence functions within the Army, Navy, Department of State and other agencies.
>
> In accordance with your wish, this is set up as a permanent long-range plan. But you may want to consider whether this (or part of it) should be done now, by executive or legislative action. There are common-sense reasons why you may desire to lay the keel of the ship at once.
>
> The immediate revision and coordination of our present intelligence system would effect substantial economies and aid in the more efficient and speedy termination of the war.
>
> Information important to the national defense, being gathered now by certain Departments and agencies, is not being used to full advantage in the war. Coordination at the strategy level would prevent waste, and avoid the present confusion that leads to waste and unnecessary duplication.
>
> Though in the midst of war, we are also in a period of transition which, before we are aware, will take us into the tumult of rehabilitation. An adequate and orderly intelligence system will contribute to informed decisions.

We have now in the Government the trained and specialized personnel needed for the task. This talent should not be dispersed.

However, immediate action was not taken. The Ardennes offensive in December proved that the European war would take longer than had been anticipated in the fall and that defeat of the German armies in France would not insure an internal collapse in Germany.

December 1944 marked the maximum expansion of OSS. The agency employed some 13,000 personnel, approximately 5,500 of which were in the United States and the remainder overseas. Personnel and supply requirements of OSS in the European theaters had been sufficiently built up and, with the exception of supplying personnel qualified to work on Germany itself and preparing for the post-hostilities phase, the organization could devote the major part of its operations in 1945 to problems in the Far East.

By the middle of 1944, OSS had seven principal bases in the Far East—at Chungking and Kunming in China; and at Kandy, New Delhi, Calcutta and Nazira in India. After October 1944, when the CBI Theater was split into the India-Burma Theater and the China Theater, OSS reorganized its detachments. The new China Theater Commander made OSS responsible for all clandestine activities (except Chinese) in China. The organization in China, following some two years of effort, thus achieved the basis for effective operation: integrated forces and independent control.

In the Pacific Ocean theaters, OSS as a whole was never active. Admiral Nimitz originally rejected a plan for psychological warfare in the Pacific Theater.* Similarly, OSS was never fully active in the Southwest Pacific Theater. In the spring of 1945, General MacArthur approved the dispatch of personnel and equipment for JAVAMAN, a secret weapon developed by the Special Projects Branch. However, the Japanese war ended before the mission reached the field.

* Embodied in JCS 403, 2 August 1943.

The most spectacular OSS activity in the Far East was Detachment 101, the nucleus of which had arrived in India in the early summer of 1942. This Detachment carried on effective guerrilla and intelligence operations in Burma. In this respect, its work was only paralleled by the activity of OSS/China in the last months of the war. In Burma, OSS became the principal and ultimately, the only U. S. ground force in combat; in China, OSS guerrilla activity was important not only in support of the Chinese armies in the field but also in developing offensive action by them.*

The work of OSS in collaborating with the Siamese was a unique example of the possibilities of a secret organization. In this instance, the Siamese Government, officially under Japanese domination, became in effect a resistance group working for OSS. Such an operation could not have been carried out by an agency having official status. Through the Siamese, OSS effected indirect penetration of Japan proper.

By 1945, OSS had at last established itself in the Far East. The process had been a slow one, due not only to complicating factors of race, culture and geography, as well as political considerations, but to the fact that Allied war priorities were on Europe. The work of OSS in the Far East developed differently from that in Europe. Paramilitary operations were paramount; secret intelligence operations were often combined with other types of operation; and, in general, there was less branch-consciousness than in Europe. However, the principle of strategic services proved itself. By VJ-Day OSS had received a degree of support in the Far Eastern theaters on the Asiatic Continent which was an effective indication of the extent of its contribution.

15 August 1945 - 1 October 1945

The mechanics of liquidating an organization such as OSS, which operated on a world-

* Both Detachment 101 and OSS/China received Presidential Unit Citations.

wide basis, were complicated. There were demands from almost all theaters and by various State Department missions that certain of the agency's functions be continued. However, responsible officials were not agreed upon the form of organization which should be set up in peacetime. It was imperative in Donovan's view, as it was in the view of many others, that the intelligence functions of OSS should be preserved in such form as to be projected into peacetime as a service to the interests of national policy and security.

On 25 August 1945, Donovan informed the Director of the Bureau of the Budget (Exhibit W-44) that OSS was, in effect, working under a liquidation budget. He stated that, within the restrictions of that budget, OSS was in the process of terminating many operational activities and reducing the remaining parts to a size consistent with obligations then current in the Far East, in occupied Germany and Austria and in the maintenance of missions in the Middle East and on the Asiatic and European continents. He further stated that OSS had established a liquidating committee to provide for the gradual elimination of OSS services in line with the orderly reduction of personnel. He estimated that the effectiveness of OSS as a war agency would end as of 1 January, or at the latest 1 February 1946, at which time he anticipated that liquidation would be completed.

In this letter, however, Donovan urged the necessity of a centralized peacetime intelligence structure. He stated that, upon the completion of liquidation,

> . . . I wish to return to private life. Therefore, in considering the disposition to be made of the assets created by OSS, I speak as a private citizen concerned with the future of his country.
>
> In our Government today there is no permanent agency to take over the functions which OSS will have then ceased to perform. These functions while carried on as incident to the war are in reality essential in the effective discharge by this nation of its responsibilities in the organization and maintenance of the peace.
>
> Since last November, I have pointed out the immediate necessity of setting up such an agency to take over the valuable assets created by OSS. Among these assets was the establishment for the first time in our nation's history of a foreign secret intelligence service which reported information as seen through American eyes. As an integral and inseparable part of this service there is a group of specialists to analyze and evaluate the material for presentation to those who determine national policy.
>
> It is not easy to set up a modern intelligence system. It is more difficult to do so in time of peace than in time of war.
>
> It is important therefore that it be done before the War Agency has disappeared so that profit may be made of its experience and "know how" in deciding how the new agency may best be conducted.
>
> I have already submitted a plan for the establishment of a centralized system. However, the discussion of that proposal indicated the need of an agreement upon certain fundamental principles before a detailed plan is formulated. If those concerned could agree upon the principles within which such a system should be established, acceptance of a common plan would be more easily achieved.

To the above letter, Donovan attached a statement of principles which should govern the establishment of a centralized foreign intelligence system, based upon the experience of OSS and a first-hand study of the intelligence system of other nations. The statement of principles began with the assertion that the formulation of national policy is "influenced and determined by knowledge (or ignorance) of the aims, capabilities, intentions and policies of other nations." It continued that all major powers except the United States had maintained permanent world-wide intelligence services long prior to World War II and that the United States, prior to the war, had no foreign secret intelligence service. Further, the United States never had and did not then have a coordinated intelligence system. The statement noted that the difficulties and dangers of the situation were generally recognized.

The first of the principles stated that each department of the Government should have its own intelligence bureau for collecting and

purchasing the informational material necessary to its functions. However, since secret intelligence covered all fields and, because of the possible embarrassment of duplication and resultant confusion, no department should be permitted to engage in that field but should call upon the central agency for such service in appropriate cases.

As its second major point, the statement set forth the fact that there should be established a national central foreign intelligence agency which should have authority:

A. To serve all Departments of the Government.

B. To procure and obtain political, economic, psychological, sociological, military and other information which may bear upon the national interest and which has been collected by the different Governmental Departments or agencies.

C. To collect when necessary supplemental information either at its own instance or at the request of any Governmental Department by open or secret means from other and various sources.

D. To integrate, analyze, process and disseminate, to authorized Governmental agencies and officials, intelligence in the form of strategic interpretive studies.

The third principle was that the central agency should be prohibited from carrying on clandestine activities within the United States and should be forbidden to exercise any police functions arising either within the country or in foreign areas.

The fourth principle stated that, since the nature of its functions required official status, the agency should be independent of any department of the Government, "since it is obliged to serve all and must be free of the natural bias of an operating department." Therefore, it should be under a deputy appointed by the President and should be administered under Presidential direction. The statement of principles further set forth the need of a board, on which the Secretaries of State, War, Navy and Treasury should be represented, which would determine policy for the intelligence agency.

As the sole organization having secret intelligence functions, it should be authorized, "in the foreign field only, to carry on services such as espionage, counter-espionage and those special operations (including morale and psychological) designed to anticipate and counter any attempted penetration and subversion" of national security by foreign powers.

Succeeding principles provided that the central agency should have an independent budget directly granted by Congress, and that it should be authorized to have its own system of codes and should be furnished by other departments of the Government with such facilities as were proper and necessary for the performance of its duties. In addition, the central service should include among its personnel staff specialists, professionally trained in the analysis of information and possessing linguistic, regional or functional competence, in order to coordinate, analyze and evaluate information, to make special intelligence reports and to provide guidance for collecting branches of the agency.

In conclusion, the principles stated that, in time of war or unlimited national emergency, all programs of such an agency in areas of actual or projected military operations should be coordinated with military plans and should be subject to the approval of the JCS or, in the event of consolidation of the armed services, the supreme commander.

The future of intelligence in the United States was subject to intensive consideration at many levels in the late summer and fall of 1945. The weakness of the United States in this respect prior to World War II was generally admitted and it was obvious that the United States and its leaders could not permit a repetition of the pre-war situation. The letter to the Director of the Bureau of the Budget and the principles which it enclosed were widely circulated to key officials in Washington, including the President. With the agency in process of liquidation, there was once again a recognition of the value of various of its components. That

the functions which were assembled in OSS, diverse though they appeared superficially, actually were related and could achieve their maximum effectiveness only in combination, however, was not generally accepted. In transmitting to Judge Samuel Rosenman* a copy of the letter to the Budget and the attached principles, Donovan stated:

> I understand that there has been talk of attempting to allocate different segments of the organization to different departments. This would be an absurd and unsatisfactory thing to do. The organization was set up as an entity, every function supporting and supplementing the other.
>
> It's time for us to grow up, Sam, and realize that the new responsibilities we have assumed require an adequate intelligence system.
>
> Increasingly, the President will see the need and I hope a new agency will be set up to take over a very useful legacy.

There had been at least two crises in which the continued existence of COI/OSS came into serious question. The first, in the spring of 1942, resulted in loss of the function of open propaganda. At the same time, however, the agency was placed under the jurisdiction of the JCS, which was the only status permitting it to achieve its maximum wartime effectiveness. The second arose in the fall of 1942, when there was a definite move to strip the agency of some of its most valuable components and weaken the remainder to the extent that it could not possibly have fulfilled its original concept. In the late summer of 1945 the continued existence of the agency was not at issue. Donovan himself had recommended its liquidation almost a year before. It was not for the continuance of the agency that he was concerned, but rather the preservation of intelligence assets which had a manifest significance for the future.

The impending liquidation of OSS created grave problems in the field. Activities were being carried on in the immediate post-hostilities period, both in Europe and the Far East, as well as elsewhere, which were valuable and necessary. But the Government had not established the machinery to take over these essential functions in a gradual and orderly manner. It seemed probable that it would be necessary to drop the ends of activities which might be valuable in the future and, should a new organization later be established, attempt to find them, pick them up and piece them together. It was against the potential loss of these assets, to say nothing of the dispersion of personnel experienced in a field in which qualified people were rare, that Donovan sought to guard.

By the fall of 1945, COI/OSS had operated as a secret organization for some four years and three months. The fact of its existence had been known, but few were aware of the nature and the extent of its activities. In the late summer and early fall of 1945, the agency was de-briefing and releasing large numbers of personnel. Stories began to appear in periodicals and in the press regarding OSS.

This raised a serious problem of security. There were certain activities of OSS which could be made known following the end of hostilities. However, there were others which the possibility of a continued peacetime organization made subject to security restrictions.

It was apparent that some publicity was inevitable following the war. If it were uncontrolled, however, existing and future activities might be jeopardized. Donovan therefore decided to reveal the general nature of OSS activities and make known certain of its accomplishments. In addition, he established within OSS machinery for the formal review and clearance of stories prior to publication.

The public thus learned of the way in which OSS had assisted the preparation of target areas for large-scale military invasions in Europe, such as *TORCH* and *ANVIL*,

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* Special counsel to the President. It will be remembered that Judge Rosenman was influential in the reorganization of government information agencies in the summer of 1942. See page 55 in Section I above.

and of the intelligence, SO and resistance work performed for *OVERLORD*. It learned of the supply and assistance to resistance groups in Italy. It learned of the exploits of Detachment 101 in Burma. The fact that the Government of Siam was, in effect, a resistance group working in collaboration with OSS was revealed. The part that OSS/Bern played in Operation SUNRISE, involving the surrender of some 2,000,000 German troops in North Italy, was also made known.

Less newsworthy, perhaps, but nonetheless important, was the development of the organization which made these exploits possible as well as making possible other activities the existence of which could not be mentioned publicly: The establishment of the first world-wide United States espionage and counter-espionage systems; the complex nature of the research and analysis function and the influence which it had exercised upon the whole field of American intelligence; the development of the arts of "black" propaganda and morale subversion; and the theory and practice of physical subversion which had evolved into SO and OG.

More important, the public did not realize, and it is quite possible that some of the initiated did not comprehend fully, the significance and potential value to America of developing the doctrine of unorthodox warfare; in providing a foundation for the American practice of espionage and counter-espionage which could be projected into the future; in providing a basis of experience for the various aspects of morale and physical subversion which could be used in the future should a war crisis arise; and in promulgating the principle of a central intelligence agency.

On 20 September 1945, Executive Order No. 9620 (Exhibit W-45) terminated OSS as of 1 October. R&A, Presentation and FN were transferred to the Department of State; the remainder of the agency was transferred to the Department of War.

In a letter of 20 September 1945 (Exhibit W-46), informing Donovan of the issuance of the Executive Order, President Truman stated, in part:

> I want to take this occasion to thank you for the capable leadership you have brought to a vital wartime activity in your capacity as Director of Strategic Services. You may well find satisfaction in the achievements of the Office and take pride in your own contribution to them. These are in themselves large rewards. Great additional reward for your efforts should lie in the knowledge that the peacetime intelligence services of the Government are being erected on the foundation of the facilities and resources mobilized through the Office of Strategic Services during the war.

B. BRANCHES

In the summer of 1942, the new position of OSS under JCS made it apparent that the agency would be subject to considerable expansion. It was obvious that the establishment of military theaters of operation overseas would require OSS, as an auxiliary of the armed forces, to establish large bases for intelligence, guerrilla and special operations. Similarly, R&A would find some of its most valuable source material, and be able to render important service, in those theaters. This meant not only a more formal administrative and executive organization, but the development of many technical and servicing branches to support the major activities of the agency.

In the first few months, this development was delayed by the difficulties of the OSS position under the JPWC and the controversies which attended the definition of its functions as an adjunct of the JCS. In October, however, General Marshall's directive to the JPWC to consider and report upon the question of militarizing OSS (JPWC 37/2/D, 12 October 1942, Exhibit W-26), made it necessary for the agency to reorganize in anticipation of JPWC action. Consequently, while action on the directive was under consideration in the JPWC, OSS underwent a reorganization on 17 October (see chart, page 122).

This reorganization, though effective for only two months due to the issuance on 23 December of JCS 155/4/D, was significant in its tendency to pattern the form of organization along military lines. It placed under the Director certain technical units to support the operating branches, grouped the services branches under a deputy director (rather than the Executive Officer, as was the case in COI*), and placed under one deputy director two intelligence branches, R&A and FN.

Significant also was the fact that SI and SO were placed under one deputy director. This indicated that the original conception of combining these two activities, which had been abandoned temporarily in order to meet the political realities of dealing with British SIS and SOE, had not completely disappeared. Training was set up as a separate branch under the same deputy director to service both SI and SO.

The October reorganization was definitely a step forward in more formal integration of OSS functions. However, it was engulfed in the disputes leading to the JCS directive of 23 December (Exhibit W-33).

The reorganization of OSS directed by JCS 155/4/D was effected on 3 January 1943 by General Order No. 9 (Exhibit W-35), approved by the JCS on 15 January (see chart, page 123).

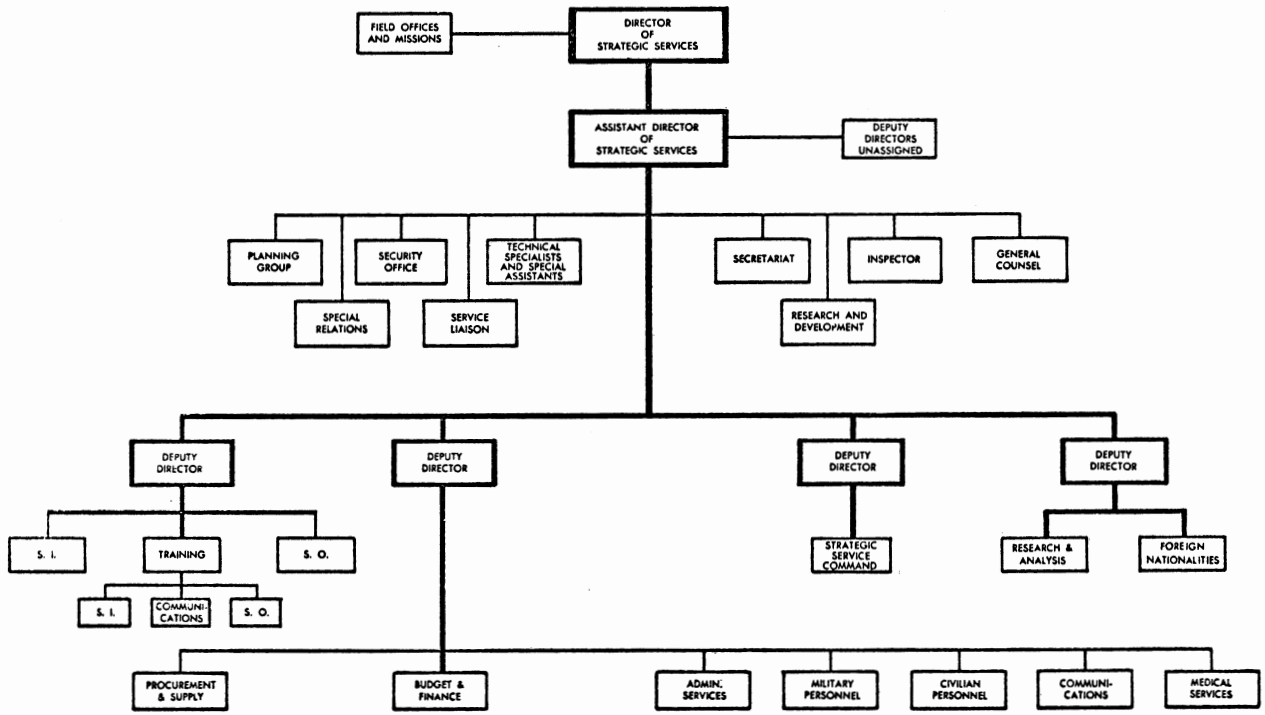
A deputy director was appointed for each of three principal groups of branches: The intelligence branches (SI, R&A and FN), the operations branches (SO and MO), and the services branches. Included among the latter were Communications, Special Funds and Civilian Personnel. Reporting directly to Donovan through the Assistant Director were certain executive and administrative branches.

The pattern of organization thus established was not changed fundamentally during the remainder of the existence of OSS. However, it was subject to certain minor alterations in the process of refinement. The establishment of new branches, generally accomplished by supplements to General Order No. 9, did not affect the type of organization. These included OG, MU, Special Projects and Field Experimental Unit among

* The post of Executive Officer was eliminated in the October reorganization.

OFFICE OF STRATEGIC SERVICES

ORGANIZATION CHART

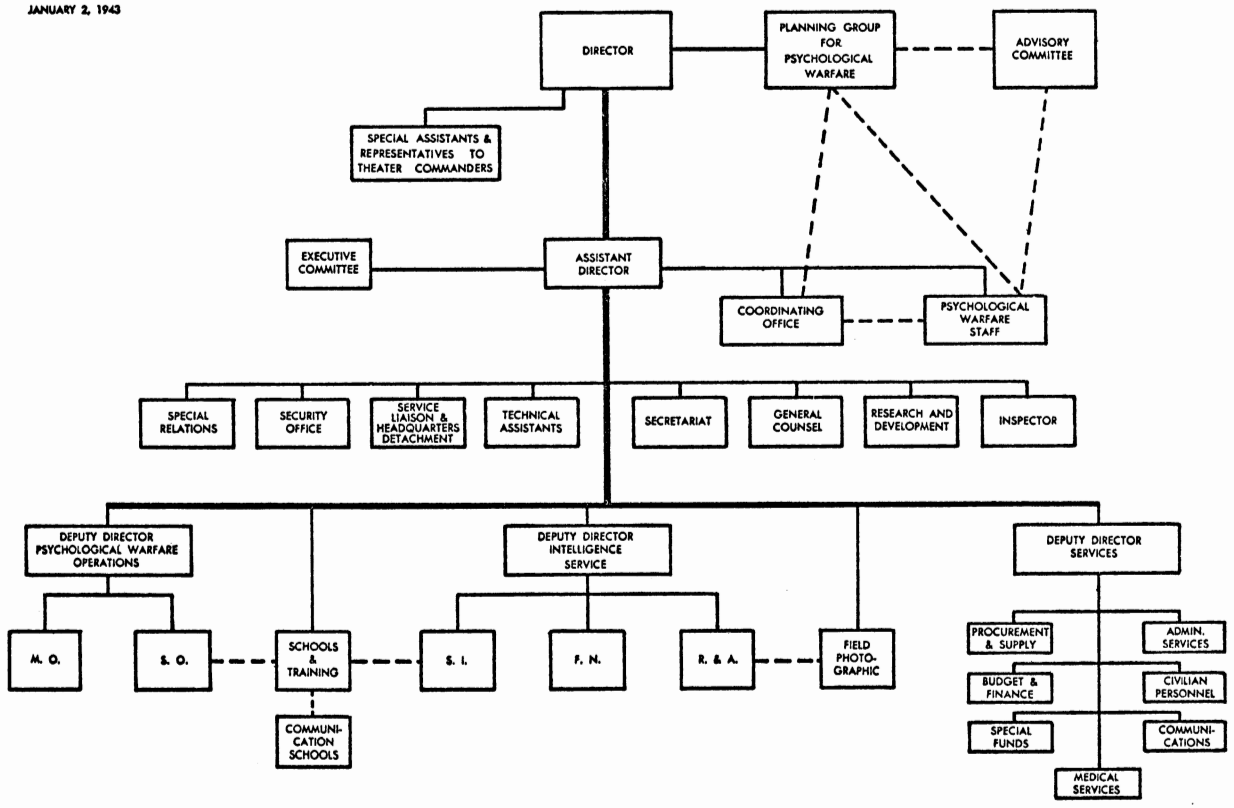


Top Secret

OFFICE OF STRATEGIC SERVICES

ORGANIZATION CHART

JANUARY 2, 1943



Top Secret

the operational branches, and X-2 and CD among the intelligence branches.

As experience accumulated, it was found that such operational servicing functions as Special Funds, Communications and Medical Services, were of more than routine significance in an organization such as OSS. They required independent status and channels of access to the operating branches which they served. Therefore, when General Order No. 9 was revised on 26 May 1944 (Exhibit W-41), these branches were given independent status among the branches reporting directly to Donovan (see chart, page 125).

An additional Deputy Director was appointed for Schools and Training, which had in January 1943 been established as a separate branch. S&T was thus placed in a position of parity with all branches which it served.

Pursuant to the May revision of General Order No. 9, personnel matters were handled by three branches: Headquarters and Headquarters Detachment and Naval Command were independent branches among the Central Administrative group to handle matters affecting personnel drawn from the armed services. Civilian Personnel, which handled Civil Service employees, remained a branch under the Deputy Director, Services. In the next, and final, revision of General Order No. 9 on 26 December 1944 (Exhibit W-42), there were two significant changes. The Operational Groups became the Operational Group Command and were removed from the purview of the Deputy Director, SSO, and there was established a Deputy Director, Personnel, who coordinated the work of all personnel branches. Consequently, Civilian Personnel was removed from the orbit of the Deputy Director, Services, and became one of the Central Administrative branches reporting to the Deputy Director, Personnel (see chart, page 126).

1. Central Administrative Units and Technical Branches

(a) CENTRAL ADMINISTRATION

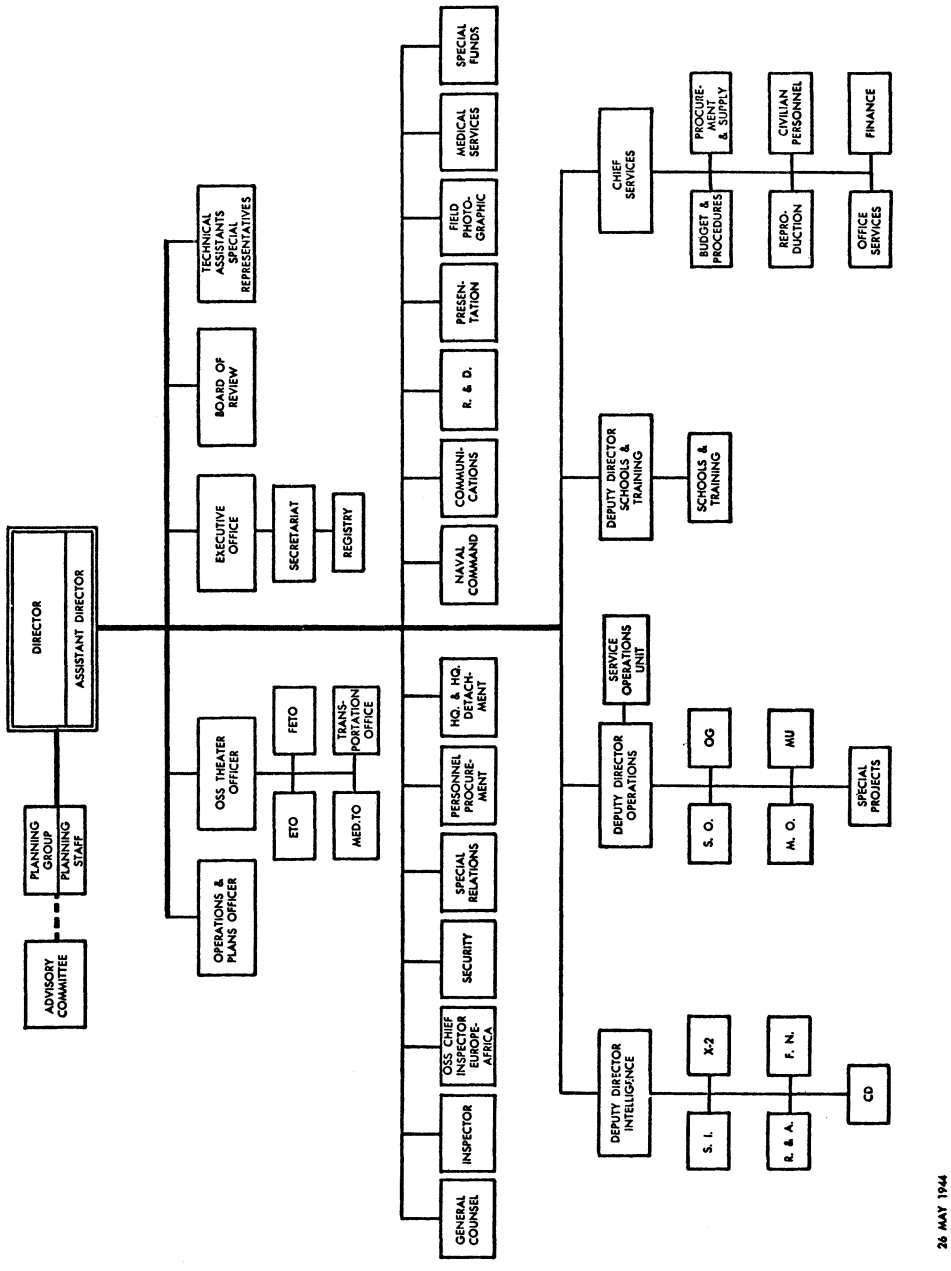
Director's Office. By January 1943, the fundamental work of organization of OSS had been completed. While Donovan still kept extensive direct control of both the policies and administration of OSS, the formative stage was over and the organization was established on such a basis that he could delegate more responsibility in regard to administration and operations. Various positions and units were created to screen the vast amount of material being produced in the agency before it reached Donovan, and to see that the details of established policies were properly carried out.

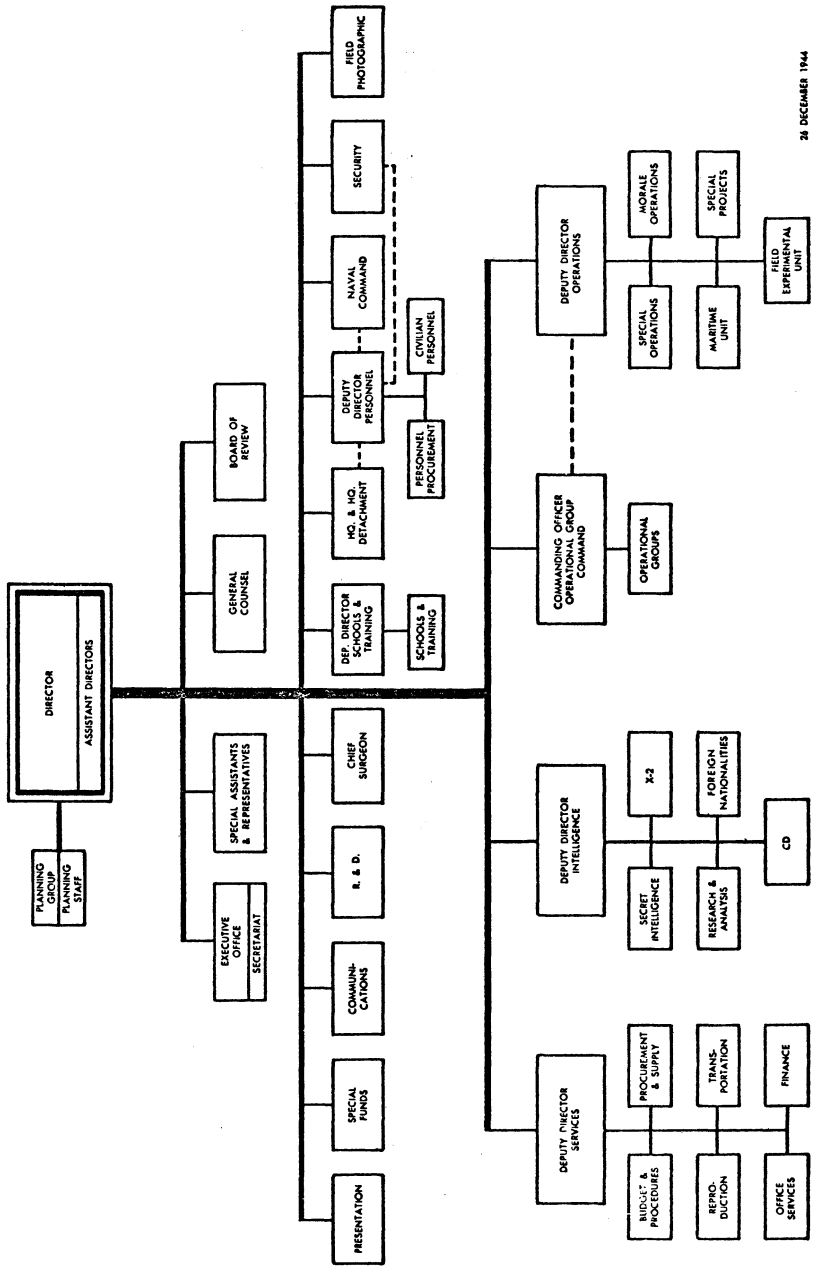
In 1943 and thereafter, the center of interest of OSS was in the field, and Donovan turned his attention to the establishment of field bases in appropriate positions vis-a-vis the respective military theaters. He made numerous trips to the various theaters and was largely instrumental in bringing Washington planning into consonance with operational needs in various areas.

Assistant Directors. The Assistant Coordinator under COI became Assistant Director when OSS was established, and continued to serve as Donovan's principal assistant. He was Acting Director during Donovan's frequent trips to OSS overseas installations. Much of the Assistant Director's time was devoted to relations with other government departments and agencies.

In July 1944, a second Assistant Director was appointed, his specific responsibilities including the supervision of OSS allotments of funds, personnel and supplies. A third Assistant Director was appointed on 1 July 1945.

Special Assistants and Representatives. Attached to the Director's Office were individuals selected by Donovan principally to serve for particular projects or in specific capacities. In some cases they were called


DIRECTOR
ASSISTANT DIRECTOR
ADVISORY COMMITTEE
PLANNING GROUP
PLANNING STAFF
OPERATIONS & PLANS OFFICER
OSS THEATER OFFICER
ETO
FETO
MED.TO
TRANS-PORTATION OFFICE
EXECUTIVE OFFICE
SECRETARIAT
REGISTRY
BOARD OF REVIEW
TECHNICAL ASSISTANTS SPECIAL REPRESENTATIVES
GENERAL COUNSEL
INSPECTOR
OSS CHIEF INSPECTOR EUROPE-AFRICA
SECURITY
SPECIAL RELATIONS
PERSONNEL PROCURE-MENT
HQ. & HQ. DETACH-MENT
NAVAL COMMAND
COMMUNI-CATIONS
R. & D.
PRESEN-TATION
FIELD PHOTO-GRAPHIC
MEDICAL SERVICES
SPECIAL FUNDS
DEPUTY DIRECTOR INTELLIGENCE
S. I.
X-2
R. & A.
F. N.
CD
DEPUTY DIRECTOR OPERATIONS
S. O.
OG
M. O.
MU
SPECIAL PROJECTS
SERVICE OPERATIONS UNIT
DEPUTY DIRECTOR SCHOOLS & TRAINING
SCHOOLS & TRAINING
CHIEF SERVICES
BUDGET & PROCEDURES
REPRO-DUCTION
OFFICE SERVICES
PROCURE-MENT & SUPPLY
CIVILIAN PERSONNEL
FINANCE
26 MAY 1944


DIRECTOR
ASSISTANT DIRECTORS
PLANNING GROUP
PLANNING STAFF
EXECUTIVE OFFICE
SECRETARIAT
SPECIAL ASSISTANTS & REPRESENTATIVES
GENERAL COUNSEL
BOARD OF REVIEW
PRESENTATION
SPECIAL FUNDS
COMMUNI-CATIONS
R. & D.
CHIEF SURGEON
DEP. DIRECTOR SCHOOLS & TRAINING
SCHOOLS & TRAINING
HQ. & HQ. DETACHMENT
DEPUTY DIRECTOR PERSONNEL
PERSONNEL PROCUREMENT
CIVILIAN PERSONNEL
NAVAL COMMAND
SECURITY
FIELD PHOTOGRAPHIC
DEPUTY DIRECTOR SERVICES
BUDGET & PROCEDURES
PROCUREMENT & SUPPLY
REPRO-DUCTION
TRANS-PORTATION
OFFICE SERVICES
FINANCE
DEPUTY DIRECTOR INTELLIGENCE
SECRET INTELLIGENCE
X-2
RESEARCH & ANALYSIS
FOREIGN NATIONALITIES
CD
COMMANDING OFFICER OPERATIONAL GROUP COMMAND
OPERATIONAL GROUPS
DEPUTY DIRECTOR OPERATIONS
SPECIAL OPERATIONS
MARITIME UNIT
MORALE OPERATIONS
SPECIAL PROJECTS
FIELD EXPERIMENTAL UNIT
26 DECEMBER 1944

upon to conduct negotiations on behalf of OSS with other branches of the Government, particularly the JCS and its various committees. In other instances they were appointed to coordinate activities within OSS which transcended branch lines, such as to centralize all arrangements made by OSS concerning the establishment of commercial cover for agents.

Executive Officer. The position of Executive Officer as it had existed in COI was abolished in October 1942, when the servicing functions previously under the Executive Office were placed under the Deputy Director, Services. In November 1943, however, an Executive Officer was appointed to serve as executive assistant to Donovan. Nominally, his functions were parallel to those of the executive officer in a military command. In practice, however, his duties were elastic and he was frequently given specific assignments for Donovan, both in the United States and overseas. The position became predominantly a staff function of aide and advisor to Donovan, due to the extensive "line" responsibilities vested in the Assistant Directors. The Executive Office supervised the Secretariat and, after December 1944, the Registry.

Secretariat. The Secretariat was created in 1942 as a channel for operational projects and plans submitted to Donovan from within the organization, until the establishment of the OSS Planning Group. Thereafter, the Secretariat served as a personal staff to Donovan in undertaking preliminary screening of material coming into his office. While the large measure of personal direction given to all phases of the agency's activities by Donovan entailed direct relations with officials at all echelons of the organization, the Secretariat served to keep him informed of the activities of the individual branches and at the same time to assure that individual branch chiefs were adequately informed of OSS developments generally, both in the United States and overseas.

All communications between OSS installations by pouch and cable were reviewed and cleared by the Secretariat on behalf of Donovan,* and periodic summaries were prepared for him. Also, monthly reports from all branches and offices in Washington and all missions abroad were received and summarized. In January 1944, the latter functions were concentrated in a *Reports Section,* which also prepared for Donovan certain drafts, memoranda and letters, principally for transmission to the President, the Secretaries of State, War and Navy, and the JCS. Other functions of the Secretariat included special negotiations and assignments for Donovan, responsibility for Registry and pouch control, Top Secret Control, and the maintenance of OSS casualty data.**

Registry. The Registry maintained the records and the files of the operating branches. It was divided into three principal sections for SI, X-2 and the operations branches (SO, OG, MO and MU).

Theater Officers. As the overseas bases expanded, difficulties arose in meeting theater demands. This was particularly true in early 1943, when representatives overseas sent requests for supplies, equipment or additional personnel directly to their respective Washington branches. Therefore, in the summer of 1943, Theater Officers were appointed for each of the major theaters in which OSS was operating, ETO, METO, NATO (later MedTO) and FETO.*** The Theater Officers acted as coordinators for requests from the theaters, following up on

* The Secretariat could stop individual messages inadequately coordinated with all relevant branches and offices or improper in form or content.

** Records and reports on casualties among OSS personnel and agents, particularly with respect to notification of next-of-kin, frequently entailed problems of security and policy which necessitated close supervision on a high echelon.

*** In addition, there was a North American Theater Officer (NAmTO) concerned with activities on the West Coast, and, for a short period, a Southwest Pacific Theater Officer.

cables and letters received from the field, informing the field bases and missions of developments in Washington, and advising Donovan, the Secretariat and the various OSS branches of specific progress and developments in the field. They also assisted in the preparation of detailed plans for the implementation of approved OSS projects.

In December 1944, in the course of a reorganization which resulted in the final revision of General Order No. 9, the Theater Offices were abolished and replaced by a *Field Section* in the Executive Office. Subsequently, twin units for Europe and the Far East, respectively, were created under officers re-designated Assistant Executive Officers.

General Counsel. The General Counsel was responsible for professional supervision of the myriad legal problems attendant upon OSS activities, particularly in respect to clandestine intelligence operations. He was charged with the preparation and review of all contracts, leases or legal obligations entered into by any branch or individual in OSS prior to by any branch or individual in OSS prior to commitment on behalf of the organization or the Government. In addition, legal advice and direction in matters of law relative to any phase of OSS operations were supplied by the General Counsel's Office upon request.

Problems of cover and security complicated the work of the General Counsel. His office frequently acted as legal advisor to OSS agent personnel while in training or in the field.*

The General Counsel gave constant attention to problems of the Special Funds Branch, advising and assisting in the determination of financial procedures with respect to unvouchered funds in order to insure proper and accurate accounting for expenditures. As the activities of Special Funds ramified, the General Counsel assigned a representative who devoted his entire time to Special Funds matters.

Cover corporations were established for a variety of purposes and functions, ranging from radio monitoring and trading and shipping agencies to publishing firms for overseas newspapers. The majority of such corporations were located in the New York area.*

The General Counsel coordinated all OSS liquidation procedures, both in the United States and overseas.** Contracts with individuals and corporations, leases and other legal commitments were terminated, and procedures were established for the settlement of claims for casualties, death benefits and losses. Items which had been requisitioned all over the world, from caiques in the Mediterranean to elephants in Asia, were returned to their owners.

All information procured by OSS relevant to war crimes, both against OSS agents and personnel and against other Americans and the Allies, was centralized in the General Counsel's Office. In the summer of 1945, a special *War Crimes Section* was established by the General Counsel. It was subsequently transferred to Justice Jackson's staff at Nuremberg.

*Inspector.**** The Office of the Inspector was created by General Order No. 9 of 3

* In the summer and fall of 1944, for example, the office represented an undercover agent, at that time active in a theater of war, in a divorce suit.

* While the use of the corporate form was successful in giving anonymity to specific activities, the use of corporations for more than a short term or for limited purposes had certain disadvantages. The extensive legal and paper work incident to corporate organization and reporting in some cases entailed more work in maintaining the cover than in carrying out the activities for which the corporation was established.

Corporations, even though established for cover purposes, were recognized as bona fide government companies, under a Treasury ruling issued at the time of the liquidation of OSS. Employees of such corporations received credit toward government service longevity.

** The General Counsel was represented on the staffs of the principal OSS theater headquarters.

*** Known after mid-1944 as the Office of the Inspector General.

January 1943. As the Inspector's functions developed, they were to inquire into and report upon all matters which affected the efficiency and economy of OSS operations in the continental United States and theaters of operation; to recognize and report meritorious conduct in the performance of duty and recommend ways and means to improve conditions; and to make such inspections, investigations and reports and to perform such other duties as might be prescribed by the Executive Officer or the Director.*

In May 1944 the Chief Inspector-Europe-Africa was appointed. He had the same responsibilities for ETO and MedTO as had the Inspector for Washington. He was principally based in Washington.

*Special Relations Office.*** Special Relations was the OSS unit which established liaison with agencies and departments of the Government and with embassies, legations and missions of foreign governments located in Washington. It was responsible only for the establishment of the initial contacts, whereafter working liaison was maintained by the respective branches.

The principal responsibility of Special Relations was the conduct of relations with the State Department in connection with agents and operatives under State cover in various overseas posts. This entailed many problems, not only in establishing the cover securely but in setting up the procedures necessary to maintain cover once the agent was in the field.

Arrangements for passports and visas were preliminary to the agent's dispatch. Such routine matters as arranging for innoculations, with due regard to the security factors involved, and myriad other details required discreet and specialized handling.

It was necessary to establish means of paying the agent through the State Department in the field in such fashion that he would appear to be a regular employee of the Department. To accomplish this, a revolving fund was established with the State Department from which disbursements could be made in accordance with instructions given through Special Relations.

Special Relations was also responsible for the proper handling by OSS of pouch privileges granted by State Department. Pouch communications, between agents in the field and their desks in Washington, were channeled through Special Relations, which had to certify the propriety of the content and check the physical dispatch of the material so that the agent's cover would not be violated.*

Special Relations established a *Transportation Office,* which was responsible for the shipment of OSS personnel and supplies overseas. Complex liaisons were necessary, particularly with the State Department and with the sea and air transport authorities of the Army and Navy, to cope with such varied OSS requirements as arranging for an agent to travel under cover to a neutral country, dispatching supplies for resistance groups or routing operations specialists or researchers to specific assignments in the theaters.

It was originally thought that the Transportation Office would be concerned principally with transporting agents to friendly or neutral territory. It therefore recruited a staff experienced in civilian travel agencies. The increasing concentration of OSS overseas activity in military theaters led to complications, however. It was found that the civilian experience of the staff was of little avail in adapting State, War and Navy procedures to OSS requirements.

The newness of OSS was, of course, basic to such difficulties. It was necessary to rely on the cooperation of military and State Department officials accustomed to rigid procedures and unfamiliar with the peculiar needs and problems of OSS which required

* General Order No. 9, Revised 26 December 1944 (Exhibit W-42).

** Until January 1943 designated the Liaison Office.

* Responsibility for supervision of pouch material was transferred to the Secretariat in early 1945.

flexibility. The unusual degree of security required in a secret organization necessitates elaborate safeguards in the most routine matters. The seemingly elaborate precautions necessary to protect secret operations cannot be explained; they must be accepted. Otherwise, the quality of secrecy is destroyed and the operation rendered valueless. This was not always understood by the officials with whom Transportation had to deal. On the other hand, understanding of the requirements of other agencies and departments was not always present on the part of OSS, as was indicated on occasion by unrealistic demands of the individual branches for involved transportation arrangements on short notice.

In December 1944, the Transportation Office was transferred to the jurisdiction of the Deputy Director, Services.* Although this served to systematize transportation clearances, it tended to reduce the measure of individual attention which was essential to the more intricate of OSS transportation problems.

Board of Review. The Board of Review was established in the spring of 1944. As set forth in General Order No. 9, Revised (Exhibit W-41), its functions were to "advise the Director with respect to the formulation of policies for, and the direction of, all OSS finances both in Washington and in the field." In addition, the Board was to "study, review and make recommendations with respect to: (1) All financial controls, records and accountings; (2) all proposed expenditures of unvouchered OSS funds requiring the approval of the Director or Assistant Director; (3) such other matters pertaining to OSS finances as the Director may approve." The Board was composed of three members, assisted by the General Counsel.

All financial matters requiring the attention or approval of Donovan were first examined by the Board, which gathered full details and factual data to support its recommendations to Donovan. Matters submitted to the Board included funds for new projects, missions or bases; agent, property or liability claims; and any expenditures not specifically authorized or provided for. Policy was established on rates of pay from excepted or unvouchered funds, as well as living and quarters allowances, both in the United States and overseas.

In 1944, Boards of Review were established at the various OSS theater headquarters in order to advise the Strategic Services Officers on matters of financial policy. In addition to their basic duties, these Boards frequently undertook claims investigations and other assignments as directed.

Expenditures of both vouchered and unvouchered funds came under the Board's jurisdiction, and the Board was responsible for the determination of whether vouchered or unvouchered funds should be used for specific projects or operations.

Operations and Plans Officer. The Operations and Plans Officer was appointed in April 1943. His principal functions were to keep the Planning Group informed of projected operations and to correlate the activities of the various branches with planning. He thus served in a staff relationship to Donovan as Operations Officer. The position was abolished when General Order No. 9 was revised on 26 December 1944.

(b) PLANNING GROUP

The OSS Planning Group was established pursuant to JCS 155/4/D of 23 December 1942 (Exhibit W-33). The Planning Group was set up in OSS to act as a JCS medium to insure that strategic services operations would be coordinated with military operations. It was therefore charged with responsibility for supervising and coordinating the planning and execution of the military program for psychological warfare. The Planning Group thus assumed the planning functions previously allocated to the

* For approximately one year between the fall of 1943 and 1944, Transportation was placed under the OSS Theater Officer.

JPWC, but never exercised by that body due to the fact that it was overwhelmed by the administrative problems of OSS.

The Planning Group consisted of one member appointed by the Secretary of State, two members appointed by the Chief of Staff, U. S. Army, two members appointed by the Commander-in-Chief, U. S. Fleet and Chief of Naval Operations, and four members, including the Chairman, appointed by the Director of the Office of Strategic Services. Members of the Planning Group were required to be available for full-time duty.

The December directive also provided for an Advisory Committee composed of representatives from BEW (later FEA), OWI, CIAA, Treasury Department, and such other government agencies as might from time to time be requested to serve. Members of the Advisory Committee could be called upon by the Chairman of the Planning Group either to sit with the Planning Group as individual members or to function as a separate committee to consider matters affecting the respective agencies represented on the Committee. The members of the Advisory Committee advised the Planning Group on the manner in which their respective agencies could assist the successful prosecution of psychological warfare.

The Planning Group filled a need which had existed when OSS was under the JPWC. It coordinated projects and programs of individual OSS units. In addition, it served as a body to further the formal development and definition of the doctrines basic to OSS operations and the functions and responsibilities allotted to the agency.

In the early stages of planning there was a tendency to formulate programs and plans in explicit detail. Consequently, certain of the first programs, such as those prepared for Sicily, Corsica and Sardinia, were completed too late to be effective. It soon became apparent, therefore, that the details of planning must be left to those officers in the field responsible for the execution of the plans. They alone were cognizant of last-minute changes in the local situation and requirements, and were able to assure proper coordination with the military programs of the theater commanders.

In the middle of 1943, the Planning Group devoted itself to the development and definition of the doctrine of psychological warfare and the delineation of general objectives for strategic services operations. The Basic Manual for Psychological Warfare which was compiled was widely used, both within and outside OSS, for the definition of psychological warfare. Other specialized "Basic Manuals" were prepared for the activities of the individual OSS branches.*

The Planning Group prepared over-all plans for the various areas throughout the world in which OSS operated. Such plans were designed to give general guidance to Strategic Services Officers and Chiefs of Mission on the established objectives of OSS in all theaters, as well as in and from neutral countries. Emphasizing objectives and definition, they left the preparation of specific executory plans to the responsible officers and authorities in the field. A complete set of over-all programs covering all the relevant areas of the world was prepared, and was periodically revised to keep pace with the development of psychological warfare doctrine. Thus the over-all plan for objectives to be achieved from Switzerland was prepared while it was still impossible to dispatch SO, X-2, MO and other personnel necessary for the accomplishment of the stated objectives.

Special programs were prepared in order to indicate steps in the implementation of over-all plans and to reflect the developing projects and requirements of theater and field staffs. The special programs were periodically revised as field experience delimited the boundaries of what could be accomplished, or extended the resposibilities placed

* These Manuals were prepared at various times, and revised as experience in the field was gained. Copies of the more important Basic Manuals may be found in History File W-144.

on OSS by authorities in the field. Donovan himself was instrumental in seeing that special programs were prepared and/or revised to meet new developments. On his frequent trips to the field he was able to study and observe local conditions, requirements and possibilities and to inform the Planning Group of handicaps raised by limitations in existing plans. In such cases, he informed the Planning Group of flaws and the necessity for amendments, as well as the desirability of entirely new programs.

The Planning Group also served to keep the various branches of OSS apprised of the development of OSS and theater planning in order to permit advance preparation for future requirements. This was particularly valuable to R&D and Communications, which needed as much advance notice as possible of the assignments they would receive in order to initiate the necessary experimentation and development.

(c) PERSONNEL

OSS employed civilian, military and naval personnel. It was necessary to handle these respective classes of personnel in accordance with the regulations governing their branch of service, or, in the case of Civil Service personnel, in accordance with regulations of the Civil Service Commission.* Personnel administration was further complicated by the anomalous position of OSS as a civilian agency under the jurisdiction of the JCS and active in military theaters, but not a part of any one of the armed services.

Three units were established to handle the various categories of personnel: (1) Headquarters and Headquarters Detachment for military personnel; (2) Naval Command for naval personnel; and (3) the Civilian Personnel Branch, which was responsible for Civil Service personnel. A Personnel Procurement Branch was established in October 1943 as one of the executive branches to establish centralized recruiting procedures.

The units responsible for military and naval personnel were independent branches in the central administrative group, reporting to the Director and Assistant Director. The Personnel Procurement Branch, upon its establishment, was also given independent status among this group. However, the Civilian Personnel Branch was, from October 1942 until the latter part of 1944, under the jurisdiction of the Deputy Director, Services.

The December 1944 revision of General Order No. 9 (Exhibit W-42) created the position of Deputy Director, Personnel, to centralize personnel policy and procedures. Consequently, the Personnel Procurement Branch was placed under him, as was the Civilian Personnel Branch, which was removed from Services. Headquarters and Headquarters Detachment and Naval Command, while remaining administratively independent for liaison with their respective services, were substantively subject to the authority of the Deputy Director, Personnel. As set forth in the December 1944 revision of General Order No. 9, the Deputy Director, Personnel, had responsibility for:

(1) Establishing policies and procedures for personnel procurement and administration both in the continental United States and overseas.

(2) Developing and maintaining a program of personnel relations to include specifically such subjects as welfare, morale, awards and decorations, and casualties.

(3) Maintaining liaison with the Civil Service Commission and the War Manpower Commission.

(4) Acting for the Director on all personnel matters except those which the Deputy Director-Personnel determines should be submitted to the Director for decision.

(5) Supervising and directing the activities of the Personnel Procurement Branch and the Civilian Personnel Branch.

The Civilian Personnel Branch was responsible for the employment and classification of civilian personnel. It maintained close relations with the Civil Service Commission.

* One additional category of personnel comprised civilians employed on unvouchered funds. Such personnel were controlled by the Special Funds Branch.

The Personnel Procurement Branch handled the mechanics of recruiting and enrolling all types of OSS personnel, preparing requests for allotments of military personnel, processing returnees from overseas, and maintaining records on the reassignment and changes of duty of theater personnel. Through this Branch, recruiting procedures were centralized and removed from the jurisdiction of the individual branches.

Headquarters and Headquarters Detachment, activated in early 1943, was the military unit charged primarily with the maintenance and administration of military records and other matters pertaining to army personnel assigned to OSS. In addition, it was the official liaison channel with the War Department on routine military personnel matters and for the securing of army publications, such as field manuals, maps, etc. Administratively, the Detachment was directly under the Deputy Chief of Staff of the War Department. The number of officers and enlisted men included in the Detachment was directly allotted to OSS and was not included either in the quotas of the Military District of Washington or in the tables of organization of theater commands. Orders for travel within the United States were cut by the Detachment only after approval of The Adjutant General's Office.

With regard to Navy, Marine Corps and Coast Guard personnel, the Naval Command established parallel procedures for officers and enlisted men: Officers were administratively detailed to OSS as an activity of the Office of Chief of Naval Operations; enlisted men in Washington were nominally assigned to the Potomac River Naval Command. In May 1943, when the OSS Naval Command was activated, the orders of all officers and enlisted men were amended to specify assignment to it. All matters relating to change of station or travel entailed requests to the Navy Department for orders and were channeled through the Naval Command to the Bureau of Personnel. The Naval Liaison Officer in the Naval Command was the official contact between the branches of OSS and various naval intelligence units.

Selective Service requirements complicated personnel procedures in OSS. As a civilian agency, OSS accumulated a sizable staff of men of draft age. Programs for individual draft exemptions or commissioning into the Army or Navy were evolved, but required constant revision due to procedural and policy changes by Selective Service or the armed forces. The distastefulness of draft deferments and the frequent changes in commissioning procedures resulted in many OSS personnel being called up for induction into the Army.*

In many cases the reassignment of inducted enlisted men was secured through arrangement with the War Department. This resulted in problems of military protocol. The men involved were often specialists holding positions of responsibility commensurate with officers of field grade. In addition, regulations restricting enlisted men from access to classified documents created artificial problems of security which had to be overcome. In many cases, such enlisted men were authorized to wear civilian clothes in the United States or, in military theaters, to wear "civilian" uniforms.

The Personnel Procurement Branch succeeded in obtaining numerous recruits, particularly for the operations branches, by direct request to the armed services. While this was valuable as a measure to obtain services and administrative personnel, it was rarely useful in procuring personnel of the calibre or qualifications required by the intelligence branches.

The liquidation program was accomplished by centralization in personnel matters which would hardly have been possible in a situation of continuing operation. On 13 August 1945, a Personnel Branch was established which assumed the functions of the Deputy Director, Personnel, and con-

* Certain local draft boards chose to regard service with OSS as essential to the war effort and allowed occupational deferment.

trolled the liquidation policies of Civilian Personnel, Personnel Procurement, Headquarters and Headquarters Detachment, and Naval Command. The Personnel Branch set up procedures for the de-briefing, reassignment, transfer out of the agency or release of returnees from overseas theaters.

Area F, which had been the OG training center, was made a holding area for returnees. There, such personnel were subject to strict military discipline pending de-briefing or reassignment. Names of individual returnees declared surplus by their respective branches were circulated among all other OSS branches. If there was no request for retention, processing for release from OSS was initiated.

The program was efficient and succeeded in rapidly severing a great number of personnel. Military personnel were treated according to rank or rating, and the de-briefing process took no account of the type of activity or the degree of responsibility with which such personnel had been invested during their service with OSS. Thus, agents who had been active behind enemy lines, intelligence analysts, mess officers and mechanics were processed according to military rank rather than OSS status. The unfortunate result in many cases was the separation from OSS of personnel under conditions of dissatisfaction, if not bitterness.

In many cases, staff members of the individual branches sought to alleviate the situation with regard to returnee members of the branch. However, many of the branches were themselves pressed to meet arbitrary liquidation schedules. In any case, responsibility had been removed from the branches and placed in a central unit operating under standardized procedures. As a result, personnel who had been carefully recruited and trained, and had carried on their OSS activities on a highly individual basis, were subjected upon be-briefing to a mass-production, "assembly-line" procedure.

(d) SECURITY

The Security Office was responsible for the establishment and maintenance of "such protective measures as shall be necessary or advisable in order to safeguard and make secure the OSS, its operations, members, property and records, and the areas, offices and buildings which it occupies or uses".* It was also responsible for the security of all OSS installations in the United States and overseas.

Physical security was the responsibility of the Internal Security Division.** This Division was responsible for inspecting and approving the location of OSS buildings, offices and areas, whether overt or undercover; providing adequate protective measures; establishing a system of badges and guards; and the general protection of classified material, couriers, message centers and file rooms.

Supervision of the security of OSS personnel was divided between the Personnel Investigation Division and the Service Records Division. Personnel Investigation was responsible for checking and approving all prospective employees, both civilian and military, and indoctrinating new employees in the security principles of OSS. The Service Records Division established procedures for the maintenance of security of OSS personnel, including re-investigations, re-indoctrinations, investigation of violations, security approvals for overseas duty, and pre-termination or de-briefing interviews.

Close collaboration was established with the X-2 Branch and most of the names investigated by Security were submitted to X-2 for further check. X-2, in turn, frequently called on Security for confirmation or supplementary investigation of names or cases of possible counter-espionage interest. In addition, relevant security information was frequently found in the files of the FN Branch.

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* General Order No. 9, 3 January 1943 (Exhibit W-35).

** Later designated the Headquarters Division.

Special security provisions were made for the employment of individuals on operational assignments, yet segregated in such a manner as would not expose them to knowledge of the organization as a whole. Such cases ranged from newly-arrived European refugees employed in particular research capacities to Japanese or Japanese-Americans obtained from internment or relocation centers.

The nature of OSS activities made it vitally important for the agency to protect itself against the employment of persons of dubious allegiance or affiliated with potentially anti-American elements. Numerous applicants, both of American and foreign nationality, were rejected for employment after investigation revealed connections with business firms or organizations of known pro-Nazi interests. In other cases, rejections occurred when careful checks revealed doubtful loyalty through past activities with the Communist Party or showed connections with questionable or possibly subversive organizations.

(e) TECHNICAL BRANCHES

(1) Communications

The importance of communications to secret activities cannot be over-stated. It is the efficiency of the communications system which makes possible rapid intelligence procurement and dissemination. In the development of special devices for clandestine transmission and reception, communications performs a vital service to agent and guerrilla operations. Through the procurement and carefully directed use of codes and ciphers, it preserves the secrecy of information and activities. Consequently, security is of the utmost importance in the field of communications.

Although communications is a servicing function, it is so highly technical in nature that the use of most communications equipment must be controlled by technical experts; the misuse of a secret radio, a code or a cipher in one localized instance may result in a breach of security jeopardizing operations in other areas. Therefore, control must be exercised by communications personnel, who are not only technically proficient but understand the unique problems and demands which arise out of the nature of secret activities.

A small, inadequately staffed Code and Cable Section and a Message Center had been established by COI. Lack of clearly defined functions, research and development facilities, central administration and personnel became apparent early when the principal branches outlined their specific communications requirements. Many of them would need technical assistance, message centers, traffic offices and specialized telephonic, radio and electronic equipment for field-to-base, ship-to-shore and aircraft-to-ground communications. Particularly pressing was the need for new devices which would be efficient and would provide the maximum degree of physical security behind enemy lines. In view of the fact that no Federal departments or agencies then extant could provide OSS with these requirements, Donovan asked the JCS to approve the establishment of a Communications Branch.

His proposal, submitted 9 September 1942, explained to a special committee of the JCS that the basic requirement for OSS communications was a system capable of achieving rapid and secret communication with OSS agents in the field. Specially trained field agents would be equipped with newly developed portable sending and receiving sets. Fixed and mobile base stations would be set up in secure areas in the field to receive agent traffic and relay instructions from headquarters to agents. In addition, these base stations would maintain wireless and cable communications between each other and with OSS headquarters in Washington and the theaters via Army, Navy and commercial facilities.

Donovan's proposal was still being studied on 22 September when he issued an order combining all OSS signal and traffic facilities in the new Communications Branch. The Branch was charged with responsibility for recruitment and training of staff and field personnel—civilian and military—and the provision of instructors for communications courses in S&T camps. It was also the Branch's responsibility to devise appropriate channels of communication for all field projects and to establish supplementary channels where necessary.

In the general reorganization of January 1943, pursuant to General Order No. 9 (Exhibit W-35), the Communications Branch was placed under the Deputy Director, Services. It so remained for a period of some sixteen months, at which time it was found that independent branch status was required. Consequently, when General Order No. 9 was revised on 26 May 1944 (Exhibit W-41), the Communications Branch became one of the central executive group of branches, which status it maintained thereafter.

Recruiting and Training. In October 1942 the Communications Branch was made responsible for all OSS communications training, including that being given at Area C.* Administration of that Area, as well as others which subsequently were acquired for such training, remained the responsibility of S&T.

Immediately upon taking over training at Area C, Communications worked out with S&T a reorganized curriculum, the principal element of which was a ten-week course covering code practice, cryptography, security and procedure. Trainees were given sufficient radio theory and maintenance experience to care properly for their equipment and to make repairs. The course culminated in a field program carried out 200 miles from Area C under conditions simulating those which were likely to be encountered in the field. By January 1943 recruitment shared with training the major attention of the Branch, and a Recruiting and Training Section was organized.

This Section found itself competing with the Army, Navy and commercial agencies for manpower. Its object was: (1) To recruit enough civilians to staff the training schools; (2) to provide civilian operator-technicians for overseas assignment as instructors and as construction-maintenance men; (3) to recruit officers and enlisted men to be trained for overseas duty; and (4) to commission directly into the Army, Navy or Marine Corps certain highly qualified technicians who could be assigned to the Communications Branch immediately for active duty abroad. Despite the tremendous demand by the armed forces for radio and electronics personnel, the recruiting program was successful. Advertisements, carefully worded to preserve security, were placed in metropolitan newspapers. Members of the Enlisted Reserve Corps of the Army Signal Corps were approached and interviewed. Communications Branch personnel called on likely prospects directly. The newspaper advertisements alone accounted for 300 volunteers between March and May 1943. All candidates were carefully screened according to temperament and personality, as well as technical ability, the highest priority being placed on volunteers with extensive background experience in communications work, both commercial and amateur. Candidates lacking such qualifications, but considered capable of being trained rapidly and effectively, also were considered. Less than half of those interviewed were accepted.

The techniques and procedures used for personnel procurement functioned so smoothly that they were continued in August 1943, when OSS set up a Personnel Procurement Branch (PPB). PPB made recommendations to Communications, and men so recommended were considered. By October 1944 the Recruiting and Training

* See Special Operations — SA/G in Section I above.

Section had completed essential recruitment and was merged with the office of the Communications Adjutant. In May 1945, however, the Section was re-established as a separate entity; it was found that Communications training functions and such civilian recruiting as was occasionally necessary could best be handled by a separate section.

The training program for agents expanded in 1943 beyond the capacity of Area C. By July the Communications Branch had 18 instructors stationed at the camp and in August some 250 trainees were receiving instruction. Because of the instruction load, Camp McDowell, near Napierville, Illinois, was acquired in October. The camp had been a Signal Corps Radar Training School and was suitable for communications training. Designated Area M, McDowell offered a more elementary and simplified course than Area C, where instruction was highly specialized with emphasis on actual operating procedure and conditions. At the same time, the Communications Branch supervised the preliminary signal training given by S&T at Areas A, B, E and F, where personnel from other OSS branches were given basic agent training.

In January 1944, in order to prepare men for assignment to the Far East, an OSS Training Center was established on Catalina Island, California, where Communications training was coordinated with SO, SI and MU instruction programs. In April an MU school was established in Nassau, Bahamas, B. W. I., with a course which stressed underwater communications. The Communications Branch undertook the development and testing of novel methods for transmission of messages between underwater swimmers and a "mother" ship.

It was necessary to send trainees at Areas C and M to ports of embarkation as soon as transportation was available. As a result, some agents arrived in the field with incomplete training. The Communications Branch staffs in the theaters were responsible for providing the additional instruction necessary.

This was inevitable in some cases because of the time schedule under which the training areas functioned. They could not control the exact number of men to be enrolled at any one time. There were peak and low periods; sometimes there were more trainees than the schools could comfortably handle; at other times, there were too few for the proper execution of field problems. Because of a shortage of communications instructors, it was often necessary to retain the more proficient trainees as teachers at the expense of the theater units for which the men had been originally intended.

Research and Development Division and Plant and Engineering Division.* Research and development was necessary in order to solve communications problems involving physical and electronic characteristics unique in the light of ordinary commercial and military requirements. Plans for such studies were initiated in July 1942. The Research and Development Division was established formally as a part of the Communications Branch when the latter was set up in September 1942. The problems dealt with by the Division were, in general, of three types: (1) Those submitted by the Plant and Engineering Division of the Communications Branch, which related primarily to radio equipment for the important task of agent traffic, and secondarily to audio and radio equipment for intelligence and "homing" operations; (2) problems submitted by other OSS branches, relating to communications equipment and/or devices for specific operations (such equipment, in addition to radio, also made use of sound and light—both visible and invisible systems); and (3) anticipatory development work initiated by the Division to utilize newly dis-

* Research and development on communications equipment and devices was the responsibility of the Research and Development Division of the Communications Branch; it is not to be confused with the OSS R&D Branch.

covered techniques for solving either existing problems or problems which could confidently be expected to arise as enemy counter-measures made existing equipment inadequate.

In November 1942 the Research and Development Division acquired a small laboratory for communications research. As a result, the Division could provide technical information which commercial laboratories and commercial manufacturers, under war pressure, were slow in making available. The laboratory did not include a model shop with a store of extra components for rapid assembly of equipment. Consequently, the Division was compelled throughout the war to spend much time in locating materials and manufacturers and in developing a procurement staff for gathering such logistical information. Still another activity, not undertaken by the Division but later considered desirable, was the assignment of laboratory men to operational research in the field. The relatively late start of the Communications Branch in basic and applied research militated against the recruitment of technicians qualified for such field assignments. In numerous instances there was urgent need for operational research. The lesson learned from this need was that scientific personnel employed for field work should be among the first to receive assignments.

The Division engaged in elaborate liaison and cooperative staff work. At its inception it drew on the long experience of British SOE in the highly specialized field of clandestine communications. SOE was extremely cooperative, with the result that a complete interchange of information, models and operational reports was achieved. The Division, in turn, helped SOE by locating in the United States equipment needed by the latter organization and by furnishing instruction concerning the utilization of such equipment. It also worked with the Army Service Forces (ASF), the Navy's Bureaus of Ships and Aeronautics, the National Defense Research Council (NDRC) and the National Bureau of Standards. By following the progress of the development or standardization of new items, the Division could help determine what new devices would be most useful to OSS and the manner in which they could be adapted to the agency's purposes.

To the Plant and Engineering Division was given the primary function of ascertaining the supply requirements of the Communications Branch and arranging for their procurement. It followed research and development work both within the Branch and in Army Signal Corps, and investigated the possibilities of newly developed items in connection with the operational needs of OSS. It also located manufacturers to produce equipment and coordinated the procurement activities of the Supply, Shipping and Warehousing Division. Also, it assisted in controlling the quality of production. Both quality and quantity controls proved to be thorny problems; the small number of large, well-established and reliable electronics and radio manufacturers were committing their productive capacities to the enormous requirements of the Army and Navy. Contractors who originally received small orders from OSS were more interested in producing in volume. The Plant and Engineering Division therefore turned to small manufacturers, many of whom had set up their enterprises only after the outbreak of war. They lacked the experience and technical knowledge which would insure high standards of production and constant vigilance had to be maintained in checking the quality of workmanship, as well as its quantity.

The Division procured basic communications supply requirements for training schools, overseas base stations and agent operations. It also compiled lists of spare parts, tools and station accessories. Such lists were comprehensive and were used to assure that each shipment sent overseas was complete in itself, and did not depend upon items from another shipment in order to be usable. This policy of shipping out all

listed equipment in one vessel proved effective. Early in the war, when ship losses were high, OSS experienced considerable supply losses, but those shipments which reached their destination were certain to contain a complete unit for a given phase of base station and field operation.

The Research and Development Division and the Plant and Engineering Division worked closely together, and share credit for the development of apparatus which effectively served the unusual communications needs of OSS.

One of the first models of radio apparatus which the Communications Branch undertook to develop was a lightweight portable radio station suitable for clandestine activities. Development work on this problem led to the production of the Strategic Services Transmitter-Receiver, commonly known as the SSTR-1.

An early model, designed prior to the establishment of the Communications Branch, failed to perform satisfactorily when delivered for testing. The model operated from 220 or 110-volt AC or DC commercial power, consuming considerably more electric current than was considered necessary; also the antenna tuning circuit was inadequate for agent operation. The early set was adopted for use only as a stopgap pending the development of a better unit.

An entirely new transmitter was therefore designed. It employed a single tube and a coupling network suitable for various types of antenna, which its predecessor lacked. The new transmitter was combined with the receiver of the original model and housed in a metal container. Meanwhile, research to develop a better receiver continued. In its final phase of development, the SSTR-1 consisted of new transmitter and receiver units housed in splashproof cans 9¾ inches long, 4 inches wide and 3½ inches high. The accompanying power supply unit was 5¾ inches wide. The three units could be enclosed in a single small suitcase or, if necessary, in three small packages. In operation, this "suitcase" radio* proved satisfactory and efficient. Certain refinements were made, such as a rotary tuning coil and a thermocouple battery charger (SSP-3). The battery charger burned solid fuels and produced six to nine watts of energy for charging six-volt batteries in areas where wood, charcoal or other fuels were available. When field operations indicated that a gasoline-powered generator would be desirable, a lightweight unit (SSP-8) was developed.

Although the SSTR-1 was the standard radio sender-receiver for all branches in the field, a portable chest radio transmitter with a range of one to five miles was developed for SO. This set, known as the SSTR-3, operated on the 40-megacycle band and was the outgrowth of a project initiated prior to the establishment of the Communications Branch. In the same category was the SSTR-5, a portable CW transmitter-receiver so small that it was housed, complete with batteries, in a case 8x10x2 inches. The unit included a self-contained 50-foot antenna.

Possibly the most spectacular development produced by the Communications Branch was the much-publicized OSS air-to-ground (Joan-Eleanor), a combination of the SSTR-6 and SSTC-502. This unit included a magnetic wire recorder installed in aircraft to record ultra-high frequency voice transmissions between plane and ground. The equipment was successfully used both in ETO and the Far East.

Problems arising out of experience in the field prompted the development of the SST-102 crystal oscillator to enable an operator to calibrate his SSTR-1 receiver. The unit measured 4x2x2 inches complete with batteries. A wire-tapping and amplifier

* The SSTR-1 became the standard OSS radio for clandestine operation in enemy and enemy-occupied territory. It was widely known as the "suitcase radio", since the most effective camouflage was found to be a valise manufactured in the particular area of operation. Suitcases of foreign origin were procured from refugees and by combing second-hand shops.

unit of extremely small dimensions (SSAA-401) was developed, which was unique in that telephone communications could be intercepted without physically tapping telephone lines. In addition, a small microphone was devised which could pick up conversations in distant rooms.

The SSLD-321 and SSLV-322 were a three-cornered mirror reflector and a night-landing headset, respectively, to be used in locating parachute pinpoints on which personnel and/or supplies could be dropped. The reflector on the ground returned a beam of light sent from a headset in the plane, the return beam being visible only to the plane.*

For flares, demolition charges and signals, the SSR-204 radio switch was developed. Capable of detonation within a span of 72 hours, the switch could be controlled from a plane at any time during its operating life for the purpose of setting off flares, demolitions or signals. The development was particularly useful for pinpointing bombing objectives and for delayed demolitions work.

The foregoing are examples of a number of devices developed by the Communications Branch to support and extend the scope of OSS operations.

Supply, Shipping and Warehousing Division. This Division was established in November 1942 to keep accurate records of radio equipment and related apparatus used by all OSS branches and to conduct all preliminary negotiations for the procurement of equipment and supplies. Final purchase orders and contracts were drawn up by the OSS Services Branch, but the Division dealt directly with prime contractors and sub-contractors. Due to extensive Army and Navy demands for radio equipment, the Division experienced mounting difficulties in obtaining OSS needs. Lack of a standard procedure whereby OSS could requisition communications equipment from the Army Signal Corps for OSS operational use, made it necessary to obtain a separate directive from the Army's Chief Signal Officer on each requisition.

This procedure led to increasing difficulties, which made it necessary to revise the Army supply program for OSS. As a result, the agency was permitted to submit lists of its needs and the names of manufacturers who could meet them. Thereupon, the Army Signal Corps issued blanket approval covering OSS procurement. This arrangement saved much time, since it meant that the Division could deal directly with manufacturers instead of relying on Army Signal Corps officers for such liaison. Since there were many details concerning OSS operational requirements with which the Signal Corps was unfamiliar, this was a decided advantage.

The OSS communications warehouses were situated in Capitol Heights, Maryland, and Arlington, Virginia. Later, the equipment in Capitol Heights was transferred to a warehouse in Bethesda, Maryland, where a new building was completed in July 1943. During the high point of communications operations, the warehouses contained more than 5,000 separate items.

Equipment received from manufacturers was carefully inspected before being shipped overseas. Packing the shipments entailed little difficulty, but the red tape involved in arranging transportation was costly in terms of time and delayed operations. To send communications equipment abroad, it was necessary to obtain theater commander approval. Supplies were packed in Bethesda and theater commander approval formally requested, copies of shipping orders being sent to Communications officers overseas. Arrangements were then made to obtain space and assistance at ports of embarkation for the handling of shipments. However, requests for theater commander approval

* This apparatus was based on the principle that three plane mirror surfaces placed at right angles to one another will reflect light back in a direct line to its source, the light being visible only to someone in a position along such a direct line.

had to include the weight and cubic dimensions of each shipment, and such figures could not be tabulated until after the equipment had been packed. To eliminate the resultant time lag, OSS obtained blanket approval for shipments up to a certain monthly tonnage for ETO and FETO. NATO and METO declined to give such blanket approval. In the shipment of supplies by air, separate requests for priorities were necessary, regardless of destination. Late in the war, however, FETO provided large blanket priorities for the flying of 25-30 tons of communications equipment.

The time lost in obtaining appropriate shipping space was almost as great as that in securing theater commander approval. Sea transportation to ETO was generally available because of weekly sailings, but lack of shipping space and infrequent sailings were common in MedTO and FETO. When the situation became extremely critical in 1943, Donovan issued a special order whereby every OSS officer en route to the theaters would deliver an SSTR-1. Once sets had arrived in the field in sufficient quantity, the practice was discontinued, except for Communications Branch personnel, who continued to carry equipment to the various theaters. Another expedient was the use of pouch facilities to convey crystals and other small but vital parts which were in constant demand. It was found also that the SSTR-1 could be broken down, with transmitter and receiver in one package and the power pack in another, both packages being within the limitations of pouch weight. Accordingly, a regular schedule was established for the delivery of SSTR-1 sets by pouch.

Message Center. Under COI, the Message Center was at first controlled by the Liaison Office, and subsequently by the Registry Section. When the Communications Branch was organized in September 1942, the Center acquired guidance as to operational and policy matters, its primary responsibility being the sending and receiving of all official outgoing and incoming telegrams and cables and the performance of all attendant functions incidental to these duties.

Beginning with three clerks in December 1941, the Center grew to include a maximum of 130 employees in Washington and 400 in the field by late 1945. Originally, all clerks were required to perform enciphering, paraphrasing, typing, logging, teletypewriting and other duties. As the establishment expanded, the separate functions of the Center were divided into the Code Room, the Paraphrasing and Distribution Section, the Teletype Section and Typing Room. In addition, a Maintenance Section was formed to maintain cryptographic and other mechanical devices used by the Message Center; and a Cryptographic Security Section checked traffic for cryptographic insecurities, devised new cipher systems, and instructed Message Center employees in the intricacies of these systems. A Personnel Section was given authority over both military and civilian employees.

For transmission facilities the Message Center originally relied on commercial circuits, messages being filed on a per-word basis. Circuits were installed to provide direct lines between the Message Center and the Washington offices of Western Union, Postal Telegraph and RCA. Early in 1943, OSS found that Army transmission facilities provided the agency with excellent service. By April the Army network was handling so much OSS traffic that a TWX teletype circuit was installed between the Message Center and the Army Signal Center, obviating the need for couriers. Beginning in early 1944, Navy radio facilities also proved useful for transmissions to some Far East stations. From the start, in October 1941, the facilities of the Department of State were used to transmit messages in OSS cipher to and from field agents who were under diplomatic cover.

The most noteworthy commercial communications line utilized by OSS was a Western Union cable between Washington and London. Use of this channel was limited

considerably in 1942 since it was shared by a number of government agencies. In the following year, Western Union introduced a system known as Varioplex, which permitted 12 subscribers to use a cable channel virtually simultaneously. The agency continued to use the company's Washington-London facilities and in 1944 OSS introduced new high-speed enciphering and deciphering devices on the circuit which made possible a series of secret conferences in high-grade cipher. These devices functioned so rapidly that conferences by cable could be held almost as rapidly as by transatlantic telephone.

From 1943 until the end of the war, OSS in Washington was in communication by radiotelephone several nights weekly with its representative in Bern. On the following mornings, appropriate OSS branches received recordings of the conversations.

New cipher systems were introduced periodically in order to replace those which had become outdated or to tighten security. In addition, procedures were instituted to step up the processing of messages. Early in 1945, the Communications Branch maintained message centers not only in Washington but in some 25 major locations in fifteen countries. The Washington Center alone handled about 500,000 code groups monthly. The total for all OSS message centers throughout the world during April 1945 was 60,500 messages comprising some 5,868,000 code groups.

Physically separated from the rest of OSS due to the unusual requirements of cryptographic security, the members of the Message Center were not always well informed concerning the operations of the various branches of the organization and some confusion developed as to how individual cables should be distributed. In an effort to solve the situation, the Secretariat, which received copies of all incoming and outgoing cables, prepared a distribution list to cover all "routine" cables. Messages not regarded as routine were sent to the Secretariat, which determined their distribution. Inasmuch as approximately half the cables could be considered routine, the other half had to be submitted to the Secretariat for distribution.

Personnel. Detailed records on all Branch personnel were kept by the Communications Adjutant, whose files included a chronological record of every man's performance from the day he was recruited until his discharge. The Adjutant's Office also drew up Tables of Organization for Communications Branch units in the United States and in the various theaters, basing figures on the number of men needed and/or available. When operational requirements called for changes in the allotment of manpower to each theater, the Adjutant's Office advised the Branch Chief concerning the flow of personnel. Recommendations were made to the Chief as to modifications in allotments of operators for field assignment. When officers, enlisted men and civilians returned from overseas theaters for reassignment or separation, the Adjutant's Office processed the returnees and closed out their personnel records.

Miscellaneous Projects. Although the Communications Branch was a service organization rather than an intelligence unit, it inherited a monitoring project called FBQ, which consisted of two radio listening stations, located in New York and California. Established under COI, the project was of small interest to the Communications Branch because the stations were used to collect short-wave intelligence, which did not come within the province of the Branch. The stations were finally transferred to the CD Branch in 1944,* Communications retaining only the responsibility for their technical maintenance.

Still another inheritance from COI were D/F-ing operations in West Africa (Africa 101).* Plans had been drawn up in May

* See CD Branch under Deputy Director-Intelligence Service in 2 below.

1942 to send technicians and intelligence personnel to Liberia to protect the Liberian Task Force from enemy espionage and clandestine radio activities. The D/F system would locate enemy secret radio transmitters which maintained contact with U-boats; compile strategic information on enemy radio frequencies, static peculiarities and other technical data; and report any additional intelligence gleaned while intercepting German transmissions. In January 1943, the NATO Theater Commander requested the establishment of a D/F system which would be sufficiently broad in scope to cover newly activated operational areas. Installations were set up in Dakar at Rufisque Field, in Algiers and in Cairo. In the fall of 1943, these operations were carried out by the Communications and SI Branches, the former assuming control of technical matters, the latter of intelligence. Technically, the project was satisfactorily executed, although the expenditure in men and materiel was ultimately considered greater than the results achieved. Thanks to the experience gained in this operation, however, the Communications Branch successfully carried out similar projects in ETO and the Far East on a smaller, more localized and more easily controllable basis.

The needs of OSS with regard to communications were unprecedented. The Communications Branch required the highest degree of technical knowledge, research and development. It produced special equipment and devices vital to the successful prosecution of espionage and special operations, and trained radio operators to facilitate those operations. It secured and protected codes and ciphers to maintain the secrecy of operations. The Branch regulated traffic between Washington and field bases and between Washington and agents in neutral territories who could make use of diplomatic and commercial channels for communication by OSS cipher. Washington also supervised lateral communications between major field bases. The Washington headquarters was further under constant pressure to send highly-qualified personnel and ever-increasing amounts of special and standard equipment overseas.

One of the most important tasks of the Branch, however, was to indoctrinate its personnel with an understanding of the specialized needs of OSS. It was not enough that Communications members be technically proficient. They had to be able to adapt their expert knowledge to the demands of OSS activities. The capacity for improvisation was one of the greatest assets of the Branch. This was, of course, vital in the development of new devices. It was further important in the training of agent personnel for the operating branches.

(2) Special Funds

Special Funds was responsible for financing the secret activities of OSS through unvouchered funds made available by the President and Congress. Such funds were necessary to the maintenance of cover, whether of a corporation, a training installation, a recruiting office or an agent or group of agents in enemy or enemy-occupied territory. Unvouchered funds therefore constituted the modus operandi of the most secret operations in which OSS engaged.

In order to perform this task, Special Funds engaged in world-wide operations for the procurement of more than 80 different currencies which proved necessary for the undercover activities of OSS, and maintained intelligence files on these as well as other currencies. It devised and put into effect intricate procedures by which the procurement and disbursement of unvouchered funds, both in the United States and abroad, were camouflaged so that the connection of OSS or its agents with a given transaction was not revealed. As in the case of Communications and R&D, the Special Funds Branch performed a highly specialized func-

tion in which the most minute attention to detail was necessary for success. The Branch had to be constantly alert to enemy attempts to trap agents through financial regulations, marking of currency, etc.

Basic to the understanding of Special Funds is realization of the fact that the money carried by an undercover agent is essentially an operational supply. Upon the security of the currency he uses depend not only the agent's life but the success of the operation in which he is engaged. The procurement of currency for use in undercover operations was therefore subject to the most stringent security precautions. While every attempt was made to procure the necessary foreign funds as cheaply as possible, the security of the transaction and of the currency itself was the governing factor rather than the legal rate of exchange.

Special Funds carried on its own financial operations, had an extensive network of field representatives, and maintained an organization in Washington through which centralized control was exerted over field transactions. This coordination was particularly vital in the case of Special Funds, as its world-wide financial activities were interrelated, and a given action in one area could influence simultaneous or subsequent actions in other regions. It was necessary that all Special Funds officers constantly guard against enemy attempts in any part of the world to disclose clandestine agent activities through devious financial ruses.

While the Branch, therefore, performed a services function, it could not be grouped with the routine services branches. Like Communications, the service it rendered was so highly specialized, and so vital to the secret operations it supported, that the Branch and its representatives had to know and understand intimately the activities of the principal operating branches.

Appropriations. Unvouchered funds are moneys made available by Congress to support activities of a confidential nature, and which may be expended without regard to the provisions of law regulating the expenditure of ordinary government funds. COI obtained its original unvouchered funds from the President's Emergency Fund in September 1941, the first allocation being $100,000. After the creation of OSS in June 1942, an additional appropriation of some $3,000,000 was granted for the fiscal year of 1942-1943. A second allotment in the amount of approximately $10,000,000 was further supplied for the same period. It was not until the spring of 1943 that it was possible for OSS to go before Congress and obtain directly its own appropriation for the fiscal year 1943-1944. This appropriation was granted in the amount of $21,000,000, of which a net portion of nearly $15,000,000 was classified as unvouchered funds. For the fiscal year 1944-1945, $57,000,000 was appropriated by Congress. The National War Agencies Appropriation Bill of 1945 authorized:

> . . . For all expenses necessary to enable the Office of Strategic Services to carry out its functions and activities, . . . $57,000,000 . . . Provided, That $37,000,000 of this appropriation may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds or the employment of persons in the government service, and $35,000,000 of such $37,000,000 may be expended for objects of a confidential nature, such expenditures to be accounted for solely on the certificate of the Director of the Office of Strategic Services and every such certificate shall be deemed a sufficient voucher for the amount therein certified.*

According to this authorization, expenditures had only to be endorsed by Donovan and submitted to the Treasury Department to secure reimbursement for amounts disbursed from Special Funds. The following is an extract from the certificate, signed by the Director, and forwarded to the Treasury:

> I certify that expenditures were actually made in the amount on this voucher according to reports in this office and that it would be prejudicial to the public interests to disclose the name of the recipients, the dates and the names of the

* See History File W-59, p. 1.

places in which the expenditures were made. The expenditures were made incident to collecting and analyzing confidential information and data bearing upon the national security of the United States.*

This departure from the normal Congressional requirement of detailed accounting for every government expenditure was necessary for OSS security.

Organization. As the operations of OSS expanded, the demand upon Special Funds increased to the extent that the Division (which under COI had serviced SA/B and SA/G almost exclusively) was raised to branch status under the Deputy Director, Services, in the reorganization of January 1943.

It was soon necessary to organize the Branch under its Chief with an Accounting Division, Cashiers Division and Foreign Exchange Division. In addition, a legal consultant was assigned by the General Counsel to oversee the legal aspects of all dealings in which unvouchered funds were involved.

With the growth of OSS overseas, Special Funds dispatched representatives to the field. Such representatives were responsible for all matters in their respective areas involving special funds.

In May 1944 it became evident that Special Funds represented such a highly specialized function, so closely connected with the operations of the principal branches which it served, that independent status was required. Consequently, the May 1944 revision of General Order No. 9 (Exhibit W-39) removed Special Funds from the jurisdiction of the Deputy Director, Services, and established it as an independent branch reporting directly to Donovan and the Assistant Director.

On 11 May 1945 the financial services of OSS were reorganized. At that time Supplement 38 to General Order No. 9 established under the Deputy Director, Services, a Finance Branch which comprised the Special Funds Branch and the Finance Branch (responsible for vouchered funds). The Chief of Special Funds became Chief of the new Finance Branch.

On 30 June 1945 a Field Auditors Department was organized and auditors dispatched to tour the field bases.

Domestic. The Special Funds Branch was responsible for the financial aspects of all undercover transactions of OSS. In the United States, this involved establishing masked accounts in various banks from which disbursements were made in such fashion that payments would not reveal the fact that OSS was involved in a given transaction.

A Payroll Section was established in the Accounting Division which was responsible for payment of allotments and salaries to families in the United States of undercover agents in the field. Payroll accounts for undercover personnel were maintained under code designations.

* See History File W-59, p. 2.

The Branch was also responsible for financing such cover corporations as were organized to carry on covert activities. In addition, such installations as the "Farm",* which was an undercover training establishment for espionage agents, were financed through Special Funds.

In 1942 and early 1943 the contracts of certain OSS representatives, paid from unvouchered funds and serving overseas in military theaters of operation, provided for per diem allowances. The amounts of such per diems varied according to the policies of the various desks. This led to financial inequalities. Military regulations in the various theaters further complicated the matter. In Algiers, for instance, General Eisenhower ruled that no per diem would be paid to Army personnel since all were quartered and fed by the Army. This gave certain OSS civilians, who were being similarly quartered and fed, a distinct advantage. The Strategic Services Officer in NATO ordered that no per diems be paid after 31 January 1944, which abrogated the per diem provisions of Special Funds contracts signed in Washington.

* See Secret Intelligence in Section I.

Another situation arose in London, where a $6 per diem was paid to all male employees, and women were given a living allowance based on Bureau of the Budget Circular A-8. Thus some male employees, paid from Special Funds, received a smaller living allowance than they would have under standard government regulations, and others received more. In Cairo, living allowances were paid in accordance with Circular A-8, the amounts being less in some cases than the employee had been promised by his desk head prior to departure from the United States.

The early confusion with regard to per diems was due to the fact that it was not realized in Washington that OSS personnel would be quartered and fed in the theaters without cost to them. The per diem question for all field stations was settled by General Order No. 75-7, effective 20 August 1944, which directed that per diems and living allowances for all employees, whether paid from unvouchered or vouchered funds, comply with standard government regulations.

Field Offices. As the overseas activities of OSS increased there was a progressive demand for Special Funds representatives to handle unvouchered moneys and the procurement and disbursement of operational funds for agents to be infiltrated into enemy or enemy-occupied territory. The following Special Funds offices were established:

London	March 1943
Gibraltar	Spring 1943
Algiers *	Summer 1943
Cairo	May 1943
Lisbon	October 1943
Stockholm	December 1943
Madrid	January 1944
Kandy (Ceylon)	March 1944
Calcutta	April 1944
Istanbul	July 1944
Kunming	August 1944
Athens	December 1944
Paris	Winter 1944
Germany	June 1945

* Moved to Caserta in 1944.

Foreign Exchange Division. The Foreign Exchange Division, established on 12 August 1942, was responsible for the transfer of such secret funds abroad as were necessary to maintain OSS intelligence and other special operations, and also for providing foreign balances in some areas in such manner as not to disclose the fact that the United States Government had sizable cash deposits in those areas.

All funds sent abroad fell into two categories: (a) Work funds, and (b) task funds. Work funds were those used to pay salaries and to maintain undercover agents who were ostensibly engaged in legitimate businesses. Unless a man so engaged was openly paid, his cover would soon become suspect, since he would appear to have no source of income. Task funds were those used (often by the same individual) to obtain confidential information, or for bribes and other secret operational purposes.

In late 1942 and early 1943 the transmittal or local procurement of work funds presented no problems. In fact, operations for this purpose were openly conducted in order to divert attention from surreptitious activities. However, as the financial requirements of agents in the field increased, even such open transfers of capital became difficult because of regulations established by various foreign governments. For example, in one neutral country an alien could not receive funds from abroad to an annual total of more than $6,000, unless a special license were secured from the local government. In another neutral country no limits were placed on capital transfers, but the amount of cash which could be withdrawn weekly from the banks was strictly limited.

The procurement of task funds presented a most difficult problem. All countries in Europe, whether belligerent or neutral, censored communications and strictly regulated movements of capital. In most countries all banks were required to report to the government any sizable or unusual bank transactions, particularly cable transfers of money from outside the country for the benefit of resident aliens. During the early period of operations, when the overseas staff of Special Funds was small and arrangements had not yet been made

to use

bank accounts to channel OSS funds, the Branch was reduced to the purchasing of actual currency notes and shipping them into the countries involved

In moving task funds it was necessary discreetly to circumvent local regulations without arousing the suspicions of banks, which were generally under orders to inform their respective governments. Special Funds early learned that the enemy was sending agents into all neutral countries to ferret out black market and other undercover financial operations. Such agents were specially trained and in many cases held responsible positions in the local banks.

The Branch took every precaution to see that the currency notes which were acquired through many devious channels were not traceable to the United States Government or to OSS. In order to protect the secret agents who would use the moneys, Special Funds endeavored to avoid repetition of successful operations, and not to rely upon any single pipeline for the movement of funds longer than absolutely necessary. Once an initial supply of funds had been successfully placed at the disposal of an agent, means were studied to keep the agent currently supplied through multiple operations. For example, at one time money was channeled into a single country through seven distinct types of operation.

Currencies were bought from banks and foreign currency brokers wherever possible, but black market operations were also necessary. Orders were issued that the agent who was to use currency for clandestine payments should not himself obtain the exchange.

Many thousands of dollars worth of francs, lire, pesetas, escudos, marks and other currencies were located and purchased in Lis-

bon, Tangiers, Tunisia, Corsica, Cairo, Bern and other headquarters, mostly through non-banking channels. Since Balkan currencies were constantly falling in value, only small stocks were maintained.

In the surreptitious movement of funds there was no precedent to follow and no accepted practices to adopt. The establishment of bank balances and the reduction of such balances into currencies of the countries involved required constant study and the development of individual types of operation. Each capital transfer was a special and separate task, with secrecy the paramount consideration. There were cases, for example, where currency passed through a chain of no less than seven bank accounts or individual hands in order to mask a given operation.

Financial Intelligence. Currencies handled by Special Funds included:

Angolar
Baht or Tical
Iraq Dinar
Serbian Dinar
Old Yugoslavian Dinar
Yugoslavian F.D. Dinar
Chinese National Dollar
Central Reserve Bank (China) Dollar
Drachma
Escudo
Guiné Escudo
Mozambique Escudo
Albanian Franc
Belgian Franc
Belgian Congo Franc
French Franc
Supplemental French Franc
Algerian Franc
French Equatorial Franc
Morocco Franc
Tunisian Franc
French West African Franc
Swiss Franc
Netherlands Guilder
Netherlands E. Ind. Guilder
Norwegian Krone
Swedish Krona
Leu
Pengö
Lev
Lire
AMG Lire
Milreis
Peseta
Philippine Peso
Australian Pound
British Military Authority Pound
British West African Pound
British East African Pound
Egyptian Pound
Gibraltar Pound
Irish Pound
Malta Pound
Palestine Pound
Union of South Africa Pound
British Pound
Syrian Pound
Turkish Pound
Reichsmark
Allied Military Mark
Ruble
Rial
Chervonetz
Burma Rupee
British Military Administration Burma Rupee
Jap Burma Military Rupee
Ceylon Rupee
Indian Rupee
Zloty
Piaster

To obtain such funds at satisfactory rates and with the requisite degree of security continuous financial intelligence was necessary. Special Funds maintained current files on some 80 different currencies with respect to:

(1) Dollar exchange rates;
(2) Exchange rates of one foreign currency to other foreign currencies;
(3) Exchange rates in terms of gold or silver;
(4) Black market rates in all principal centers;
(5) Counterfeiting (if any) of these currencies, including location of such activities and identification of counterfeiters;
(6) Legality of currencies;
(7) Locality in which currencies were used;
(8) Acceptability of currencies;
(9) Restrictions placed on importation, exportation and use of foreign currencies; and
(10) Outlawing of certain currency issues by occupying enemy forces.

In addition to the currencies listed above, information was constantly secured and disseminated to the field on the following:

Federal Reserve Bank (of China) Dollar	Japanese Straits Settlements Dollar
Hong Kong Dollar	Aruba Guilder
Straits Settlements Dollar	Curaçao Guilder
Military Yen (Jap.)	New Guinea Guilder
Imperial Yen (Jap.)	Danish Krone
Philippine Military Peso (Jap.)	Russian Occupational Pengö
Supplemental Military Yen (USA)	Cyprus Pound
Maçao Dollar	New Zealand Pound
Malay States Dollar	Hong Kong Military Yen (Jap.)
Malay States Military Dollar (Jap.)	Singapore Military Dollar (Jap.)
	Korea Yen (Jap.)

All OSS intelligence agents were briefed by Special Funds on current financial conditions in the areas to which they were destined, and the proper handling of work and task funds. Agents were also requested to report financial information when in the field and were instructed as to the types of such intelligence which were particularly desired.

Financial information was also secured from various agencies and departments of the Government in Washington, including Treasury, State and Censorship.

Gold. As a protection against depreciation in value of paper currencies, large stocks of gold were acquired. The initial purchase was made

Purchases of mixed French gold pieces and English Sovereigns followed. By 1 January 1943, gold coins had been purchased to the approximate value of $800,000, a large portion of which was stored

and was used by Special Funds officers in ETO, NATO and METO to purchase almost every type of usable European currency and to supply agents and teams.

For use in the Far East, OSS acquired "tolas", a unit of gold widely used in the Orient. The "tola" was a ⅜-ounce disc having no distinguishing markings except the "chop" mark of the private dealer or goldsmith who assayed it. "Tolas" were made in discs of one, five, or a long bar of ten. "Tolas" were not easy to conceal in time of emergency, however, and agents reported that the pieces were too large and unwieldy to be "palmed" or otherwise hidden when danger threatened. Special Funds, therefore, made arrangement to manufacture gold units approximately the size of lumps of sugar. Agents were thereby provided with gold units of small size and weight, but high value, which could easily be transported or concealed.

Unorthodox Methods of Acquisition. Many currencies proved unavailable by regular means (e.g., Spanish pesetas, Reichsmarks) or, if they were available through orthodox channels, were often pegged at values far out of proportion to their purchasing power (e.g., French francs). Special Funds engaged in world-wide black market operations to obtain such currencies. It also transferred large sums of capital in and out of countries having legal limitations on such transfers.

At one time, the only currency which could be satisfactorily used for the supply of an operation in the Balkans was Reichsmarks, the circulation of which was currently restricted to the Greater Reich by the German authorities. Every attempt to acquire Reichsmarks outside of the Greater Reich proved ineffective. However, a military attache, accredited to a foreign government in Berlin, offered to help the American cause by carrying 400,000 such Reichsmarks from Berlin to Istanbul. This mission was performed at great personal risk, since the German internal fiscal controls were strict and any infraction was punishable by death.

Some pesetas and escudos were purchased by Special Funds/Washington through unofficial channels in Argentina. It was ascertained that in this market (and through certain individual channels) there was good security and the currencies could be bought on an economical basis even though Argentine currencies had to be purchased first.

In 1943 Algiers became a center for the purchase of French francs for operations from both Africa and England. In one black market purchase, 10,000,000 francs were obtained through intermediaries from Arab speculators. Additional amounts were procured in Corsica in exchange for Louis d'Ors, gold coins which were deemed by the Corsicans to have considerably more value than United States dollars.

A major base of financial operations was Lisbon, where many of the currencies needed for OSS operations were acquired in the open market, and over a million dollars worth of currencies other than Portuguese were purchased. In early 1944 it was discovered that approximately 90,000,000 francs had been supplied by German sources. To avoid jeopardizing agent operations by using these francs immediately, Special Funds did not release them until a sufficient area of France had been liberated, after the St. Lo breakthrough, whereafter they could be used safely.

The Special Funds officer in Lisbon was the first to verify the rumor that the Germans, through their legation and consular offices, were siphoning French currency into the open market, knowing that the Allies would buy it in anticipation of D-Day, and hoping that recording the serial numbers of the bills would lead to the capture of Allied agents in France. Special Funds/Lisbon immediately warned all other Special Funds officers who were engaged in buying French francs.

Operations in Lisbon were delicate, but not from the standpoint of legality. There were no OSS black market operations there. Legal purchases were made in an open market but at heavy discounts from par or official rates. The problem was to acquire se-

cure bank notes without disclosing the real purpose and ultimate use of the currency.

Marked Currency. In 1943 the Germans began large-scale use of financial methods for tracing Allied agents, including marking money, recording serial numbers and issuing special notes.*

The Gestapo made every bank and post office in France its unwitting assistant in an attempt to trap Allied agents. A particular issue of notes, the numbers of which had been recorded by the Gestapo, was sent into the black market, which was practical assurance that the notes would eventually find their way into the hands of agents being sent into France. The Gestapo sent out warning to all banks and post offices in France that a bank robbery had been perpetrated and that notes of a specific series had been taken. All banks and post offices were notified that the Gestapo was to be informed immediately if any notes of this issue were passed. The banks and post offices, operating in good faith and innocently supposing that they were assisting in the apprehension of bona fide bank robbers, made every effort to comply with this request.

OSS had, however, taken preventive measures and was able to avoid losses. Special Funds offices in London, Washington, Cairo and Lisbon maintained a list of suspect and marked currencies supported by an exchange of information with the Office of Censorship (Washington) and other Special Funds offices of OSS. Whenever a shipment of black market currencies arrived, each note was carefully checked against this list for serial number and other identifying marks.

The Gestapo consistently attempted to spread false rumors on currency developments. Thus, the rumor that 5,000 franc notes were to be withdrawn from circulation in France persistently reached OSS. London carried a large inventory of 5,000 franc notes, since they were of a denomination convenient for agent operations. Although the rumored withdrawal never materialized, a constant check had to be maintained in France to be certain that an agent would not arrive in the field with a package of worthless 5,000 franc notes.

All new notes with serial numbers running in sequence and which were obviously direct from the Bank of France were segregated, put through an aging process and properly pinholed. Aging and pinholing were illustrative of the minute detail necessary to prepare an agent for the field. OSS knew that fresh and unmutilated notes were available in France only to banks or accredited government agencies. The mere fact that an individual possessed a new note would make him suspect. It was customary in French banks to count notes on receipt from the Bank of France and to pin the notes together with a common pin into small bundles or packets. Therefore, any bank note which had proper circulation in France through regular channels would show at least two pinholes. OSS in many cases acquired new notes fresh from the Bank of France and it was necessary to see that each of these was pinholed before issuance to an agent.

The aging of new notes in order to simulate ordinary circulation presented another problem to Special Funds. Bank notes could not be aged with ordinary garden dirt because the soil left a residue which was easily detected and would render the agent in possession of such notes immediately suspect, if he were put under close scrutiny.

It was discovered that one of the best ways to age bills was to scatter them about the floor of a room in which persons were carrying on routine duties over a period of hours and to have the notes walked on and generally scrubbed about underfoot.*

United States Treasury regulations, designed to prevent dollars from reaching enemy hands (to prevent possible use by enemy agents), were complied with as closely as possible,

When dollars had to be used, serial numbers were recorded. In one case in Algiers, the chief of mission had given a local resident drafts for $90,000 in exchange for Algerian francs during the early days of OSS activity there. The Special Funds officer was later informed that the individual in question might pass American currency to the Germans. The drafts were therefore re-bought in Algerian francs (at a loss) at the new exchange rate.

Agent Expenditures. Unlike the vouchered funds of other government agencies, the unvouchered funds of OSS were, in most cases, not subject to check. Agents returning from the field usually could not present receipts for sub-agent payments, purchases and bribes. In some cases, the agents were dishonest and cached the funds for their own future use. For instance, thirty-two diamonds were issued in early 1945 to SI agents dispatched into Germany. Of these, not one was reported to have been sold or exchanged, yet only nine were returned, and all the rest were listed as lost. In one of the "lost" cases, the diamond was subsequently found in the agent's possession. Some currency was lost in parachutage, or during escapes from unexpected intrusions. A percentage of such losses as these must be expected in espionage as part of the price of intelligence. When considered in relation to the total amount of money handled by Special Funds, such losses may be regarded as almost inconsequential.

Most of the agents paid by Special Funds were in the SI Branch. Such agents received an average of approximately $300 per month, and none was paid more than $5,000 a year (exclusive of task funds). SO found that special operatives in most cases would be best protected in the field wearing military uniform and with military rank or rating; consequently, SO agents were mostly paid by the Army through OSS detachments. X-2 ran some chains of agents, but its payments were mostly in lump sums for individual items of information or for "spot jobs".

The amounts of operational funds used by agents varied considerably. In France, for example, the sums ranged from 136,728 francs* spent by an agent who was in the field for nearly a year and produced throughout that time extremely valuable reports, to 1,148,000 francs** used by an agent who stayed less than a month in the field. Special Funds was, however, often successful in scaling down agent bills, as well as claims of

* It was the practice of Special Funds London to lock one of its offices against intrusion, scatter one to five million francs about the floor, and go on with the usual work of the office. A day or two of this type of treatment generally served to smudge, rumple and tear the notes sufficiently to render them innocuous in the hands of an agent operating in the field.

* Approximately $300 at the rate of exchange then prevailing.

** Approximately $2,500.

Allied espionage agencies for services rendered.

Financing of Resistance. Special Funds was responsible for procuring and dispatching the appropriate moneys necessary to finance various resistance groups supported by OSS.

Beginning in July 1944, OSS, shared the costs of sending the Italian Committee for Liberation 100,000,000 lire a month (increased to 160,000,000 in January 1945).* Special Funds/London prepared packages of money to be parachuted into France.

Francs were also supplied to French resistance groups, the first large-scale supply being 1,500,000 francs on 7 December 1943. Such funds were usually disbursed by OSS agents who transported the moneys to the field. Some funds were occasionally parachuted to agent reception committees. In March a total of 3,790,000 francs was supplied, in April 5,610,000, in May 13,263,850 francs plus $38,000, and in June, 8,522,250 francs.

Unvouchered funds were advanced to the commanding officers of the various OSS field units accompanying the armies in France. As the agency became overt in various areas, many day-to-day expenses were assumed by the Finance Branch (vouchered funds), with Special Funds continuing to support any undercover operations carried on in friendly or neutral territory.

External Relations. Special Funds was called upon in many instances to perform secret financial services for Allied undercover operations. For example, when the French Provisional Government was established in North Africa, American and British military authorities were requested to provide funds to organize intelligence chains Satisfaction of this request devolved upon Special Funds,

* The Italian Government undertook to reimburse the British and American governments for these advances.

Government for funds, thus helping to conceal OSS intentions, they furthered the preservation of OSS cover in France. The principal difficulty encountered with the Army was an occasional attempt in various theaters to inspect and review expenditures of unvouchered funds. In each instance, however, the matter was settled by an explanation of the terms of the Presidential and Congressional appropriations making Donovan solely responsible to these authorities. In general, Army finance officers were helpful and often assisted in transferring funds to advance OSS units with the armies.

Responsible for a services function vital to the organization and execution of secret activities, the Special Funds Branch operated in a field without precedent in America. The type and scope of OSS operations for which unvouchered funds were necessary provided a challenge to the ingenuity of the Special Funds Branch in developing methods of undercover financing both in the United States and throughout the world.

While Special Funds was responsible for the financing of cover transactions in America and for the payment of salaries to undercover personnel, its most significant role was in the financing of agent operations. It is worthy of note that no OSS mission was ever cancelled due to the lack of proper funds previously screened for safe use and that no friendly group with proper authority ever approached Special Funds for financial aid without that aid being promptly supplied.

The money used by an agent was potentially one of the most vulnerable points in his cover. It constituted the one commodity which he was forced constantly to use and which was inevitably subject to close scrutiny.

The Germans were fully aware of this fact and used this knowledge in endeavors to detect and neutralize Allied espionage and subversive activities in territories which they controlled. Their methods of financial tracing by marking money, recording serial num-

United States Army finance officers were of considerable assistance to Special Funds. They provided occupation currency to OSS. Also, by handling requests to the French

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bers, issuing special notes and withdrawing entire currency issues from circulation were continually subject to refinement. Further, they influenced the promulgation by satellite or subject governments of various financial regulations designed to trap Allied agents.

The record with regard to the financing of OSS agents was impressive. Every OSS operation which resulted in an agent capture was carefully investigated to ascertain whether improper funds were in any way responsible. No statement of the success or failure of Special Funds in this regard can be categorical, since several agents were lost without trace. However, as of August 1945, no case had been found of an OSS agent who was captured due to the fact that he had been supplied with insecure funds.

(3) Research and Development—R&D

While several OSS branches, such as Communications and MU, carried on research and development in their specialized fields, R&D was charged with the general function and maintained OSS liaison with OSRD, NDRC and other government departments in this connection. It was specifically responsible for the development of special weapons and equipment necessary to subversive warfare; the provision of the myriad items necessary to support agent cover; the camouflage of personal accessories or devices to facilitate special operations; and the collection and dissemination of information on all types of equipment, developed within or without the agency, which would be of use in OSS activities.

R&D grew out of the Technical Development Section, which had been established under SA/G in the COI period. On 17 October 1942, it became an independent branch reporting directly to Donovan and the Assistant Director, a status which it maintained throughout the existence of OSS.

Just as the activities of OSS were unique, so research and development on devices, equipment and cover details necessary to support those activities was a distinct and unusual problem. While certain branches, such as OG, could rely to some extent upon standard military weapons, the undercover activities of SO and SI required the development of specialized devices and cover details. During the early period of R&D as an independent branch, it was handicapped by not having field representatives who could gather information as to the performance of existing devices and equipment and the necessity for new items. Written reports from the field seldom contained the minutiae of detail necessary to technical research and development. As personnel who had engaged in actual operations returned from the field, this condition was alleviated to some extent. The coordination of plans, which was possible after the Planning Group and Planning Staff were established and engaged in the preparation of specific programs to implement over-all objectives, aided R&D by supplying some pre-knowledge of the types of operations to be effected. The Branch was enabled, to some extent at least, to anticipate the devices and equipment which might be necessary to those operations. It was not until April 1944 that the first R&D personnel were sent overseas. Thereafter, the situation improved, but the fact that the Strategic Services Officers, in compliance with the demands of theater operations, could divert such personnel to other than R&D work, or direct them to perform R&D work only in support of local activities, was a continuing handicap to the Branch in Washington.

In order to secure necessary laboratory facilities to carry out its work, an arrangement was made in the fall of 1942 with the National Defense Research Committee (NDRC) * by which the latter agreed to create a unit for the exclusive purpose of developing weapons and devices for OSS. The unit, designated Division 19—Special Weap-

* Predecessor, and later one of the advisory committees, of the Office of Scientific Research and Development (OSRD).

ons, was supplemented by the establishment of the Maryland Research Laboratory (MRL) to perform the laboratory work. Subsequently, when MRL's facilities became over-taxed, temporary arrangements were made with certain universities and laboratories for work on specific projects. Thus R&D was able to draw on the skills, techniques and facilities of the leading scientists and laboratories of the United States

The pattern of Branch organization followed the development of its functions, but, as it finally emerged in October 1943, it consisted of four divisions: Technical, Documentation, Special Assistants and Camouflage. Each of these divisions represented a distinct aspect of the work of the Branch.

The Technical Division was organized in October 1942, its principal activity being the development of the special weapons, devices and equipment necessary to subversive warfare. It was organized in Mechanical, Chemical and Electrical Sections, the staffs of which included project engineers. While Division 19 effected basic research and development and the Procurement and Supply Branch of OSS was charged with seeing to the production of the finished product in appropriate quantities, the Technical Division was responsible for seeing that scientific research did not exceed the limits of operational practicability. The Division assigned a project engineer to follow NDRC developments closely and to arrange for final testing of devices developed for OSS before the User Trial Committee.* If the tests were successful, the project engineer saw that plans and specifications were drawn up, including therein an estimate of total OSS requirements. The project engineer further maintained contact with field representatives, both for purposes of estimating current and future needs and to secure evaluations of the performance of devices in actual operations. All items for SO were coordinated closely with those of SOE so that, in accordance with the SO/SOE agreement, they would be interchangeable in the field.

The *Documentation Division* was established to produce all documents necessary to authenticate agent cover in enemy and enemy-occupied territory, including identity cards, passports, ration stamps, drivers' licenses, etc.

In December 1944, the *Camouflage Division* was established to camouflage personal accessories and devices and equipment needed for special operations. Camouflage Division personnel were trained in the United States and sent to the various theaters to supervise camouflage activities there. The Division was responsible for the camouflage of all personal accessories and special equipment to support agent cover.

The *Special Assistants Division* was formed to provide certain specialized items for agents, which did not fall within the purview of the three other divisions for technical or other reasons.

Special Devices, Weapons and Equipment. It would be impossible in the space available to list all the gadgets developed either originally by R&D or improved after the procurement of the original idea or model from the British. However, certain items may be noted to indicate the nature of the work.

Basic to the performance of sabotage was a time delay device which would allow the agent to put an explosive or incendiary charge in position and permit a period of time before detonation, to give him a chance to escape. Among such devices produced by R&D was the pocket incendiary which, by virtue of its size, combined the two essential features of compactness and camouflage potential. This incendiary device was capable of starting more than nine fires simultaneously at a given time after being placed in position.

Among the explosive charges developed was the "limpet". This was a charge which could be placed on the side of a ship below the water line and which would detonate

* Composed of representatives of NDRC, MRL, the British Liaison Mission, and the OSS Procurement and Supply Branch.

after a period of time delay adjustable to the situation. It could be used from small craft operating clandestinely or by underwater swimmers. The first "limpets" were of a magnet type, held to the side of the ship by six extremely powerful, small horseshoe magnets. Field experience later demonstrated the necessity for some other method of attachment, since in certain cases, barnacles on the hulls prevented the "limpets" from sticking. R&D therefore developed the "Pin-Up Girl"—a hardened steel nail driven into the plates of the ship by an explosive cartridge.

In some cases it was possible to use standardized equipment by the development of special parts which would adapt it to OSS operations. Among these were silenced weapons and silencers to be attached to standard weapons. The silenced .22 calibre pistol developed by R&D was a clip-fed automatic pistol with a special silenced barrel, the clip holding ten rounds of high-speed, long-range ammunition. It was designed for use in stealthy attacks to eliminate sentries or other enemy personnel without causing widespread alarm. In addition to the silencing feature, no muzzle flash was visible, even in darkness.

R&D also developed a silenced barrel for the .45 calibre M-3 sub-machine gun. It was impossible to achieve total elimination of noise in an automatic weapon such as the M-3, but, whereas a previous silencer had reduced the noise by 50%, R&D was able to effect a 90% reduction. In the case of the M-3, all that was necessary was to unscrew the old barrel and replace it with the R&D product; therefore, only the silenced barrel required transportation to the field. The silenced M-3 was used successfully by OSS and was also used by the Marine Corps.

Among the very unusual requests received by R&D was one from the Far East. This was for an explosive that could be camouflaged as flour. It was desired that the end product be capable of mixing with water to form a "dough" which could be baked into "biscuits or loaves of bread". It was further specified that the "bread" so baked should be edible. It was thought that such "flour" could be transported through the Japanese lines by the Chinese with safety and could be kept in a peasant's home without arousing suspicion. The request was fulfilled, the resultant product being designated "Aunt Jemima".*

Field experience, even in late stages of the war, indicated the need for improvement in sabotage techniques. A request came from ETO that R&D re-examine methods for derailing trains. Tests disclosed that the British "one-meter" technique (the placing of two ¾-pound charges of plastic explosive on the side of a train rail one meter apart) did not result in major derailment. In fact, the use of that method resulted in 50% failures. R&D evolved a system of placing charges beneath the rail so as not only to remove about eight feet of the rail, but at the same time create a crater beneath the gap into which the engine would fall. This method was forwarded to agents operating in ETO, where subsequent results showed a margin of only 10% failures.

A somewhat different type of sabotage was envisioned in the "Caccolube", or "Turtle Egg". This was designed to effect sabotage on gasoline engines. It was a small packet of abrasive material which, when placed in the oil intake pipe of a gasoline engine, would cause seizure of the bearings and disruption of the pistons and connecting rods some hours later.

It was found that contaminants, such as sand, popularly believed to be highly efficacious for the sabotage of vehicles, were practically non-effective. The common contaminants for gasoline, such as sugar, were

* The only test that was not conclusively met in laboratory trials in America was that of edibility. When this "flour" was sent to the Far East, it was later learned that three Chinese cooks who had baked biscuits from the material ate some of the biscuits contrary to orders. The field reports indicated that no ill effects were observed.

also found to be ineffective, in addition to being scarce in occupied territory. R&D developed the "Firefly". This was a small three-ounce gadget which, when placed in the gasoline tank of a vehicle, would, between 1½ and 10 hours later, cause an explosion that would rip out the bottom of the tank and set fire to the gasoline. Reports from the field later indicated that it was determined to be effective in 85% of the operations in which it was used.

R&D received a joint request from SI and Communications in early 1945 to develop a submersible raft, powered by sail or by a small electric motor, which could be transported in a submarine. The request specified that the raft should be capable of carrying 400 pounds of dead weight, including the entire radio apparatus needed by the agent. The radio apparatus obviously had to be carried in dry storage. After an agent had gone ashore from a submarine on this raft, he should be able to submerge the raft in twenty-five feet of sea water and leave it until such time as he had established the fact that he was relatively secure in the position chosen for landing. It was required that the raft surface itself and re-submerge at least eight times from a depth of twenty-five feet in order that the agent might be able to use his radio or obtain new supplies, and between those times submerge it for concealment purposes. In essence, R&D had been asked to produce what was practically a midget submarine. This requisition was fulfilled in approximately four months.

Agent Authentication. The production of the various documents, clothes and accessories, as well as all the other minutiae necessary to enable an agent to maintain cover, was the responsibility of the Documentation, Camouflage and Special Assistants Divisions.

An engraving shop was established in Washington for the production of various types of European and Far Eastern documents. Identity cards, work permits, chauffeurs' licenses, etc., were meticulously prepared with appropriate regard for the enormous amount of detail necessary to provide the authenticity upon which the agent's life might depend. Through OG's, the French Maquis was supplied with all necessary documents for travel and activity in Germany, France, Belgium and the Netherlands. CD was, of course, responsible for securing the intelligence necessary to the production of agent documentation, but R&D also secured a great deal of information from other sources and from its own personnel in the field. In fact, R&D and CD personnel worked together in many theaters on questions of documentation and camouflage, e.g., in London, where a joint office was set up. Such details as the size of type, kind of paper and ink used, methods of watermarking, etc., were of vital importance.

The work of camouflage included not only methods of disguising various types of explosive and other devices (for example, the preparation of plastic explosives in the shape and appearance of lumps of coal, stones normal to a given locality, or manure), but the outfitting of an agent for travel in a given enemy or neutral territory. The enormity of such a task is indicated when it is realized that each agent had to be equipped with clothing sewn exactly as it would have been sewn if it were made in the local area for which he was destined; his eyeglasses, dental work, toothbrush, razor, brief case, travelling bag, shoes, and every item of wearing apparel or accessory had to be microscopically accurate. Upon such details the life of the agent and, consequently, the success of his mission might depend.

The Camouflage Division also produced specialized devices to be used as inanimate letter drops. At first, several letter drops were made in the form of old pieces of wood, such as a small part of a branch from the limb of a tree. The wood was split and a metal container inserted in such fashion that the wood could be replaced and present an innocent appearance to any observer. It was soon discovered that the cardinal prin-

ciple in producing inanimate letter drops was that the subject of disguise be neither edible nor burnable. In such cases it is liable to be used by some casual passer-by. Thereafter, letter drops were made in many other forms, such as stones, old tin cans of various localities, etc. Such letter drops could be placed in position by agents (e.g., at a pre-arranged distance from a given kilometer marker on a European road) and provide a two-way channel of communication for intelligence, such as map overlays, which was unsuitable for transmission by radio.

Other items produced, in this case by the Special Assistants Division, to support the agent in his operations were "K", "L" and "TD" tablets. The "K" tablet was designed to insure that the person to whom it was to be administered would be knocked out for a reasonable period of time, and the "TD" tablet was designed to insure that the subject would respond favorably to interrogation. The "L" tablet was to produce death rapidly. "L" tablets were carried by agents as a precautionary measure, to be self-administered in the event of capture in order to preclude the possibility of revealing information under the strain of interrogation and torture.

Like all of OSS, R&D was handicapped by not having a long period of preparation prior to the operational need for its services. This lack was particularly important in the case of R&D, not only because the function of research and development is normally a slow and painstaking one, but because the objectives of its activities must change constantly to meet the demands of the situation in the field. Further, R&D was handicapped by not having its own personnel in the field from the beginning; they would have been doubly useful—both from the standpoint of obtaining intelligence on operational performance of devices produced and relaying to Washington current and anticipated needs for new devices or adaptations, as well as from the standpoint of briefing agents in the proper use of R&D products to obtain the maximum effect.

In view of these handicaps, the achievements of R&D in developing physical accessories to support the unorthodox activities of OSS, and the effective performance of its products under operating conditions, are all the more remarkable.

(4) Medical Services

Medical Services was primarily responsible for the physical welfare of OSS personnel. The position of the Branch in an organization such as OSS, however, offered unusual opportunity to extend the functions of the Branch beyond those of routine medical care. The Surgeon General and others found that OSS medical officers were frequently in a position to procure medical intelligence of value which was not elsewhere obtainable. In addition, the responsibility of OSS for the organization and support of resistance movements required attention to medical supplies which the Medical Services Branch was uniquely qualified to handle.

In the COI period the services of medical officers were secured for particular purposes. For example, in March 1942 a medical officer was assigned to accompany the nucleus of Detachment 101, then preparing to leave for Burma. In April, another medical officer was appointed to supervise the health of Washington personnel and to inspect the sanitary facilities at Area B. This officer's responsibilities were extended gradually, so that he acted eventually as Chief Surgeon for the agency.

The Medical Services Branch was established as one of the services group of branches in the 17 October 1942 reorganization of OSS. The principal attention of the Branch, however, was at that time still directed toward the training establishments, and the Chief Surgeon maintained an office at Area B. The necessity for a more closely integrated and extensive service became apparent by March 1943. At that time, the office of the Chief Surgeon was moved into

Washington and a headquarters was established to deal with matters of medical administration. In practice, the Branch functioned as a part of Headquarters and Headquarters Detachment. It continued to appear on organization charts, however, as a part of Services.

While continuing to care for the medical needs of OSS personnel, the Branch began to perform other functions as well. For example, the Surgeon General's Office of the Army and the Navy's Bureau of Medicine and Surgery frequently requested the Chief Surgeon of OSS to supply them with medical intelligence. Also, it became apparent that the heavy demands upon OSS for the supply of resistance groups would necessarily include medical supplies which would have to be handled by the Branch. In view of these facts, as well as the fact that the decisions of the Chief Surgeon on activities as highly specialized as medical matters should be subject to Donovan's review only, it was proposed that Medical Services be removed from the jurisdiction of the Deputy Director-Services and given independent status among the central executive group.

Accordingly, on 31 January 1944, Supplement 30 to General Order No. 9 established Medical Services as an independent branch responsible to Donovan and the Assistant Director. The functions of Medical Services included, in addition to the routine matters of providing medical care for OSS personnel, requisitioning appropriate equipment and supplies and training medical personnel for authorized activities:

> Advising and assisting in determining the medical needs of resistance groups and in the procurement and distribution of suitable medical supplies to resistance groups.
>
> Collecting medical intelligence in cooperation with SI by approved means.

In line with its primary function of responsibility for the health of OSS personnel both in the United States and overseas, Medical Services established dispensaries at the various training areas, at the Washington headquarters and at OSS installations in the theaters. Certain difficulties were encountered in the beginning. Many of the branches in Washington felt that the medical problem could be more effectively handled at the branch level rather than on a centralized basis. With respect to the theaters, the belief was widely held that medical problems of OSS personnel could be handled by the Army.

It soon became apparent, however, that the rapid increase in the number of OSS personnel overseas, coupled with the anticipated heavy medical demands which would be placed upon the Army following D-Day in Normandy, would make it necessary for OSS to establish its own medical facilities at overseas installations. Shortly after the establishment of Medical Services as an independent branch, therefore, the Chief Surgeon queried the various overseas bases as to their medical requirements. On the basis of the replies, plans were drawn up to procure medical personnel and supplies to establish field offices of the Branch at the various overseas stations.

The Chief Surgeon toured the theaters in July 1944. He found, particularly in London and Algiers, pressing need for medical supplies for resistance groups, which had been furnished almost solely by the British and French up to that time. Upon his return to Washington in November, he promulgated a more adequate overseas medical services program. Consequently, the Medical Supply Program was established and its overseas requirements given highest possible priority. OSS sent medical supplies to resistance groups in France, Yugoslavia, Greece and northern Italy. American flag stickers were placed on each major shipment bearing a legend in the language of the country to which the supplies were destined to the effect that they came from America. This type of distribution had the effect of fostering goodwill.

The supply program complemented certain of the intelligence activities. For one

thing, medical intelligence was more readily obtainable where a feeling of goodwill existed. In the Balkans this held true particularly, the medical intelligence that OSS obtained being the best of any procured from the Balkan area. In Greece, medical officers were attached to OSS units with resistance or guerrilla forces. OSS medical officers who interrogated a returning agent prior to the capture of Naples secured the first intimation of the typhus epidemic which would greet Allied forces upon their entrance into that city.

In the Far East, particularly valuable medical services were performed, notably with Detachment 101.* The care and supply of native guerrillas in Burma was an extensive medical job performed under trying conditions.

In Italy, a Medical Services Officer arranged to dispatch medical supplies through the lines in return for intelligence, not only medical but general in nature. In London, OSS Medical Officers procured supplies which were dispatched to the French, Belgian, Dutch and Scandinavian resistance groups through channels set up by SOE.

In the post-hostilities phase, medical officers accompanied most of the City Teams in the Balkans, for the purpose, not only of caring for OSS personnel, but of securing and reporting medical intelligence of value to State Department and the armed forces.

OSS Medical Officers assisted the Typhus Commission in Yugoslavia, helped in the exchange of British prisoners of war held by Greek ELAS forces, and supplied Air Corps personnel stationed in the Balkans with medical care, food and clothing.

OSS Medical Officers in China had supplied medical intelligence to the authorities there as early as April 1945. By the middle of 1945 Medical Services was preparing an extensive program for China, which was to include assistance to the Air Corps by establishing air stations in isolated areas. The termination of the war in the Far East caused the program to be abandoned.

(5) Field Photographic

The Field Photographic Branch was established under COI as part of the Visual Presentation Branch. Upon the formation of OSS, Field Photo was placed under SI, where it remained until the general reorganization of 3 January 1943, when it was established as an independent branch.

During the OSS period, the Branch produced three types of films—strategic photography, documentary photography and special photographic projects requested by outside agencies. Field Photo, operating in the theaters as well as in the United States, serviced a variety of consumers. Some of its assignments were tactical, requiring only a short time for completion; others were strategic, long-range projects which required many months of work in various parts of the world. The steadily increasing demands made on the Branch during the OSS period resulted in curtailing services to agencies outside OSS except when priority requests came from higher authorities.

While a wide variety of documentary films was produced, such pictures fell principally into two general categories: (1) Those produced as a direct aid to the OSS training program, and (2) those undertaken to provide a record of activities in the field. S&T frequently requested films on a wide variety of subjects, such as techniques of close combat, maritime operations and clandestine communications activities. Other films produced for S&T demonstrated foreign insigne, weapons and uniforms. Such pictures became integral parts of the training program.

The second type of documentary film was concerned with recording activities of the various branches. Several branches made use of this service, R&D, for example, making repeated requests for films based on its projects. Among others, Field Photo recorded in film the activities of Detachment 101 in

* See Detachment 101 in Far East Section.

Burma, the Seventh Army Detachment in France, SO in the Balkans, and OSS headquarters in Italy.

Strategic photography was concerned with filming installations, topography, etc., the resultant pictures being forwarded to the various Allied field units to support their operations against the enemy. The most significant project of this sort, the Intelligence Photographic Documentation Project (IPDP), began in France during the rapid Allied advance in 1944. It was expanded later to cover the principal countries of Western Europe and, to a lesser degree, certain areas in the Far East. IPDP was designed to establish a world-wide basic photographic intelligence file of areas and installations of strategic importance. It was a joint R&A/Field Photo program, in which R&A research work produced the priority intelligence on which Field Photographic based its films. Not only did IPDP produce pictures of specific industrial installations, but also coastline photography of France, Belgium, Denmark, Italy, Sicily and Corsica, as well as port photography for Belgium, Holland, Denmark and a substantial portion of France and Italy. Coastlines were covered by oblique aerial photography; ports and inland installations were covered by both ground and oblique aerial shots.

Field Photographic personnel used B-25's and L-5's for air photo coverage. In the Mediterranean, however, clearance to fly over the Trieste-Gorizia area was forbidden. In July 1945 MAAF was liquidated but steps were taken to complete the final stages of the program through ground coverage. The collection and final preparation of the photographic material was done in close collaboration with R&A geographers.

Originally, the Branch undertook assignments for outside agencies because of the unusually good security conditions which prevailed in its laboratory. However, by 1944, the amount of outside work was reduced to a minimum.

At the request of the Navy, Field Photo was assigned to cover the Normandy landings, and as a corollary to this activity produced for the President, Prime Minister Churchill and Marshal Stalin a motion picture of the invasion. The resulting 4-reel film took 60 hours to prepare and received a commendation from SHAEF. Field Photographic effected similar, though less elaborate, coverage of the landings in North Africa, southern France and certain of the Pacific islands.

In addition to actual film production, the Branch carried on research in the field of specialized photography—covering both equipment and devices. Unfortunately, the results of such research were not available until the end of the war so that, although they were duly offered to and accepted by the armed forces, they were never effectively used. The first was the Iconoscope, a device designed to make possible the interpretation of oblique photographs to an extent not previously feasible. For example, the Iconoscope made it possible to measure from a single oblique photograph military installations, sea walls, low-level bombing obstructions, tank traps, etc. One of the most valuable services that the instrument could perform, though under the most ideal conditions, was to accurately estimate the underwater depth off enemy beaches. This was effected by a combination of vertical and oblique photographs taken approximately simultaneously.

The Jeriscope and the Jeriscope Jr. made possible the production of perspective drawings of target maps from any angle. With these devices, untrained personnel could produce in less than 30 minutes accurate perspectives—a process which would normally take expert personnel more than six hours.

The Iconometer was a portable device which enabled a pilot, while in the air, to judge the length of other aircraft and the distance between his ship and other craft more accurately than had been previously

possible. In addition, the Iconometer made possible a more accurate computation by pilots of ground distances, including the length of runways.

(6) Presentation

Presentation was not established as a branch of OSS until May 1944. At that time, it was made an independent branch reporting directly to Donovan and the Assistant Director.

The Branch had its genesis in the Visual Presentation activities of COI.* Upon the formation of OSS in June 1942, the VP Branch of COI was divided: Field Photographic became a division of SI for a short time but was given independent status in a few months; Pictorial Records became a section of R&A, a status which it maintained throughout the OSS period. The remainder of VP was also assigned to R&A and designated the Presentation Division.

The Bureau of the Budget, however, became convinced that the motion picture activities of Field Photo and Presentation were duplicative, and in July 1943 refused to allocate further funds for Presentation as a part of R&A. Consequently, Presentation Division of R&A was transferred to the Field Photographic Branch. Under Field Photo, however, Presentation operated as a unit. It so continued until May 1944, when the nature and quality of its work caused its establishment as a separate branch.

When Presentation was placed under R&A in the summer of 1942, its staff comprised former members of the Graphics Section of VP and certain personnel selected from the Editorial and Statistical Sections of the R&A Economics Division. Under R&A, the emphasis of the Presentation Division's work was upon sound motion pictures to assist in the analysis and understanding of given problems. In addition, appropriate charts, slides, brochures and larger planned presentations of complex subjects for conferences and meetings were prepared. Both Field Photographic and the Presentation Division of R&A were operating in the field of motion pictures. However, they differed with respect to techniques and concepts. Field Photo was concerned with strategic photography and the reporting of field activities. Presentation's interest was in analytic films which, by the extensive use of animation, focussed attention on particular problems or phases of particular problems which were abstract in nature.

The first film that Presentation produced under R&A was a one-reel experimental film entitled "U. S. Wartime Manpower". It consisted entirely of animated charts depicting Selective Service methods of classifying registrants. Its design was to assist the understanding of Selective Service by an attractive and clear presentation of complicated statistics. A second film, "The Organization of the Army", was five reels in length and combined animation with live action. It received wide distribution on a high echelon and was well received. Subsequently, General Marshall requested that a restricted version be prepared for general showing to the Army. The resultant film was the most widely distributed of all Army orientation pictures. Later films, using the techniques of both animation and live action, dealt with a variety of subjects, including an analysis of then current and potential Luftwaffe strength, capability and production potential of certain new weapons, and an exposition of the tactics and results of the airborne invasion of Crete.

Under Field Photographic, Presentation entered the field of preparing well-rounded and complete presentations for large conferences. In the late summer of 1943, the Office of the Undersecretary of War called a conference of leaders of industry, labor and the press, in an effort to counteract the overoptimism which was felt to be prevalent with regard to the outcome of the war. For the conference, Presentation edited speeches, prepared 58 charts to illustrate them, de-

* See Visual Presentation in Section I.

signed and built display structures, edited short motion pictures, etc. Subsequently, similar presentations were requested for other cities than Washington and were presented in both houses of Congress. Leaders in various fields who had attended the conference requested the War Department to produce some similar presentation which would be suitable for small communities and individual factories. Presentation therefore produced a five-reel film entitled "War Department Report", which involved collecting stock shots and laying out and photographing animation, as well as producing some original film. At the end of the first year of release, "War Department Report" had been seen by more than 20,000,000 people in the United States, Canada and Russia. At the specific request of General Arnold, a similar type of film was prepared for the Air Force.

While under Field Photographic, Presentation produced a number of smaller training and orientation films. These were often supported by brochures which undertook additional explanation and dealt with such subjects as underwater operations, secret weapons and United Nations versus Axis propaganda.

Upon its establishment as a separate branch, the functions of Presentation were defined by the May 1944 revision of General Order No. 9 (Exhibit W-41) as follows:

> Under the direction of the Director, the Presentation Branch shall be responsible for production of all presentations, other than motion pictures, and for obtaining and distributing certain completed presentations including motion pictures. At the direction of the Executive Officer it shall assist in the factual content of motion pictures.

Consequently, while Presentation was precluded from participation in the actual production of motion pictures, it could play a significant role in their compilation. The Branch remained constant in function and status thereafter.

As early as January 1944, while Presentation was still under Field Photographic, it began to send representatives overseas. In January 1944 an experimental unit was established in India. This unit was later moved to Kandy, in Ceylon, where, in addition to general Presentation work, it assisted MO in the preparation of leaflets and comic strips. General Wedemeyer was so impressed with the work done in Kandy that he requested a Presentation unit for China when he moved to Chungking to replace General Stilwell. The China unit was in operation by the beginning of 1945. A Presentation unit was also established in London in early 1945, using experienced personnel dispatched from Washington. At the same time, Presentation personnel were sent to Detachment 101 in India.

The early and elaborate plans of VP under COI for the construction of a special building to be known as Q-2* never got beyond the model stage. However, throughout its existence, and often with its status in the agency doubtful or insecure, the principle of the use of visual and audio techniques to assist the clear understanding of complicated statistical and other subjects became firmly established. Both in the theaters in which it operated and in Washington, where the majority of its work was performed, Presentation received frequent commendations from high officials, and the constant requests for its assistance testify to the effectiveness of its performance.

Upon the liquidation of OSS on 30 September 1945, Presentation was transferred to the jurisdiction of State Department.

2. Deputy Director—Intelligence Service

By January 1943, the three original intelligence branches—R&A, SI and FN—had already reached an impressive stage of development. The official confirmation of the position of OSS in the JCS framework, resulting from the settlement of the JPWC controversies, allowed the organization to consolidate progress already made and to prepare for the greater tasks ahead.

* See Visual Presentation in Section I.

The reorganization, pursuant to JCS 155/4/D, established a new pattern which was to obtain throughout the existence of OSS. Whereas the reorganization of October 1942 had grouped the branches according to the degree of secrecy involved in their operations, e.g., SO and SI under one deputy director and R&A and FN under another, General Order No. 9 (Exhibit W-35) reorganized the agency in accordance with categories of services rendered. The result was a tightened organizational structure designed to facilitate inter-branch cooperation and to render maximum service, without hindering necessary development and expansion.

This was accomplished by placing a series of administrative and technical branches under the Director and Assistant Director, and grouping under separate deputy directors related branches in three categories: Intelligence, Operations and Services. The Deputy Director of the Intelligence Service was charged initially with the supervision and direction of R&A, SI and FN, all of which had been established early in the COI period. Two branches were subsequently added to the Intelligence Service: The X-2 (Counter-Espionage) Branch which was established in June 1943, and the CD Branch (Censorship and Documents) which was set up in November.

The Deputy Director of the Intelligence Service sat on the JIC and assisted the liaison of the various branches for which he was responsible, both with that Committee and with other outside agencies and departments. Perhaps his most important function, however, was to facilitate inter-branch cooperation. The coordination effected by the Deputy Director was particularly valuable in matters of intelligence planning and evaluation.

It was always recognized, however, that each of the functions represented by the various intelligence branches was distinct, requiring different techniques and methods. Therefore, their independence of operation and liaison was not disturbed.

In coordinating the activities of the intelligence branches, the Deputy Director was assisted by an Administrative Officer who reported directly to him, and an Assistant Deputy Director who maintained contact with the Planning Group and X-2 and coordinated the activities of the intelligence units in the New York Area Office. The following officers reported to the Deputy Director through his Assistant: (1) The Chief of Evaluation, Processing and Dissemination Activities; (2) the Chief of Collection Activities; (3) the Chief of JICA, who supervised and coordinated all activities of JICA with respect to OSS; and (4) the Chief of Special Projects, who supervised the activities of various units of OSS on permanent intelligence projects.

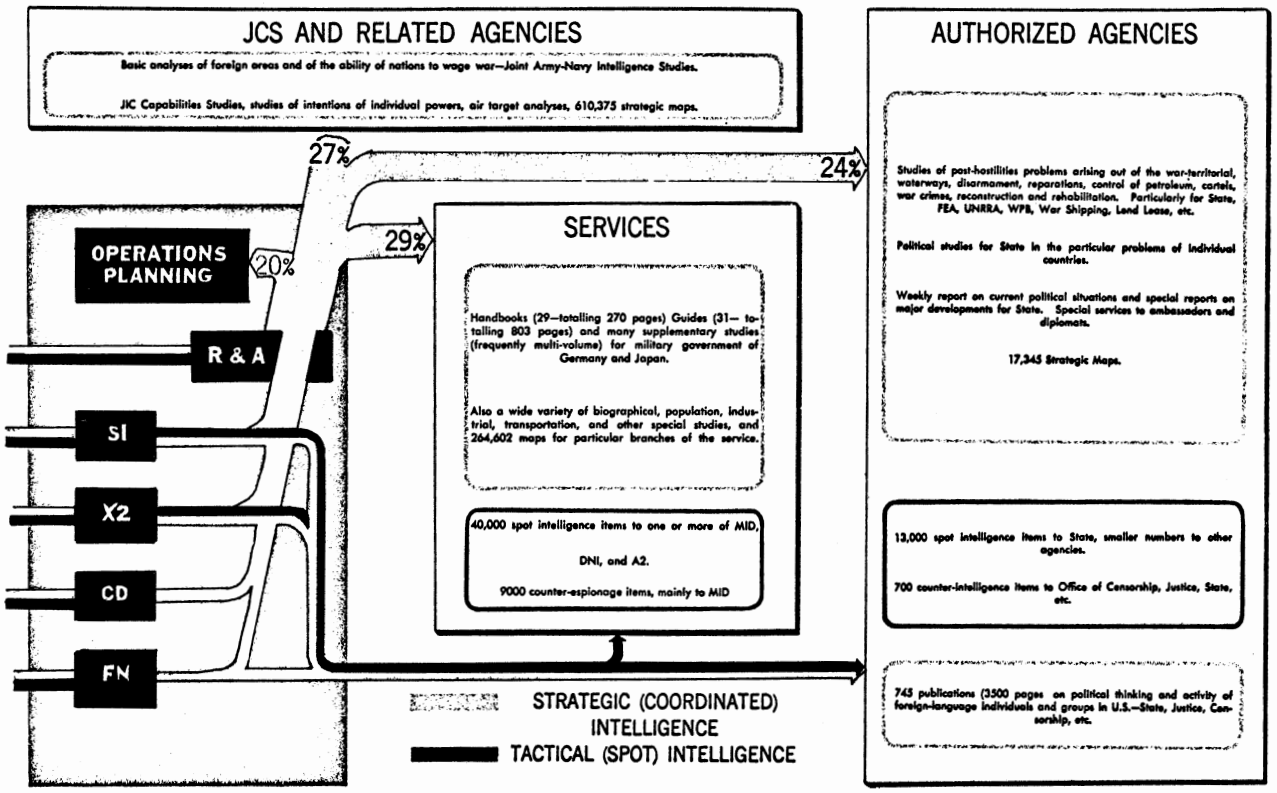
The chart on page 166 shows the dissemination of OSS intelligence in Washington during the twelve months ended 1 April 1945. Many of the reports disseminated in the field that proved valuable to local headquarters are not included, since Washington distribution eliminated obsolescent and duplicative items. Although the number of intelligence reports disseminated cannot be considered an indication of their value, nevertheless, the chart indicates clearly the impressive scope which the OSS Intelligence Service had achieved by 1945. It is all the more striking when it is noted that distributees generally gave OSS reports a high evaluation, and that throughout the latter part of 1943 and thereafter quality rather than quantity was increasingly stressed in all OSS intelligence activities.

(a) RESEARCH AND ANALYSIS—R&A

The functions of R&A were so broad and complex as to resist precise definition. Basically, the concept of the Branch grew out of realization that the intelligence set-up of the United States was inadequate to cope with the demands of modern war. Conse-

DISSEMINATION OF OSS INTELLIGENCE IN WASHINGTON

12 MONTHS ENDING 1 APRIL 1945



quently, as related in the account of the Branch under COI, there were marshalled to the over-all intelligence effort sources previously untapped and skills previously unused. Though not new in themselves, they constituted an innovation when combined and applied to the field of intelligence.

Like COI/OSS itself, the functions of R&A were defined in practice rather than by fiat. It was primarily a service so conceived that it could be of value to many agencies but subject to none. It served the operating branches of OSS, but it did most of its work for various agencies of the JCS, State Department, the armed services, and others. And in its work for the latter agencies R&A found its greatest significance.

In one broad aspect of its operations, R&A engaged in a search for facts. Trained researchers were brought to the service of the Government to probe out, or deduce, the elusive but necessary fact or set of facts.

In addition, R&A applied to existing facts analytic and interpretive skills theretofore not employed for intelligence purposes. Economists, geographers, political scientists and historians were enlisted in its service. Thus R&A developed new techniques for determining the intentions and capabilities of other nations.

R&A was in a unique position. Placed at a strategic level high in government echelons—directly under the President in COI and under the JCS in OSS—it could maintain the objective and independent approach so essential a prerequisite to accurate interpretation and evaluation. It was in an organization free of any policy-making responsibilities and therefore separate from any particular point of view advocated in any other quarter or agency. It was given authority for access to information from all parts of the Government and, although difficulties were encountered in obtaining complete coverage, the range of material made available to R&A was a significant step towards the principal of a centralized intelligence agency. Furthermore, the success and effectiveness of R&A techniques, certain of which were adopted by other agencies, served in effect to influence, if not revolutionize, intelligence processing throughout the Government.

(1) Reorganization, January 1943.

The development of the R&A Branch structure was directed toward (1) maximum flexibility and adaptability to cope with the wide variety of tasks assigned, (2) relieving research personnel of problems of administrative detail, and (3) placing auxiliary or specialized functions such as files, access to sources, and cartography into positions of greatest support to the research staff.

Certain basic problems had not been resolved in the COI period, particularly the question of regional versus functional organization and the increasing awkwardness of the arrangements with the Library of Congress, which entailed a physical and administrative separation of a major portion of R&A personnel. At the beginning of January 1943 a sweeping Branch reorganization took place. Under consideration as early as October 1942, it was not consummated until after the over-all OSS reorganization which followed the issuance of JCS 155/4/D in December.

Four principal divisions were created, regional in responsibility but with functional subdivisions. They were designated Europe-Africa, Far East, USSR and Latin America, each comprising Economics, Political and Geographic Subdivisions. The former Economics Division staff was distributed among the various Economics Subdivisions; personnel of the former DSI Sections were taken into the Political Subdivisions; and the Geographic Reports Section staff of the former Geographic Division manned the Geographic Subdivisions. The Psychology Division was abolished and the greater part of its personnel was transferred to the Planning Staff.

A Current Intelligence Staff continued the preparation of periodic intelligence summaries and was responsible for problems re-

lated to the collection and dissemination of information on the immediate situation. It worked closely with the regional divisions.

To support the work of the regional divisions, CID, the "library" of Branch documentation, was maintained intact, as was the IDC. A new functional division, the Map Division, was created of personnel from the Cartographic Section of the former Geographic Division.*

The reorganization was physical as well as administrative, since the agreement with the Library of Congress was terminated following the dissolution of DSI. Personnel who had been working in the Library were moved to offices nearer OSS headquarters as rapidly as space could be found.

Effective control over the substantive work of the Branch was lodged in the Projects Committee, on which all divisions were represented. This Committee, directly responsible to the Branch Chief, grew out of a Planning Committee which had functioned after July 1942 under the Board of Analysts.**

It is significant to note that the structure of the Branch as shaped by the reorganization in January 1943 remained substantially unchanged thereafter. An effective balance had been found between regional and functional organization, and under the Projects Committee the work of the divisions continued at an efficient level despite the variety of projects undertaken and the changes in emphasis requested by "customers" or dictated by conditions.

* A Presentation Division was created at this time to continue the functions of the former Visual Presentation Branch, but it was transferred to the Field Photographic Unit on 1 July 1943.

** The Board of Analysts met less frequently following November 1942. It was eventually dissolved on 1 December 1943, partly because other duties required so much of the time of the Board members, and partly because the editorial and administrative functions of the Board had been delegated to other units. Its function as originally conceived had never fully materialized.

(2) Branch Administration

An important part of the reorganization was the expansion of Branch administrative machinery. An Executive Officer and an administrative staff, responsible to the Branch Chief, were appointed. Their purpose was to relieve both the Branch Chief and the division chiefs of the bulk of necessary administrative detail.

Problems of budget and the allocation of personnel grades, both civilian and military, predominated. The latter was never satisfactorily solved. As the war progressed, the Branch was threatened with the loss of an increasing number of its men through draft calls. However, there was no over-all policy of military status for essential Branch personnel. Exemptions were both distasteful and difficult to obtain; commissions were extremely scarce, those that were secured being frequently in ranks not commensurate with positions of similar responsibility in MIS or ONI. Many of the R&A staff were inducted, given basic training and returned to the Branch as enlisted men.

On the other hand, as OSS received increasing allotments for military personnel, a number of highly qualified Army and Navy men of both commissioned and enlisted ranks, with linguistic or research ability, was assigned to R&A either by the services or upon specific request. The result within R&A was a veritable anarchy of military rank, with enlisted men or junior officers in some cases directing the work of men up to the rank of lieutenant colonel. Some R&A enlisted men were authorized to wear civilian clothes to facilitate their dealings with general and staff officers in other services, and to permit access to installations and documents forbidden to non-commissioned personnel.

As R&A staffs overseas expanded, problems relating to the outposts became the responsibility of the Executive Officer. The number of details involved, from the scheduling and expediting of transportation requests to facilitating the activities of R&A personnel all

over the world, increased, as some 400 of the Branch's staff of 1,200 were sent overseas.

(3) Supporting Divisions and Outposts

Central Information Division—CID. CID was the reference library for intelligence. The bulk of documentary material reached the Branch through CID, where it was registered, indexed and made available to the regional divisions. Such material included classified and unclassified documents, informational cables and censorship material, as well as pictorial and biographical records. In addition, the Division processed most of the foreign publications procured by IDC.

CID not only proved able to cope with the variety of materials used by the Branch, but established a filing system of exceptional clarity and ease of handling. It used a cross-reference index system, featuring subject summaries on index cards, which was adopted subsequently by several other intelligence staffs. In addition, daily accession lists were circulated throughout R&A, noting and summarizing all new items received.

Where necessary, special handling procedures were established for specific categories of documentation. Principal among these were State Department cables from diplomatic posts overseas, copies of which were forwarded regularly to R&A. They included, for example, reports of the State Department press reading group operating in the Embassy in Moscow.

A liaison staff within CID worked to assure R&A access to maximum sources and reports of other government agencies and offices. It also expedited dissemination of R&A reports in Washington.

By 1945 the Division was processing some 10,000 items monthly, each of which was generally submitted to six or seven analysts prior to permanent filing in the CID library for further use within and outside OSS. The library indexed over 400,000 cards by subject and region, including special collections in OSS custody, such as the German and Italian Libraries of Information, the similar French Library and those of other alien organizations.

The Biographical Records Section (which had originated in SI) obtained information from all types of printed matter, interviews with refugees and prisoners of war, censorship intercepts and other sources, to build files on key personnel in enemy or enemy-occupied territory. Some 100,000 documented biographies existed by 1945, ranging from a paragraph to several pages, and in constant process of augmentation. Each item was checked and evaluated by the appropriate political subdivision before being made available through normal CID channels. Field staffs were established in New York and San Francisco and in 1945 an overseas unit was sent to England and France to supply comprehensive German biographical data to G-5 SHAEF.

The Pictorial Records Section (which was taken over from the Visual Presentation Branch of COI in June 1942) had collected and processed some 227,000 photographs by November 1944. All of such photographs dealt with enemy or enemy-occupied countries and were available for the use of R&A analysts, Army, Navy and other official agencies.

Map Division. The Map Division was divided into four sections: Cartography, Map Intelligence, Topographic Models and Special Photography.

The Cartography Section produced maps which constituted specialty studies for strategic purposes rather than conventional operational maps for tactical use. The production of such maps involved research like that conducted in the regional divisions, and the cartographers, trained both as geographers and map makers, worked closely with the analysts, sometimes translating textual data into maps, sometimes compiling the information themselves. The maps that accompanied R&A projects were no mere illustrations, but were integral parts of the studies, many maps constituting intelligence

reports in themselves. Approximately thirty percent of the Section's work was for the JCS, particularly the Joint War Plans Committee, and the Section performed continual map reporting duties for General Marshall. In addition, it directly served at the Quebec and Teheran conferences and prepared practically all the maps for the JANIS studies. The intelligence cartography performed by the Section involved subjects as varied as those in which the regional divisions were interested.

The Map Intelligence Section was the only United States unit with the function of collecting new cartographic material of all types, both in the United States and abroad. From road maps and tourist guides to highly specialized geologic and resources studies, surveys, installation plans and technical transportation or telecommunications charts, it built up one of the largest foreign map collections in the country. Map Division men at R&A overseas outposts served as map collectors abroad. The Map Intelligence collections comprised approximately 500,000 items, all filed, indexed and catalogued for ready reference. During a typical month in 1944, in addition to answering frequent spot inquiries, it distributed 110,000 copies of some 20,000 different maps.

The Topographic Models Section performed basic research for geomorphic expression and produced the large three-dimensional models employed in both strategic and operational planning. Mechanical devices were developed by the Section especially for this work, including the Orthojector,* the atcorob,** the vertical slide projector, and others. In addition, new techniques were pioneered, such as shadow painting, which was found to be the only way to bring out minor relief features to the fullest extent.

The fact that each model consumed an average of 2200 man hours, and each duplicate 150 man-hours, indicates the painstaking detail required. The Section worked closely with corresponding units subsequently established by the Army.

The Special Photography Section was engaged principally in extending the use of the topographic models by producing black and white and color reproductions on which the daily situation was recorded. Ninety percent of the Section's work was performed for the JCS.

Inter-Departmental Committee for the Acquisition of Foreign Publications—IDC. IDC was composed of representatives of OSS, MIS, ONI, FEA, OWI, Commerce, Treasury, Agriculture, State and the Library of Congress, and served all government agencies in the regular collection of foreign periodicals and publications, either in their original form or in microfilm copy. Besides taking a leading part in the organization and activities of IDC, R&A was responsible for its administration and R&A staffs abroad assisted in IDC collection activities.

In late 1944 during a typical month 1,000 books, 6,300 serial publications in their original form and 10,000 in microfilm were received. The material, including newspapers, magazines, books and such documents as telephone and city directories, was listed in a central card index and daily resumes were widely distributed. Bibliographic services were supplied on request.

Outposts. While the major part of R&A's work was necessarily performed in Washington, the R&A outposts overseas were of invaluable assistance in supporting Branch activities and in serving as points of contact with military and diplomatic "customers" in the field. By November 1944 R&A staffs had been established at London, Algiers, Cairo, Caserta, Paris, Stockholm, New Delhi, Bari,

* A machine designed to permit the transfer of geographic information from a glass plate or a good image on paper to any other surface, the result being in orthographic projection.

** A machine developed to permit the carving of topographic models under the stereoscopic projection of maps. The word "atcorob" is derived from the names of three R&A personnel who invented it.

Honolulu, Chungking, Bucharest, Istanbul, Rome, Lisbon, Kandy and Athens.

The activities at the outposts naturally varied according to their size and the demands of the theater or area in which they were located, but they had certain general functions. A primary activity was the collection of fresh intelligence in the field, particularly in newly conquered or liberated areas close to the military front. Much of the information gathered by R&A fell midway between that of SI and the State Department—while the former generally employed secrecy and the latter had to observe diplomatic protocol, R&A personnel were restricted by neither of these considerations. Although the resulting information was frequently for immediate use in the field, it was also transmitted to R&A in Washington as rapidly as possible. Another primary function of the field staffs was to assure the speedy distribution of Washington R&A products to appropriate local users in the field, both inside and outside OSS.

Members of the regional divisions in the field did not limit their procurement of material to that concerning the area of their primary interest; valuable information on the Far East or the USSR was obtained in London as well as Rome and Cairo, and information of particular use on Germany was acquired in North Africa, Italy and France.

The specific activities of the field staffs are more completely covered in the accounts of OSS operations in the various theaters. Aside from the function of relaying material back to headquarters, each of the outposts to some degree performed the functions of an R&A Branch for local authorities.

Field Offices. Permanent R&A field offices were maintained in New York and San Francisco as auxiliary bases for Washington research activities.

The New York office was established in August 1942 upon the liquidation of OI.* It served the Branch by obtaining information and documentation from sources available only in New York, including libraries, research centers, business, commercial and missionary or educational organizations in the area. In addition, interrogations or specific research projects were undertaken as directed, and close liaison maintained with OSS units and other government agencies in New York. A separate specialized staff was maintained in New York by the Biographical Records Section of CID.

The San Francisco office was similarly useful to R&A in the collection of essential material primarily available on the West Coast. The USSR and Far East Divisions particularly used its facilities and on several occasions sent personnel to San Francisco or Seattle to direct specific research or interrogation assignments.

After the establishment of the Civil Affairs Staging Area (CASA) at Fort Ord,* the R&A staff on the West Coast was increased to contribute to the completion of Civil Affairs programs for Japan.

(4) Regional Divisions

Projects Committee. This Committee was the controlling and coordinating authority for the substantive work of the Branch. The Assistant Chief of the Branch acted as Chairman and its membership was drawn from all divisions. The members were not merely delegates of their divisions but also represented various fields of subject matter and different levels of administrative authority. The Committee performed a line function in the control of research, and a staff function in advising the Branch Chief. In either case, it represented a direct extension of his authority.

All requests for the preparation of R&A studies were submitted to the Committee. It decided priorities within the Branch on the basis of all relevant factors, such as purpose of the project, source of the request, units to be consulted or to cooperate, and estimated time required.

The R&A Editor sat on the Projects Committee. His function was to assure a uni-

* See account of OI in Section I.

* See "West Coast Office" below.

form high standard in all Branch reports prior to dissemination and to request revisions in editorially unsatisfactory material.

Regional Divisions. (Europe-Africa, Far East, USSR, Latin America). These four divisions, each concerned with one of the world's major spheres, were the core of the Branch. They performed the major function of research and analysis, and issued the bulk of the studies and reports that represented the R&A intelligence product.

Each division was subdivided into three parts—economic, political and geographic—each of which was in turn composed of several sections to handle specific subjects such as transport, population and manpower, industrial and military supplies, agriculture and standards of living, and localized areas.

In considering the organizational structure of the Branch, however, it should be remembered that it was not a system of rigid compartmentation; under Projects Committee direction any one of its components might work with another and each had to be prepared to handle a wide diversity of material. Flexibility was cultivated so that each project could receive the most appropriate treatment—using established analytical techniques and evaluation processes or, if the need existed, developing new ones suited to the particular demands of the subject. Consequently, the complex nature of some projects frequently required collaboration which over-rode administrative distinctions. Projects were often undertaken by special divisional committees of representatives from several sections, and where projects crossed regional division lines, research "task groups" were designated.

To the analysts of the regional divisions came all intelligence pertinent to their field of inquiry, so that each current item could be compared with all that was then known of the subject in order to determine its reliability, to fit it into the general picture, and to decide what interpretations or conclusions could reasonably be drawn on the basis of experience or technical reasoning. Through their wide background of knowledge and the variety of sources to which they had access, the analysts were able to maintain continuing study of changing conditions based on the latest information, and to evaluate specific effects that might be expected to result from proposals or policies submitted to them.

Prior to VE-Day, and to some extent thereafter by reason of the many post-war problems which came within the purview of R&A, highest priority was on Europe. Therefore, at the time of the reorganization of the Branch in January 1943, the Europe-Africa Division was assigned the majority of the personnel of the former Economics and Geographic Divisions. In contrast, other divisions, particularly the Far East Division, were handicapped throughout by lack of sufficient personnel, as many of the small number of specialists on the area with acceptable qualifications were by 1943 already engaged by the armed services or other agencies and departments of the Government.

Current Intelligence Staff. A special unit worked closely with the regional divisions, securing, editing and disseminating current intelligence with particular emphasis on information of a political nature. It was instrumental in promptly relaying the latest information to those who needed it as background for larger or specialized studies.

The OSS War Room was maintained by the Current Intelligence Staff with appropriate situation maps, charts and reports, as well as documents. Bi-weekly oral reports on current military and related activities were presented in the War Room to a restricted group of key OSS and other officers, principally to facilitate integration of OSS plans with projected military and naval operations.

CIS prepared periodic current intelligence publications. The "Daily Intelligence Summary" was distributed to OSS policy-making officials and provided factual intelligence abstracts of the most significant foreign developments of the day. It also produced the

"Political Intelligence Weekly",* a review of current foreign political and strategic developments for circulation within OSS and to operating echelons of outside agencies to which it served as a valuable supplement to JIC publications. However, broad top-echelon distribution of such weekly summaries by OSS had been abolished by JCS as duplicative of similar G-2 and ONI resumes.

Therefore, a "JIC Weekly Summary" was prepared for circulation to 65 policy-making leaders in the Government. The Current Intelligence Staff represented OSS on the JIC Editorial Committee and prepared the bulk of the text, including both original papers and summaries of reports written elsewhere in R&A.

(5) Source Materials

All types and varieties of documents and materials were used by R&A to yield intelligence. However, ready access to the latest information from all possible sources was the basic factor in the preparation of exhaustive intelligence studies.

The key researchers and specialists in the Branch combined in themselves knowledge not only of their respective fields but of sound research procedure. The additional quality of adaptability or flexibility to the newness of their environment and the multiplicity of the problems they faced distinguished the most successful R&A personnel. In applying their research experience to intelligence work, they depended on both (1) existing or established sources of information, such as governmental or official files, and (2) the wealth of data available in overt sources theretofore little used in the United States for intelligence, such as foreign and specialized books, periodicals and publications, records and files of private corporations and agencies with interests abroad, and interrogations of travellers or refugees from all over the world.

Government or Official Sources. Virtually all departments and agencies of the Government with interests in foreign policy or conditions possessed files or documentation of interest to intelligence research. It was necessary to inspect and coordinate all the various files to ascertain the extent of material available, and to have access to and keep abreast of any and all new information wherever received.

The principal official sources were Army, Navy and State Department, and the intelligence or research units of the Departments of Justice, Commerce, Treasury (including Foreign Funds Control), Agriculture and Labor, as well as the FCC (both technical and monitoring functions), Alien Property Custodian and Petroleum Administrator for War. New agencies, such as the BEW (later FEA) and the Office of Censorship, contributed specialized information. In addition, intelligence studies were received from British and other Allied intelligence services and were invaluable both as sources and for checking or verification.

The mass of current information flowing into the various governmental agencies not only expanded and brought intelligence files up to date but as a whole provided comprehensive regional and functional intelligence coverage. All such information was not always made available to R&A, despite Presidential order in the days of COI and JCS directive later. This was understandable in view of natural reluctance of established agencies to recognize the over-all nature of a new organization such as R&A. Donovan referred to the handicap of not receiving all intelligence reports available to other agencies in the course of the controversies in the JPWC prior to JCS 155/4/D.* All the JCS directives of the 155 series specifically enjoined complete exchange of information between MIS, ONI and OSS. However, as late

* This was essentially the same as the weekly summaries previously entitled "The War This Week" and "Psychological Warfare Weekly". See account of R&A in Section I.

* See Exhibit W-28.

as July 1943, the Deputy Director, Intelligence Service, commented, in a letter to the Executive Secretary of the Joint Chiefs of Staff, on the difficulties which confronted R&A due to the disadvantages of not receiving full cooperation from other agencies in this regard.* Although the volume of information received from other agencies increased as working relations developed and improved, frequently R&A analysts were unable to obtain a specific item, or items, of highly classified information which might have improved the final product considerably and strengthened the conclusions that were reached.

Informal liaison with high planning and policy echelons was maintained by R&A in order to follow the direction of top echelon government planning. The Branch could anticipate specific intelligence requests and the regional divisions were afforded a more realistic interpretation in their evaluation of current intelligence.

Reports of other OSS branches were an important source of information. Such sources as SI became particularly significant as the close relations attendant upon the establishment of the post of Deputy Director, Intelligence Service, resulted in quicker and freer interchange of material and evaluation.

Overt Research Sources. As a result of their pre-war experience, the researchers at once turned to the published sources available in the Library of Congress, the New York Public Library, and the specialized collections in trade or professional associations of engineering, geography, social sciences and archaeology, to name a few. These sources ranged from contemporary technical journals, meticulously describing the latest bridges, factories or port installations, through annual statistics or chamber of commerce publications on population, transportation, or food consumption, and telephone or business directories valuable in pinpointing the exact location of bombing targets, to early narratives of exploration among little-visited regions or islands. Late issues of enemy publications in the immediate pre-war years were frequently edited to conceal important facts and had to be carefully checked before use. Thus, an official Japanese publication listed a registration of trucks smaller than the number known to have been shipped to Japan from the United States alone. On the other hand, an analysis of current issues of European freight tariffs, which listed rates for shipping oil from new locations, revealed the existence of two theretofore unsuspected oil installations. Photo reconnaissance subsequently confirmed this intelligence.

The files of private American business, manufacturing, shipping, insurance, educational and missionary organizations proved a most important source. The sale of locomotives and rolling stock to a foreign railroad necessitated complete information on trackage, water, fueling, clearances, switch points, grade cuts, tunnels and bridges. Delivery of oil products required complete data on foreign oil bunkering, storage and piping facilities. Insurance firms reinsuring foreign installations had files on construction details, surroundings and vulnerability.

American firms were cooperative throughout in making their records and data fully available to R&A, but they were also approached frequently by MIS, Chief of Engineers, ONI and BEW with apparently identical requests. Items gathered by R&A were regularly accessioned in CID or made available to other agencies on request.

Extensive interrogations, both of returning travellers and of Americans or refugees informed on specific details of foreign installations or developments, were significant in indicating new topics for verification or in confirming dubious or incomplete data. R&A supplemented the work begun by OI and developed by SFE; detailed briefings were given interrogators and additional in-

* See History File W-15.

terviews with sources were arranged for R&A personnel.

(6) Types of Studies

R&A studies, which numbered more than 2,500 in December 1944, were so varied in type that space will permit little more than an indication of their general scope. In broad classifications, projects were directed towards operational planning, diplomatic problems, military government activities, post-hostilities regulation of the enemy and world security policies.

Comprehensive Regional Studies and Appraisals. From the earliest days of the war, R&A was consistently concerned with the preparation of complete area surveys, which included detailed analyses by text and map of terrain, climate, transport groups, resources, and the social, governmental and economic structure of foreign nations. Three such studies, each several hundred pages long, were made for the invasion of North Africa in November 1942, the one on Morocco serving as a guide in planning the landings and subsequent operations there. A survey of the railroads of North Africa was so comprehensive that it was used by the United States Army Engineers as a basis for the organization of North African overland transport. Equally complete studies were later made of southern Italy, Normandy, Brittany and southern France. Of the same general nature were geographic monographs on small island groups, which, since they were prepared primarily for the Navy, placed great emphasis on coastal features.

One smaller study of 125 pages, undertaken as an outcome of the first Quebec Conference, illustrates the problems and techniques involved in such work. The directive merely requested a study of the Kuriles. But a preliminary survey of the chain of islands demonstrated the advisability of concentrating on one island, Shimushu-to. This Island was strategically located with respect to the line of northern Japanese defenses; was secure on one side, since it was adjacent to neutral Russia; and was suitable for the development of airfields due to its level terrain. The accumulation of source materials was particularly difficult. Furthermore, place names had been given by the Russians, by the Japanese, and by Swedish and British explorers, so that it was a problem, for example, to tell whether a lake described in a Swedish text was the same as one differently named on a Japanese map. The description of the Island was carefully built up through the ingenious use of widely scattered sources. A Japanese limnological study published in a German hydrographic journal furnished some excellent photographs, as did a Swedish naturalist's travel account. (An obscure original edition of the latter discovered in a small midwestern college library was found to contain twice the number of plates which appeared in the English translation used by other intelligence agencies.) An eighteenth century Russian book; an account of sea otter hunting; several botanical journals published in places as far removed as Boston, Tokyo and Sweden; the proceedings of a Canadian scientific congress; official Japanese publications, such as hydrographic bulletins; classified and unclassified Allied government documents on climate, tides, etc., and maps from the Japanese Imperial Land Survey, the British Admiralty, the Canadian Department of National Defense, the United States Army Map Service, and the United States and USSR Hydrographic Offices, were among the many printed sources consulted. To these were added civilian and military population estimates based on housing facilities shown in aerial photographs, information on lighthouses from an American submarine reconnaissance, gun position data from a captured enemy document, and the location of defenses discovered through interrogating prisoners of war from Attu. Altogether, more than 500 separate sources were used and checked one against the other to arrive at a full description of Shimushu-to, an

island measuring but 18.7 miles by 15.5 miles. The report was supplemented by eight maps, one providing general coverage of the Island, and each of the others illustrating in detail the seven separate coastal areas.

R&A's early topographic studies served in large part as a pattern for the Joint Army Navy Intelligence Studies (JANIS) publications. The JANIS committee was formed in April 1943 through the cooperation of MIS, ONI and OSS, and was subsequently brought under the control of the JCS through the Joint Intelligence Study Publishing Board (JISPB). JANIS publications were standard surveys for strategic planning in the Pacific.* They set forth in text and maps the physical, military and cultural elements which must be known for planning military operations. Of the fourteen chapters, R&A prepared the four dealing with transportation and communication, cities and towns, resources and trade, and peoples and government.

Somewhat analogous were reports, such as the study of south Germany made for military government purposes, which included 1,500 pages of text and 804 maps. Since their aim was administrative and not operational, they dealt with new subjects and treated the old ones from different points of view, but they resembled the other topographic surveys in being broad basic studies of large areas.

Another example of a major project designed to aid military government was the Civil Affairs Handbooks, which were prepared to provide background intelligence in text and maps on those countries and areas in the post-hostilities governments in which American officers would participate. R&A prepared the detailed factual descriptions of the geographic, economic, social and political organization of the subject regions, which constituted approximately 75% of these studies.

Still another type of broad-range study was the periodic R&A evaluation of enemy and Allied capabilities and intentions in Europe and continental Asia. Similar estimates and forecasts as to Russia in Europe and the Far East were made periodically for the JIC. Such studies presented particularly complex problems, and necessitated ingenious evaluation of limited, though widely differing, sources. The evaluations proved repeatedly to be substantially correct. Measurements of quantitative factors of manpower, production and consumption, as the bases of reliable predictions of future trends, formed the main body of these works. As a result, these projects made great use of extrapolation of available statistics in relation to past trends in the countries under survey, as well as pre-war, World War I and related data from other countries. The general conclusions of such studies were based upon detailed analyses of separate components, such as production and consumption estimates of food, clothing and housing, or the resources and wastage of manpower. Essentially, therefore, the general appraisals of capabilities and intentions were either the outgrowth or the synthesis of isolated studies of specific economic, political and geographic problems.

Specialized Studies. Specialized studies of any one or any combination of the innumerable economic, political or geographic factors necessary for specific operational planning or general strategic background formed the greater part of R&A projects.

The range of subjects encountered in such studies varied as widely as the interests of R&A customers. Detailed studies on the single subject of foreign economics, for example, included surveys of enemy manpower, industrial resources, military supply and commercial relations. In the narrower area of logistics, studies ranged from the examination of one bridge, selected as an SO target, to a survey of "The Possibilities of

* Of the 24 JANIS studies, to which R&A contributed one-third of the work involved, 23 were concerned with the Pacific; the only one completed on Europe was that for Bulgaria.

Opening Additional Supply Routes to China."

The techniques employed were equally varied, involving both inductive reasoning, from fragmentary particulars to the general, and the deductive application of broad principles to determine what specific steps a general situation would demand.

Inductive techniques were used in the study of wartime petroleum consumption by European countries for the Enemy Oil Committee. As the bases for computing the petroleum consumption of the German and satellite armies, navies and air forces by major component units, order of battle data, careful analysis of daily communiques and analogies with comparable American information were used. Factors of wastage and losses in vehicles, ships and planes by types and by campaigns were taken into account. Then civilian consumption, country by country, was arrived at through painstakingly sifting some five to ten thousand fragments of information (from newspaper clippings, basic reference books, radio broadcasts, trade journals, cables, etc.) to build up statistics on the quantity of petroleum products employed in fuel-using motor vehicles, railways, inland shipping, bunkers, dwellings, commercial aviation, agriculture and industrial plants. Some 500 separate estimates were made by country, by use and by types of petroleum. Summing up this mass of military and civilian information, the analysts arrived at figures on over-all fuel consumption and on its use by type in each country. These figures were constantly reviewed and kept up to date. When French and Rumanian official statistics became available in the fall of 1944, it was found that they respectively deviated by but three percent and four percent from the R&A estimates.

In order to determine German aircraft production, an analysis was made of the relationship between various measures of floor space and output in American airframe and aero-engine factories and the result was applied to information derived from aerial photographs of analogous German plants. The validity of such comparisons rested upon the extent to which computations could compensate for presumable differences. Among the variables requiring adjustment were: (1) Basic manufacturing techniques, such as degree of mechanization, use of scaffolding, or space required if wings are joined to fuselage at an early rather than a late assembly stage; (2) utilization of personnel on shifts; (3) ratio of working to storage and inspection areas; (4) amount of subcontracting; and (5) airplane weights and sizes. These computations provided estimates of output based on the complete utilization of facilities during both eight and ten-hour shifts. The resultant figures served to verify the production reported by ground intelligence.

Similar studies, covering the German petroleum, rubber, steel and textile industries, placed R&A in a position to identify bottlenecks in the enemy economy and to develop strategic bombing programs of maximum effect with the Allied air resources at hand. With regard to Europe, this work was concentrated in the Enemy Objectives Unit in London.* Originally, a broad study was made of the economic effects of the R&A bombardment of Germany, based on the British principle of strategic area bombing. R&A took the position that much more profitable results could be obtained from strategic bombardment of individual high priority targets. This type of work led to active participation in the Bombardment Advisory Committee, a Presidential committee later known as the Committee of Operations Analysts. The work of this Committee led, in turn, to the establishment of the American program of priorities for air attack on Europe, as well as to continuing collaboration with A-2 staffs both in ETO and MedTO on target analysis, target selection and the post-operational evaluation of

* See R&A/London in Europe-Africa-Middle East Section.

bombing results. With R&A men supplying target direction to the air forces both in ETO and MedTO, the implementation of EOU programs in both theaters placed OSS in the position of a coordinating medium for strategic bombing attacks on Europe.

Study of Japanese production differed somewhat from the problem faced in Europe due to the fragmentary nature of the information available. The lists of Japanese industrial and power installations, painstakingly compiled from sources in the United States, were checked for completeness through information from analysis of serial numbers on captured equipment and the comparison of resultant production estimates with American floor-space-to-output ratios to ascertain approximate factory areas needed for such production.

Other more specialized studies on Japan included an estimate of air force personnel. A list of the officers in a Japanese air force unit and the dates of their schooling and assignment to certain squadrons permitted a statistical analysis of the officers posted in specific squadrons at a particular date, which helped in estimating the over-all organization of the Japanese air force, number of its squadrons, age and replacement rates.

The specific techniques used in the various specialized studies, each posing its own problems and requiring judgment and evaluation of items of information in a new context, furthered the continuing development of new and original intelligence research methods.

Studies for Foreign Policy. The R&A function in the formulation of foreign policy was twofold: First, to evaluate and estimate the effects of various alternative programs, and second, to supply all background and current information necessary for the most effective development of the program to be followed. Both types of study were prepared on request for the President, the JCS and the State Department.

A significant R&A contribution to post-hostilities policy was in the formulation of the Civil Affairs Guides for Army and Navy civil affairs authorities. R&A analysts prepared 40 of the 65 dealing with Germany and 30 of the 57 on Japan. They also assisted in the training and briefing of Civil Affairs officers at Charlottesville, Virginia, and Fort Ord, California. The Guides served to complement the Civil Affairs Handbooks by presenting to Civil Affairs officers specific recommendations for treating the economic, legal and political problems with which they would be faced. They were prepared in close cooperation with Army, Navy and FEA and were approved by the Editorial Committee of Civil Affairs Division for distribution.

Among activities supporting post-war planning, R&A economists made detailed studies of European economic and agricultural conditions. Specific programs and evaluations were presented on reparations problems, particularly the use of German labor for reparations, establishing peacetime German steel production totals and standards of living. Two R&A economists assigned to the United States Delegation in Moscow were in constant contact with R&A staffs both in Germany and Washington in order to secure essential and recent information for the American Delegation as needed.

R&A operated in an intelligence area previously little developed by the United States—the complex field of economic, political and geographic relationships. The collection of great stores of source material and the analytic employment of such material furnished a rounded background of intelligence, primarily employed for military operations but holding manifold peacetime possibilities for the strengthening of America's knowledge of foreign affairs, and contributing to the future security of the United States.

With the dissolution of OSS on 30 September 1945, R&A was transferred intact to the State Department. In transmitting to the Department a brief summary of some of

the Branch's major accomplishments, Donovan concluded:

> These efforts, in combination with R&A's many other activities, represent substantial progress made toward the ultimate intelligence target, a thorough knowledge of the other great powers' capabilities and intentions, on which the strategic decisions of this nation will be based.

(b) SECRET INTELLIGENCE—SI

The object of secret intelligence activity is to obtain by secret means information which cannot otherwise be secured and which is not elsewhere available. Such information is vital in the determination of strategy or the formulation of policy. Through the quality of secrecy, its possessor gains the benefit of surprise on the offense; and on the defense the opposition is deprived of this invaluable asset. An effective secret intelligence organization is one which not only can obtain such information at random, but can secure it when needed. It thus becomes a vital national asset gaining value through permanence.

The continuing effectiveness of a secret intelligence organization depends upon the secrecy of its methods. That secrecy is in constant jeopardy. For example, the very action in which secret information is used may perforce reveal pre-knowledge. Consequently, the organization must eliminate evidence of method (e.g., source) upon dissemination, and must constantly strive for originality in technique.

It is axiomatic, therefore, that there are no formulae for the successful accomplishment of espionage. Repetition of pattern in operations is one of the surest ways of inviting detection. A secret intelligence organization cannot become standardized in operations or procedures; it must always be in process of development. The situations which it exploits for intelligence may demand the colorless at one moment, the bizarre at the next. The challenge to judgment and ingenuity is constant.

SI was thus a process rather than a system. From the smallest one-man outpost with an operating military unit, to the bases in neutral territory and the Washington headquarters, it sought always to adapt old methods and develop new ones.

In Washington this was evidenced, not only in the continuous search for new and different cover techniques, but also in the fundamental approach of SI to the problem of secret intelligence. The latter may be demonstrated by the establishment of the Labor Section in mid-1942 to operate through international labor organizations. In creating this Section, SI approached its problem along functional, rather than geographic, lines. The same trend of thought also led to the establishment of a Counter-Intelligence Division in SI in March 1943, which soon developed into a major intelligence branch with co-equal status.

In general, the OSS period was marked by a natural decrease in the degree of operating control exercised by SI/Washington. In large areas of the world operational control passed to the bases established in military theaters. Only in neutral countries was effective direction from Washington possible.

But while the importance of the operating divisions diminished, that of the Reporting Board increased as the flow of intelligence back to Washington constantly expanded. Accurate evaluation of intelligence, together with prompt dissemination, demanded proper handling and analysis. In addition, as the SI service developed, "directed" intelligence—the rapid fulfillment of specific intelligence requests—became practicable.

Organizationally, the Branch in Washington was re-formed in October 1942 in the course of a purely internal OSS reorganization.* On 2 January 1943 it was further affected by the general reorganization directed by JCS 155/4/D. SI thus came into closer relationship with R&A, X-2, FN and CD. The important function of SI training was consolidated with that of SO in an inde-

* See Central Administrative Units and Technical Branches in 1 above.

pendent Schools and Training Branch, wherein SI was represented.*

The Chief of SI directed Branch activities, assisted by an Executive Officer, a General Deputy, a Special Assistant, and a Senior Intelligence Officer. An Administrative Officer, a Personnel and Recruiting Officer, the Reporting Board and the Technical Section reported through the General Deputy. The latter was also responsible for the operating units, namely, the Geographic Desks and the Labor Section.

Geographic Desks. The Geographic Desks were grouped and re-grouped at various times between 13 June 1942 and early 1943. At the latter time, however, they were established in the form in which they remained throughout OSS, namely, in four divisions: Europe, Africa, Middle East and Far East. Under OSS, as under COI, these Desks were the operating sections and initiated SI activities.

The progress of the war and the new position of the agency as an adjunct of JCS altered their operations considerably, however. Those Desks concerned with neutral countries continued to operate in the same fashion as in the first half of 1942, although their activities were directed in greater measure toward penetration of adjacent or nearby enemy or enemy-occupied territory. In some areas, such as parts of Africa and the Middle East, the principal activity possible was counter-intelligence. SI agents in these areas had always engaged in some rudimentary counter-intelligence and continued to do so, making the benefits of their work available to X-2.

In the principal neutral countries on the perimeter of the Axis, e.g., Sweden and Spain, X-2 was the sole OSS activity authorized, but sizable SI missions were stationed there for the purpose of penetrating enemy or enemy-occupied territory. A special case was Switzerland, where a few SI operatives had been placed in the first ten months of 1942. The country was completely encircled from the time of the German occupation of Vichy France in November 1942 until September 1944. This isolation made it impossible to dispatch additional personnel and also created difficult problems of communications and supply. Nevertheless, the intelligence which SI procured from Switzerland throughout the war was outstanding.

Therefore, in the case of those Desks servicing agents in neutral countries the job was more than one of supply and personnel. The search for suitable cover occupations and qualified people was continuous. SI representation in Spain at its peak consisted of some fifty agents. Since these agents were engaged in directing the activities of more than a thousand sub-agents in France, Madrid became in effect a field base. The same was true of Scandinavia, where OSS representation reached a total of approximately fifty in late 1944. In Stockholm, however, SO and MO also carried on activities directed toward enemy and enemy-occupied territory.

Since the Reporting Board was responsible for the dissemination and evaluation of all intelligence, there were some cases where the Geographic Desks ceased to have an operational reason for existence and were wholly concerned with passing on intelligence. Consequently, several Desks, e.g., those dealing with certain countries in southeastern Europe, were placed under the general direction of the Reporting Board.

In the case of enemy and enemy-occupied territories, notably France, Italy and the Balkans, it was necessary that practically all operations be directed from field bases in military theaters, such as Algiers, London and Cairo. The problem was therefore one of adequately staffing and supplying the counterparts of the Desks established at the field bases. As the services divisions of OSS became integrated and the position of OSS with the military in various theaters established, the problem of supply became principally one of operational supplies, such

* See Schools and Training in 4 below.

as miniature cameras, portable microfilm equipment, camouflaged letter-drops, etc.

Many Americans of French or Italian descent were recruited in 1942 to serve as undercover agents in France and Italy. The demand for personnel in field bases and outposts in various military theaters made it necessary to divert most of these recruits to operational staffs there, however. In any event, the requirements of effective cover made it more practicable in most instances to recruit locally in territories such as Africa (and later in Sicily, Corsica, Sardinia and southern Italy, as those regions were occupied by the Allies) agents who had recent residence in the target areas, and correspondingly greater facilities for cover. Consequently, the Americans recruited in 1942 and trained in the United States became SI operations officers at such bases as Algiers, London and Cairo.

Contact between the Geographic Desks and their field base representatives was somewhat complicated during most of 1943 by lack of adequate knowledge in Washington of field conditions. This was particularly true of Algiers. The situation was caused by the tightness of shipping and transportation and rigid theater commander approval requirements, which made it impossible to send adequate clerical and services personnel overseas. Not until late 1943 did conditions permit this problem to be adequately met.

Personnel problems were particularly complex and troublesome. The need for additional personnel in the field was constant;* the number of individuals with the requisite skills, experience, language, specialized knowledge and aptitudes for SI was small. When a suitable recruit for field staff was found, the time required to secure his services and dispatch him was extensive. If he were in the Army, it would require five weeks for security check, two weeks for transfer, three weeks for minimum schooling and, on the average, two weeks in transit. All this, of course, was exclusive of any time spent in waiting for military transportation.

There were many cases where the lack of commission allotments handicapped recruiting and caused a poor morale situation. For example, a recruit of exceptional qualifications might be secured, inducted into the Army as an enlisted man and sent overseas with the promise of a commission. In many instances it was impracticable for such a man to operate in civilian clothes in the field, and in uniform his usefulness was considerably curtailed by his enlisted rank. This often resulted in particular knowledges of language and target area being applied in the field merely to barter activities or the direction of foreign motor pool employees. The Desks were constantly struggling to get commissions for such personnel. This problem, which was also encountered by other branches and sections, was particularly acute in the case of SI.

In addition, special projects of an extensive nature, such as Sussex,* put an added recruiting burden upon the Desks.

As emphasis was increasingly placed upon personnel for military theaters, the type of personnel desired for SI also changed. Whereas the Desks sending operatives to neutral countries were bound by few, if any, restrictions as to age or physical condition, those dispatching personnel to theaters of operation naturally sought younger people in good physical condition. Therefore, while the principal officials of SI were civilian, recruiting efforts were increasingly directed toward the various branches of military service.

There was a constant and fundamental conflict in attempts to impose a military approach on secret intelligence problems, which was particularly apparent in the mat-

* One effect of the need for personnel in the field was that SI/Washington was constantly under pressure to send its experienced officers to the field, which threatened continuity of headquarters direction.

* See SI/North France in Europe-Africa-Middle East Section.

ter of personnel. The military approach to recruiting, training and replacement is on a unit basis; mass movement and mass operations require standardization. The opposite is the case in the field of secret intelligence, where it is imperative that personnel be recruited and trained and operate on an individual and voluntary basis. The unorthodox is the norm. No force of discipline can extract that exercise of ingenuity, judgment and energy which the work itself requires. The subject requires some emphasis, since it arises out of the unique nature of secret intelligence activity and lack of understanding of such basic differences breeds ineffectiveness.

At the beginning of 1945, when efforts were re-oriented toward the Far East, the Desks were engaged in much transferring and debriefing of personnel. Post-war projects and plans were worked out, despite the fact that official direction could not be forthcoming pending policy decisions on the future of the agency.

Reporting Board. The increase in the size and importance of the Reporting Board in the OSS period reflected most graphically the effectiveness of SI's operations.

Under COI the Reporting Board handled only the information received from parallel services of other nations. By 8 December 1942, however, the operating efforts of the COI period were returning such a volume of intelligence that the Chief of SI directed that the evaluation and dissemination of all SI material be handled by the Reporting Board.

In the spring of 1943 the Reference Room, which had been established on the basis of geographic specialists, changed its organization to one of geographic reports officers. Consequently, the Reference Room was gradually dissolved and separate offices were established on a regional basis to correspond to the Geographic Desks. However, some topical breakdown of the material was essential, and the Reports Officer in each unit assigned certain types of reports to specific assistants. In this procedure the Board compromised with the British system. SIS used a topical breakdown; SI had preferred a geographic breakdown, which was subdivided topically. The Reporting Board therefore paralleled the SI Geographic Desks (operating sections) with regional reports officers, but gave a topical breakdown within the reports unit itself.

For purposes of comparative evaluation, check lists were distributed to ONI and G-2, on which they indicated their evaluation of reports according to currency of interest, originality of material, reliability and value.

In early 1943 the Joint Intelligence Collection Agency (JICA) of G-2, ONI and A-2 was created by the JCS. JICA was not an agency for the initial procurement of intelligence, but was designed to assemble intelligence from the head field offices of all agencies and forward it to Washington. It rapidly became evident that submission of intelligence in raw form to JICA in the field risked unnecessary exposure of SI agents and considerably delayed transmission to SI/Washington.

Therefore, in the summer of 1943 the Reporting Board established field reports offices in the principal OSS bases at Algiers, London, Cairo, Istanbul, Madrid and Kandy. The field bases, in turn, set up advance subbases as required by the volume of intelligence. In addition to services to the organization itself in the field through comparative evaluation and briefing of agents, these field reports officers were invaluable in facilitating lateral dissemination of intelligence between bases and maintained liaison with the appropriate military headquarters and JICA. By late summer of 1944 the overseas personnel of the Reporting Board totalled 123.

The Reporting Board in Washington subjected each field reports officer to an intensive period of training before dispatch. The practicability of this policy became evident in the uniformity of practice and procedure which characterized each field office and

which assisted the prompt evaluation and dissemination of reports in Washington.

Early in the OSS period the Reporting Board became the channel for "directed" intelligence—questionnaires on specific points of interest from G-2, ONI and other interested agencies to agents in the field. The increase in the amount of intelligence received and its value had been demonstrated to the older services by that time. The prompt and efficient handling of "directed" intelligence became one of the major concerns of the Board.

A constant objective was the true evaluation of intelligence. In the fall of 1943 an OSS committee was appointed to consider evaluation procedure. As a result of this committee's recommendations, the Reporting Board was authorized to ask R&A for the submission within definite time limits of its opinion on the content evaluation of political and economic reports. The Evaluation and Procedures Office was established to handle transmission and receipt of such reports between SI and R&A. R&A checks, together with comparative evaluations from MIS, ONI and others, steadily contributed to the development of truer evaluation by the Board.

The Board constantly sought to decrease the time lag between the procurement of intelligence in the field and its dissemination in Washington. The establishment of field reports offices was particularly effective in this respect. Bi-monthly progress reports were subsequently instituted, and the Board established time comparisons on items of intelligence to keep the Geographic Desks informed of remediable delays.

In 1943 the Board established a system of grading the reports of various agents, which resulted in average evaluations. Thus an agent would be rated on the basis of the intelligence he produced; such ratings would be raised or lowered, as the quality of the intelligence indicated. In this fashion the Desks were kept informed of the calibre of the work performed by their agents and networks. The system had the further effect of assisting evaluation; a startling or improbable report from an agent whose work had gained a "B" rating would immediately attract attention and careful analysis.

In 1943 the Spanish chains inaugurated a project for reporting enemy installations in France by map coordinates and overlays. As of 1 April 1944, the Board made this system standard by the use of 1:50,000 scale maps numbered to a master key with a complete set of copies in the Reports Offices in London, Algiers, Madrid and Washington for simultaneous reference. The system of reporting by coordinates rather than reproducing overlays resulted in greater economy, accuracy and elimination of duplication.

Items of intelligence received by the Reporting Board for proper dissemination did not consist of written information alone. Photographs were frequently received; and such strange objects as a piece of German copper wire, sand from a Normandy landing beach, a piece of soap from Cologne, and a German soldier's documents had to be properly distributed.

The Reporting Board maintained appropriate liaison with the recipients of SI intelligence, and its personnel was augmented as the volume of intelligence increased. During 1943, 32,499 reports were disseminated by the Board, each report averaging five items of intelligence.

On 4 January 1944, the Chief of SI directed that increased emphasis should be placed on quality of intelligence rather than on quantity. However, the activity of OSS in 1944 was so great that, despite the strictest elimination of every piece of duplication and of all antiquated and inconsequential reports, the Board by 24 November had processed 54,862 reports representing approximately 500,000 items of intelligence.

Labor Section. The Labor Section was a functional unit established within SI to enlist the support of labor in all countries, chiefly for purposes of intelligence, but also for sabotage and subversion.

Little had been done to invoke labor's cooperation in securing the organized resistance of European labor undergrounds during the first few months after Pearl Harbor. As an OSS report in the summer of 1942 noted, "the fact is that neither the Military Intelligence Division nor the Office of Naval Intelligence has developed any relationships of any consequence with important underground labor groups, nor were such relationships established by the Psychological Warfare Branch of MID during the period of its existence. This was due to two reasons: (1) The lack of appreciation by MID and ONI of the value of these contacts, and (2) the lack of confidence of the underground labor groups in the Military and Naval intelligence services."*

Donovan directed that a survey be made in the spring of 1942 to investigate the possibility of establishing a labor section to support and strengthen Europe's working men and women in their resistance to the Axis and to enlist and integrate labor in the prosecution of the war in those spheres in which it was so eminently and uniquely qualified to help—espionage and sabotage.

The resultant survey set forth the considerations which affected the question and recommended the establishment of such a section. Accordingly, a Labor Unit was established in the New York office of SA/B in the spring of 1942.

In view of the traditional distrust which existed between labor and official government agencies throughout the world, it was obvious that the type of personnel selected would largely determine the success of the venture. Men who knew labor problems, and who understood and respected the points of view of labor and its leaders—who had or could inspire their confidence—were essential to the work. At the same time, rivalries among various factions in the field of trade unionism made it impractical to staff the Section with men from the unions themselves. These factors were paramount in the selection of personnel. The Chief of the Section was a practicing attorney in Chicago who had specialized in civil liberties and labor cases and had acted as counsel for many important unions. He established the Section in New York and sought to recruit for it men who were thoroughly familiar with labor questions but who were not identified with any particular labor element or point of view. The staff soon included a former chief trial examiner for NLRB, a lawyer of some experience in the Department of Interior and in NLRB, and another who had served in FHA, SEC, NLRB, and had been counsel for the La Follette Senate Committee which had investigated anti-labor practices.

It was originally intended that the Labor Section maintain its headquarters in New York, because so much labor activity, both foreign and domestic, centered there. The principal headquarters of the Section were soon moved to Washington, however, for reasons of OSS policy and administration. The New York office nevertheless continued to be of great importance and some of the Section's most valuable contacts and projects were maintained there.

Field operations were, as in other sections of SI, most important. The first field office was established in London in the fall of 1942. The national federations of labor of six occupied countries had set up new headquarters there, as had the secretariats of five international federations of crafts and industries. In addition, London was the outlet for European refugees and headquarters for the many governments-in-exile. The labor organizations of neutral countries also maintained representatives there.

When the Chief of the Labor Section first proceeded to London in September 1942 to make preliminary arrangements, he found that the British authorities were cooperating only tentatively with continental labor in the prosecution of the war. Only one man, a protege of Ernest Bevin, was working full

* See History File W-54a, p. 15.

time on labor questions. Ostensibly, he was an advisor to PWE on labor questions; actually he was doing secret intelligence work for SOE in this field. He was enthusiastic about the prospect of an OSS Labor Section office in London and endorsed the plans for cooperation with the continental labor underground. He was convinced that if the American Government acted in this field the British would follow suit—which they did.

Additional field offices were soon established, in North Africa and Stockholm in early 1943, and in Cairo later that year. At its peak, the Labor Section had field offices in London, North Africa, Bern, Stockholm, Cairo, Bari, Naples, Istanbul, Buenos Aires and Santiago de Chile. The latter two offices (working on a limited basis, and in cooperation with the FBI) served as outposts for the Ship Observer Project.

The Ship Observer Unit (SOU) was created in December 1942 "to secure strategic information about military, naval, economic and political conditions in enemy, occupied and neutral territories through seamen, seamen's organizations, ship operators, and other maritime channels".* A secondary function was to obtain facilities for transporting agents under the guise or cover of seamen or ship's officers. In addition, the SOU was to recruit agents from among neutral merchant fleets.

SOU was established in offices at 42 Broadway, New York, in December 1942. While its operations centered there, a subsidiary office was later opened in Philadelphia and for a time SOU had a representative in New Orleans. Representatives in Buenos Aires and Santiago de Chile were also maintained, as noted above.

SOU secured the cooperation and support of practically all American and neutral maritime unions. In addition, the War Shipping Administration lent valuable assistance, principally by advising SOU of the movements of ships whose officers and crews might be expected to have valuable information, and by transporting agents to theaters of operation.

Hundreds of seamen of the merchant marines of many nations were interviewed. Stewards and radio operators proved to be the most useful, but crew members of every other category, as well as ship's officers, were of value. Approximately one hundred men on neutral ships and approximately one thousand on American vessels were enlisted as regular informants. Hundreds of others contributed occasionally to the SOU's growing fund of information.

These men told little to representatives of the Army, Navy and FBI who interrogated them on arrival. They distrusted armies and navies in general almost as much as they distrusted police. Besides, official interrogations were often conducted with inadequate staff and through interpreters. But they talked to SOU representatives—over coffee or rum—in a waterfront saloon, a seamen's restaurant or a union hall. The SOU representatives were more nearly their kind of people, were vouched for by others whom they trusted, and spoke their language—both literally and figuratively.

Some of the information received from these sources was out of date by the time it was secured. However, a great deal of it rivaled in freshness intelligence secured through infiltrated agents. For example, a seaman on a Swedish vessel which had been in Norway on 13 May 1943 arrived in New York and was interviewed on 10 June. Two seamen whose ship was at Marseille from 11 to 25 February 1944 were interviewed in Philadelphia on 20 March. A seaman who had made several trips between Sweden and Gdynia in the winter of 1943-44 was interviewed in the United States on 10 February 1944. Another, whose ship had been in Piraeus for the last three weeks of September 1943, was interviewed in New York on 10 October. Still another, whose ship had been in Salonika from 28 September to 17 Octo-

* See History File W-54a, p. 67.

ber, was interviewed in New York on 30 November 1943.

Most of the information procured by the seamen dealt with harbor and beach defenses and other military and naval installations. However, information was also forthcoming on political attitudes, economics and other factors. In addition, X-2 information was secured on the Nazi sympathies and activities of individuals.

SOU obtained four types of material: (1) Oral descriptions supplemented in some cases by notes on the spot, which were made into written reports. (2) Maps, in some cases sketch maps of key areas and installations drawn by the seamen themselves, and in others standard maps provided by SOU, on which the seamen marked the locations of significant features. (3) Photographs taken by seamen. (In some cases SOU provided the men with cameras and equipment; sometimes the men furnished their own. Among others, photographs were obtained of harbor defenses and other installations at Marseille and of both shores of the Straits of Messina.) (4) Foreign publications, among the most useful of which were underground newspapers and periodicals.

In addition to those who were recruited, briefed and sent out from the United States, labor representatives abroad enlisted the cooperation of seamen in infiltrating agents into enemy and enemy-occupied territory.

A second project operating in the United States was the Office of European Labor Research (OELR). OELR was established on 15 August 1942 in offices at 11 West 42nd Street, New York City. It was a semi-autonomous private agency, having no ostensible connection with the Government and working for the Labor Section on a contract basis. Its staff was composed of German and Austrian emigre labor leaders, who acted as private citizens and not as government officials or employees.

The purpose of OELR was to collect information on the European labor situation, related economic problems and the status of resistance; to introduce Labor Section officers and field representatives to foreign labor leaders and vouch for their good faith; and to assist the Labor Section in finding qualified agent recruits of foreign origin.

The OELR produced some 200 short reports and more than eighty large studies. In addition to its work for the Labor Section, it prepared in 1943 five special reports on various French labor questions at the request of UNRRA. Its more comprehensive surveys included labor manuals for France, Austria, Belgium, the Netherlands and Germany, and "Who's Who" listings of labor in Axis and Axis-occupied countries. These surveys were continuing studies, maintained on a current basis.

Most important were OELR's introductions. Almost every representative of the Labor Section, and a good many representatives of other OSS units, profited at one time or another by OELR introductions to international labor leaders.

By the spring of 1944 the OELR had lost much of its reason for existence. Thanks in large part to its efforts, the Labor Section enjoyed the confidence of the OELR contacts in its own right. Moreover, a year's close collaboration with OELR had familiarized the principal officers of the Labor Section with OELR operations. Finally, the Labor Section had recruited qualified personnel in sufficient numbers to enable it to carry on the work which OELR had done. The OELR was therefore liquidated on 30 April 1944.

The international affiliations of labor made it impracticable to deal with it on a regional desk basis. However, the Labor Section assisted other OSS units which were organized on a regional basis, such as the SI Geographic Desks and SO. In addition, the Section carried out its own infiltration operations. The results of field operations may be found in the theater history of Europe-Africa-Middle East. It is worthy of note, however, that the first OSS agent in

Germany was infiltrated by the Labor Section.

The Labor Section was a successful experiment in secret intelligence. It was an experiment, because seldom in either peace or war have organized labor and an undercover government agency cooperated more closely, or more confidently. It was another example of applying to the field of intelligence careful choice of personnel and knowledge of delicate human factors which sometimes hinder cooperation, however great the desire on both sides.

The accomplishments of the Labor Section have significance for the future. The value of labor's contribution to secret intelligence and unorthodox warfare should be recognized and developed promptly.

Technical Section. The Technical Section was established on or about 1 May 1943 to assist in reviewing and screening technical reports and to cooperate with translators to insure technical accuracy. In addition, it assisted R&D, Communications and Special Projects, and cooperated with other agencies and departments of the Government and armed services on technical matters. It was of particular value in preparing "indicators" which were sent to agents in the field to facilitate recognition of installations, equipment and devices and their proper designations in finished reports.

The work of the office grew rapidly to such an extent that the Army, Navy, and especially the Air Force, regularly sent representatives to the Technical Section's office to obtain quickly at first-hand late information. The collection of information regarding research areas and development of V-1 and V-2 weapons was particularly instrumental in increased defensive activity. The Section reviewed as many as 5,500 technical reports per month, screened them and disseminated the important ones to appropriate officials.

The Technical Section was the instigator, and cooperated with R&A, in preparing and sending abroad for the Army and for OSS special operational use, certain condensed technical and design information on road and rail bridges and water aqueducts in Italy, France, the Low Countries, Yugoslavia and Germany. Such detailed information on design, spans, strength, etc., was particularly valuable in showing points vulnerable to sabotage. Such information also was useful to the armed forces in making quick repairs.

Daily liaison was maintained between the Technical Section and the Manhattan Project. The full story of these relations may best be found in Manhattan Project records. For the purpose of this Report it may be stated that the Technical Section, in addition to maintaining daily liaison, received and transmitted to SI agents in Switzerland, England, Sweden, Spain, Italy, and eventually in Germany itself, specific intelligence directives furnished by General Groves. Also it received, processed and returned to him some 2,000 detailed reports on the enemy's progress in the field of atomic fission. On 10 October 1945, General Groves stated in a letter addressed to the Chief of the Technical Section: "I would like to express to you my personal appreciation of the unlimited cooperation which your office has always extended to me. Your assistance has been invaluable."

The Section operated with approximately 32 services of the Army, Navy and Government in preparing and sending special detailed requests to the field for intelligence.

Upon the affiliation of OSS to JCS in 1942, the efforts of SI were directed increasingly toward the procurement of military intelligence. However, intelligence was not limited to this category, and economic, political, social, psychological and other types of intelligence were also obtained.

Whatever the attitude toward OSS may have been in the higher echelons of JPWC and other JCS committees during the critical period June-December 1942, G-2, ONI, A-2, Ordnance and others began to submit more

and more questionnaires to SI on the specific items, areas or types of intelligence they desired. By 4 August 1942 an SI statement noted that G-2 and ONI furnished lists of concrete objectives to be used in briefing agents for the field. By 1 November 1943 requests for intelligence from the armed services were continuous and, as indicated in the discussion of the Reporting Board above, liaison was continuous and prompt both on requests for intelligence and evaluation of reports submitted by SI.

SI maintained liaison with the undercover agencies of other United Nations governments both in America and abroad. Much information was procured through these services, with the relation becoming active collaboration in certain localized instances, such as the *Sussex* plan and the Labor Section's VARLIN project.*

The operations of SI began with peacetime methods of establishing representatives under governmental, commercial or professional cover in neutral territories. These operations produced probably the bulk of long-range intelligence. In the widening spheres of military theaters, field bases developed techniques of air, sea and land infiltration which produced strategic and tactical intelligence valuable to planning in Washington as well as to theater operations. Cooperation with and support of resistance groups laid a valuable groundwork which could be turned to advantage when the armies actually invaded.

The question of arranging for the dispatch of personnel, with due regard to necessary security, continued to be troublesome. It involved relations with State, Army and draft boards and, while particularly important to SI, affected other branches as well.

The evolution of SI from the time of its inception in October 1941 when a small number of men began to study the problem of establishing an undercover organization on the eve of war, through the stormy period of COI and the something over three years of OSS, was a process in the course of which an effective secret intelligence service emerged. Although volume does not reflect quality, SI's effectiveness may be partially indicated in contrasting the fifty reports submitted to the armed services in May 1942 with the 5,000 reports per month which were disseminated at the peak of its activity.

The development of SI was at once an accomplishment and an experience. The immediate value of the accomplishment lay in its service to the prosecution of the war; the ultimate value of the experience can only be realized in its significance for the future.

(c) COUNTER-ESPIONAGE—X-2

Counter-espionage is a distinct and independent intelligence function. It embraces not only the protection of the intelligence interests of the government it serves, but, by control and manipulation of the intelligence operations of other nations, it performs a dynamic function in discerning their plans and intentions, as well as in deceiving them. An effective counter-espionage organization is therefore an intelligence instrument of vital importance to national security.

The development of a secret intelligence organization makes protective counter-intelligence inevitable. However, to confine such activity to its protective aspects would be to eschew the development of the affirmative phases of counter-espionage which give it its unique and distinct value.

A counter-espionage organization usually develops slowly. Basic to it is the vast body of records which is the key to its operations and which normally takes years to accumulate. A second requirement, however, no less vital, is skilled personnel familiar with the intricate techniques by which the intelligence efforts of other nations may be controlled and directed.

* See SI/North France in Europe-Africa-Middle East Section.

The United States lacked these basic factors. At the outbreak of the war its counter-intelligence activities were performed by several agencies and departments of the Government and the armed forces, principally FBI, G-2 and ONI. Fortunately, the domestic security problem, most important at that time, was efficiently handled by the FBI, which kept itself alerted to threats from beyond United States borders by liaison with Allied security services, chiefly those of the British. With respect to areas outside the Western Hemisphere, however, the United States had virtually no security protection. Also, the divisions of interest of the various American organizations concerned with counter-intelligence and the limitations upon their several missions had resulted in incomplete and duplicative records, which were scattered and uncoordinated. The lack of complete past and current records of enemy espionage organizations, their personnel and activities, made the effective prosecution of counter-espionage seem impossible.

The development by COI/OSS of a secret intelligence organization to operate outside the Western Hemisphere made it obvious that it would be necessary to establish a security organization for its protection. It is, of course, inevitable that a secret intelligence agent in a foreign area will attempt to acquaint himself with the intelligence activities and undercover personnel of other nations operating in the same area. This, however, provides only localized and uncoordinated knowledge. Furthermore, it does not take advantage of the affirmative possibilities inherent in the possession of such knowledge, if it is coordinated with related data and supported by an efficient centralized organization.

It was widely recognized that centralization was the key to counter-espionage. This may be said to be true of secret intelligence generally. When it became apparent in early 1942 that SI would have to set up some form of security organization, the question of centralization was raised. By midsummer, the subject had been discussed by COI/OSS, not only with other agencies and departments of the Government, but with the British Security Coordination. Such discussions stimulated the move to establish a CI Division in SI.

The British had been sharing with COI, G-2, FBI, ONI and other interested agencies certain counter-espionage information. Experience gained in unravelling Axis espionage and sabotage organizations had developed a high degree of efficiency in the coordinated net of security services which the British had long maintained. In addition, they had built up over many years one of the essential instruments for CE work—a comprehensive and current registry on hostile and suspected persons and on their organizations and relationships. Nothing remotely like it on overseas CE intelligence was available to American agencies. Nor could such a body of records be produced except after decades of extensive operations. Therefore, the British were particularly anxious that the handling of the information which they made available to the American services should be consonant with the highly specialized CE techniques they had evolved. This demanded carefully trained specialists, solely concerned with CE material. In addition, America's entry into the war complicated the problem of disseminating CE material to loosely coordinated United States agencies.

In August 1942, therefore, representations were made by the British which strongly suggested an arrangement between the British and American agencies that would provide a more restricted and secure channel for the handling of CE information. If such an arrangement were concluded, the British indicated that they would be willing to make available all the CE information in their possession. The significance of this offer to the development by the United States of a counter-espionage organization cannot be overstated. The United States was given

the opportunity of gaining in a short period extensive CE records which represented the fruits of many decades of counter-espionage experience. Furthermore, the British offered to train American personnel in the techniques essential to the proper use of those records and the prosecution of CE operations.

The proposed arrangement envisioned the establishment of a civilian CE organization within OSS—in short, an American entity similar to MI-6(V) and MI-5, the British services for overseas and home security respectively, both of which were civilian services only nominally under military control. Following preliminary discussions in the United States, Donovan designated one of his special assistants to proceed to London in November 1942, where he worked out with the British arrangements whereby a small liaison unit of the projected CE organization would be stationed in London. Procedure for transmission of the CE material to the United States also resulted from these discussions.

At that time it was intended that the new CE unit to be established within OSS should become the exclusive link between British and American CE services. FBI, however, had long maintained a close and cordial liaison with the British security services, particularly MI-5, in the interests of American security in the Western Hemisphere. It was therefore agreed that FBI, in view of its jurisdiction over CE in the Western Hemisphere, would continue its independent liaison with the British services in so far as exchange of CE information relating to that area was concerned.

Definitive arrangements having been concluded, a Counter-Intelligence Division within the SI Branch of OSS was established by General Order No. 13 of 1 March 1943. Arrangements were made to send four officers and four secretaries to London for the sole purpose of preparing the British CE material for transmission through British channels to the United States. This group arrived in London by the end of March. The American offices of the Division were established in the OSS headquarters in New York City, which adjoined the offices of the British Security Coordination. CE material from overseas and from Washington was received through the British in New York and was indexed and carded by the CI Division there. The New York office served as headquarters for the new Division for some six months.

As the CI Division of SI expanded, realization of the full possibilities of counter-espionage, together with certain problems of relationships both within OSS and with various British agencies, made it evident that the ultimate development of the CE function would not be possible if its divisional status were maintained. In the first place, counter-espionage, as explained above, serves a greater purpose than the protection of secret intelligence activity. Secondly, the British SIS and their domestic and foreign security services were totally separate and distinct organizations between which rivalry existed. Also, COI/OSS policy had been from the beginning to maintain complete independence in the secret intelligence field, whereas close cooperation and collaboration with the Brish CE services were essential to the CI Division. As has been noted, it is doubtful that the activity could have been more than nominal during the war years had not the cooperation of the British been offered and advantage taken of the unique opportunity thus presented.

An additional factor which complicated the position of the new Division as a part of SI was that the approach to CE necessarily had to be functional, in effect, as opposed to the geographic set-up of the SI desks; that its Registry (which formed its major activity in the United States) had to be completely separate; and that CE security problems were distinct from those of a secret intelligence service.

In view of these factors, it was proposed that the Division be given independent status as one of the intelligence branches. In

this proposal SI concurred. On 15 June 1943, therefore, General Order No. 13 was revised to create the Counter-Espionage Branch (X-2) of the Intelligence Service of OSS.

X-2 was therefore free to develop the possibilities of CE in the protection of the security of American intelligence activities abroad, as well as the protection of national interests in foreign areas. In addition, the Branch was in a position to take advantage of long British experience and knowledge of the techniques of manipulating enemy agents, and therefore to enter the intricate field of CE operations.

The London office of X-2 soon became, and remained for the duration of hostilities, the base for the control of CE operations in Europe. The broad liaison established in London, consequent upon the elevation of X-2 to branch status, diminished the significance of the relations with the British in New York. Further, the arrangements for carding and processing of incoming material in New York, useful while the American carders were in the tutorial stage and needed the help of their British colleagues, became awkward when that stage had passed. Much of the material arrived initially in Washington, had to be transmitted to New York for a short time and then returned to the permanent and central X-2 Registry in Washington. In addition, CE material had to be screened from the mass of information flowing into other OSS branches in Washington, and such material could not be conveniently sent to New York for carding. Therefore, in September 1943, the research work in New York was discontinued and the files transferred to Washington. The move facilitated the work of X-2, tightened the unity with which the Branch operated, and placed the control of the Branch closer to the central authority of OSS.

By September 1943, X-2 was therefore in a position to address itself to the job of developing a major security organization in the remaining period of the war.

Organization. In January 1944, by the end of the formative period, it was possible for X-2 to lay out a firm plan of branch organization. An Assistant Chief, who served as head of the office in the absence of the Chief, dealt with current policy problems. The Administrative and the Liaison Officers, together with a Deputy Chief, reported directly to him.

The Administrative Officer was responsible for all budget and finance matters, the procurement of office personnel, arrangements for home and overseas travel, and other administrative functions.

The Liaison Officer established and maintained channels for the exchange of intelligence with other branches of OSS, with ONI, G-2, FBI, State Department, OEW, X-B, and other American and Allied agencies.

The Deputy Chief had charge of the procurement of military and civilian personnel for overseas duty; for the headquarters services to overseas operations and research; for the training, indoctrination and briefing of all personnel; and for the organization of field offices and field communication procedures. He had under him a field procurement and training officer.

The Deputy Chief was assisted by an Executive Officer whose main concern was the four offices which handled Security, Planning, Personnel and Training.

Headquarters intelligence activities were organized under an Operations Officer and a Director of Research who reported to the Deputy Chief.

The Operations Officer was responsible for all overseas operations; for all routine functions in connection with procurement for overseas personnel; for cover, communications, and other like arrangements.

The Director of Research supervised the work of the "geographical" desks—divided on the basis of theaters of war—where reports were processed and marked for carding and for distribution. He also supervised the Traffic Index and Registry Section, which maintained the card index system of

enemy agents, organizations and their relationships, maintained files of documents and cables, and received, recorded and dispatched all X-2 documents. Under him were four desks for special studies: The Enemy Intelligence Organization Section—which produced over-all studies for use in operational planning and for the information of field personnel—the Watch List Unit, the Insurance Intelligence Section, and a CE/Smuggling Section. The X-2 Art Unit was added to these special sections a year later.

The first drastic change in the early arrangements for handling the intelligence (Registry-Desk) activities in the Washington headquarters came in April 1944, when the Divisions of Operations and Research were abolished. Their functions, hitherto separated, were combined under geographic area offices, supervised by Theater Officers. The Carding Section was discontinued as a unit and its files were divided among the geographic area offices. Thereafter the carding was done under the immediate direction of the area intelligence officers. The alphabetical control card file, which showed the location of all personality cards, was located in the X-2 Registry. The Office of Special Studies continued as an independent unit on the same level as the Theater Offices and reported directly to the Deputy Chief. The former Director of Research was made Coordinator of Analysis to assist him.

A further change was made in November 1944 with the creation of the office of Executive Assistant to the Chief of the Branch. This officer was given authority to act in the name of the Chief over the entire Washington X-2 organization. At the same time, a Chief Intelligence Officer was appointed to supervise the work of all inteliigence personnel, thus eliminating the Office of the Deputy Chief. The Office of Special Studies was abolished, as was that of the Coordinator of Analysis. These functions were placed under the Chief Intelligence Officer, as were those of the Theater Officers. A Vetting Officer was placed on his staff, and the X-2 Registry was taken from the administrative office and put under his direct control. This adjustment placed all research activities—intelligence reporting, the making of intelligence records, processing and the like—under the direction of the Chief Intelligence Officer. One of the purposes of the change was to bring headquarters' handling of intelligence into line with that of the London War Room, which had been set up to assist SCI units with armies and army groups in the field after D-Day.

The reorganization signalized the fact that the field offices, controlled and directed in the beginning by the area desks, were largely self-sufficient. The executive function had lapsed in proportion as that self-sufficiency developed. The Washington office was on the receiving end, either of requests for services which could be handled by administration or for information which could be produced by a staff intelligence officer.

Registry. One of the main coordinating CE instruments is the body of records—of foreign, enemy or potential enemy personnel, organizations, relationships, activities, known plans—kept by the registry section. In a certain sense, the organization exists to produce its files of current, tested, readily available information, and to apply them to the protection of national interests. It is, therefore, at once an end and means of all CE activities, being the focal point at which all lines of such activities meet. It thus provides the basis for the coordination which is essential. The files provide leads for the field, which in turn produces material for the growing accumulation of data in the files. The CE registry may supply data useful in illuminating decisions on the application of national policy in certain areas, or for the light it can throw on the problems met by CE workers in the field. No positive intelligence collecting agency can operate safely for long without the protection CE files can afford to its agents.

CE cases may take years to mature. Items in the files that have every appearance of being dead can suddenly become of primary importance. Thus, it is known that enemy organizations will normally plant as many "sleeper" agents as they can to be alerted and used at a later date. It is well in all cases to go on the old CE axiom: "Once an agent, always an agent—for someone." Such individuals may not be important in themselves, but they will in due time be visited by and call attention to more significant figures.

The assembling of CE records is usually a long and expensive business. The European intelligence services—because of the geographical, industrial, military and political situation of their states vis-a-vis their neighbor states—have been forced to recognize the significance of security information. They never go out of business, and they regard the money laid out for keeping up their files as money well spent. CE operations cannot be mounted quickly and still be made to yield useful returns.

Liaison with other government agencies and the intelligence services of friendly governments—and, on occasion, those of unfriendly ones—provides a valuable source of CE information. This is particularly true in time of crisis or of war when mutual interests can be served by exchange of information. Thus the X-2 liaison in Washington with FBI, G-2, ONI, State Department, Office of Censorship, Treasury Department, FEA and OWI, was carefully maintained throughout the war. The reports passed on by other branches of OSS also added valuable material to the files. The richest sources, however, were those opened to the Branch by the British, and, in varying degrees, by other Allied services.

Like control of the enemy's pouched messages, the interception, when possible, of his telephoned, telegraphed or wireless messages provided positive and security intelligence of the highest value. A CE organization inevitably secures—especially in wartime from captured agents—information very useful to the cryptographic departments of its government; in turn, such relevant information as those departments pass on is used to protect the security of national interests. Interchange of mutual services apart, there is normally in all major intelligence systems a close tie, based on security considerations, between the overseas CE organization and the departments that work on codes.

The improvement of the mechanics of the Registry, and of the related processing of reports by the intelligence desks, was a matter of constant concern to X-2. The efficiency of the CE Registry is an index of the efficiency of the organization that exists to produce and apply it; any maladjustment in the organization of the headquarters office is felt there seriously; maladjustment in the Registry, in turn, reacts on the work of the liaison section and on the operations of the agent network. The basic principle that the CE Registry must be separate from other intelligence registries and be served by people trained in CE methods and procedures was recognized at an early date when an independent section of the OSS Registry within X-2, manned by Branch personnel, was established. It took some time, however, to get the Registry and desk arrangements running smoothly. Such arrangements aimed at a full and free flow of information from and to the field, a speedy, accurate recording system, and an organization of the records which would at once reflect the world-wide unity of the agency and make all items easily available. In the beginning, the Registry-desk problems arose chiefly from a lack of experience and of trained personnel.

The Branch Chief was able to announce in September 1945 that X-2 had received a total of more than 80,000 documents and reports and 10,000 cables, yielding a card file of some 400,000 entries. Lists, reports and studies based on this material had been distributed to United States departments and agencies,

to Allied organizations, and to X-2 offices in the field. In the period 1 April 1944 to 1 April 1945, for example, X-2/Washington distributed 2,780 classified reports, ranging from over-all studies to reports of more usual length, to government departments and agencies.

Personnel Procurement and Training. The Personnel Procurement and Training and the Administrative Sections were faced with multiple difficulties which inevitably grew out of the rapid expansion of the Branch in the first six months. The task of carrying through the necessarily slow processes of contacting, checking, assessing, indoctrinating, training and briefing more than two hundred CE workers and subsequently dispatching a large percentage of them to the field was particularly formidable in view of the Branch's rigid security standards, the strictness of the procedural and security arrangements of a CE machine, the tightness of allotments of Army and Navy personnel during those months, the shortage of transportation, and other elements in the wartime situation that restricted freedom of choice and movement.

With the settlement of policy and practice with respect to recruiting and training and the acquisition of a larger number of more experienced officers in the Washington office to help with the program, the training of the four hundred recruits, later added to X-2, became more manageable. A formal indoctrination course, which followed attendance at the assessment school, was set up in June 1944 for overseas personnel. It was given in part in the headquarters offices and in part at a staging area in New York City while personnel awaited transportation to the field. A month later a program was established for the training of headquarters officers and secretarial workers.

Inter-Branch Relations. All matters of inter-branch policy were determined in Washington. Questions arising on matters within the jurisdiction of the London office were decided in Washington on information from London. As the field operational control office, London was vested with the authority to make decisions necessary for field operations in Europe, North Africa, the Balkans and the Middle East.

Problems of adjustment were inevitably numerous in the first few months—especially those that involved interpretation of the basic principles of X-2 to other branches of OSS and to other agencies.

The peculiarities of a CE organization were for a time not fully understood within OSS and the necessity for special X-2 arrangements was not at first acknowledged. The need for separateness of its Registry was one such matter. Unique CE security regulations, especially with respect to cable communications, was another.* Also, S&T had originally based its curricula on the special needs of SI and SO, and changes which were necessary for the adequate training of X-2 personnel could only be brought about slowly. Misapprehensions as to the close relations between X-2 and the British services were not infrequent. For the last months of 1943, then, the establishment of Branch policy in these respects was one of the main preoccupations of the Branch Chief and his assistants.

The definition and adjustment of such policy decisions in terms of the organization and work of the Branch were constant. Frequent adjustments within the frame of established policies were called for by management difficulties that arose from forces beyond the control of the Branch—the regulations of other services and the like—and by

* The problem of X-2 operational communications was never satisfactorily resolved. X-2 communications, unlike other OSS traffic, were not read for information by other OSS officers or branch staffs in Washington or in the field. However, several incidents of using X-2 communications to by-pass normal OSS channels finally resulted in the compulsory review of all X-2 messages in Washington by the Director's office and in the field by the Strategic Services Officers.

those that came from the necessarily exploratory and tentative character of the organizational pattern during a period of very rapid expansion.

Liaison With Other Agencies. One of the chief activities of X-2/Washington was the transmission of CE information to other user agencies and for that reason the Liaison Section was one of its busiest units. In addition to responsibility for arrangements within the Branch to expedite liaison with Allied services, the Section maintained continuous liaison with State Department, G-2, ONI and FBI, as well as with A-2, the Office of Censorship, FEA, OWI, Treasury (including the Bureau of Narcotics, Secret Service, War Refugee Board, Foreign Funds Control, Bureau of Customs, Bureau of Internal Revenue), and such other governmental departments and bureaus as were interested in CE information. It also maintained the American contact with British Counter-Intelligence and British Imperial Censorship.

In the year before the German collapse more than 3,000 reports were disseminated to Washington agencies. Of these, 682 went to the Office of Censorship, 410 to FBI, 977 to G-2, 480 to State, and 125 to ONI. In addition to such disseminations, X-2 made available to FBI a list of titles of approximately 5,000 documents of an intelligence nature from its records. The liaison with FBI was concerned largely with the exchange of information on the overseas background of persons of interest to the Bureau; with intelligence regarding enemy agents who might operate in the United States, as well as on enemy schools and training centers abroad in which agents were especially prepared for work in the United States; and with the coordination of policies and arrangements for the handling of certain double agents prior to their departure from Europe for the United States.

Special Units. A Watch List Unit was set up in July 1943 to collect for dissemination to the United States Office of Censorship, British Imperial Censorship and French Censorship all CE information derived by X-2 from the communications of known or suspected agents. The Unit listed all names of such agents, and their cover addresses, letter boxes or mail drops, so that enemy communications could be intercepted and surveyed. It was possible for the Unit to pass on to the censorship offices with which it cooperated studies not only on persons and organizations but also on methods of secret communication. In turn, it received like information from those offices.

An Insurance Unit was established when X-2 headquarters were in New York and its work was directed from there throughout the existence of the Branch. Its function was the detection of enemy intelligence activities operated through insurance cover. As its work progressed, it evolved into an X-2 - SI unit, with its most profitable investigations those of a secret intelligence nature. Never a large unit—it was staffed by six officers who were insurance experts—it did impressive work. For example, its London office secured, after other American intelligence investigators had failed, information valuable to the military, naval and, especially, air commands, with regard to the Far East, as well as Europe. The procurement of such information illustrated once more the intelligence principle that the richest intelligence on an area frequently can be gathered at a point outside that area.

A CE Smuggling Unit, planned toward the end of 1943, was designed to coordinate information on smuggling from all available sources because of the frequent tie-up between that activity and espionage. It was hoped that such a unit, surveying, for instance, the smuggling traffic between Iberia and South America, could produce for OSS, FBI and other American intelligence agencies studies on the relations between various Fascist intelligence systems, their communications, etc. Actually, this promising plan came to nothing because of a shortage of officers. As a result, the geographical desks

had to deal piecemeal with such problems as they arose.

An X-2 Art Looting Investigation Unit was established in the second half of 1944, when it became apparent that the Germans intended to carry on with plans for subversive action after the cessation of hostilities, and were making arrangements for a supply of funds during the post-hostilities period. It was known that various sorts of treasure, in the form of items of small bulk but great value (jewels, paintings, objets d'art), which could be converted into money, had been stolen or otherwise acquired and were being stored at various places in Europe. The Allies appointed the Roberts Commission and the McMillan Commission to advise the United States War Department and the British War Office, respectively, on questions involved in returning such objects to their rightful owners. X-2 was primarily interested in the people who would attempt to dispose of works of art of this kind, as a source of information on current and future activities and plans of the enemy. The staff of the Art Looting Investigation Unit, which was related to the commissions mentioned above, worked under the direction of the London office.

OSS Field Security. The rapid growth of CE files, resulting from Washington and London liaison and from field operations, made it possible by early summer of 1944 for X-2 to be increasingly useful to OSS field security at a time when SI and other OSS operations ramified on the European Continent. Pursuant to a directive from Donovan, X-2 took over the CE investigation of a large number of new categories of OSS personnel: In July 1944, 677 names were vetted;* in August, 1,167. Field stations of American agencies, other than OSS, had recourse to X-2 files for the vetting of employees, especially in enemy territory under American control, as did foreign offices of the State Department in connection with visa applications and arrangements for the entry of members of foreign missions to the United States. Such work was performed under the supervision of an X-2 Vetting Officer.

By 1944, also, careful studies of prisoner-of-war lists were undertaken through liaison with the Captured Personnel and Materials Branch of MIS, with increasingly interesting results. Subsequently, an arrangement was made whereby an interrogation officer from CPM was assigned to X-2 for CE liaison. He was briefed by X-2 from its files so that CPM could use the material without endangering the security of sources. Relations with the office of the Provost Marshal General were maintained to locate prisoners of war in order that identifications of certain prisoners as known or suspect agents could be supplied.

Field Operations. The principal function of CE was to penetrate the enemy's or potential enemy's closely guarded undercover intelligence services in order to discover his intelligence objectives. Knowing the enemy's aims, it was the further function of CE to neutralize his intelligence efforts or control and direct them to its own purposes.

One of the principal methods by which this was accomplished was the manipulation of double agents, that is to say, captured agents who would be pursuaded to continue their activities for the enemy, ostensibly in good faith but actually at the direction of X-2. Various forms of pressure were brought to bear upon such agents, depending upon the particular situation. Generally, however, the motivations of self-interest and self-preservation were sufficient. A second standardized form of double agent operation would be the case of an agent recruited by X-2 and infiltrated into enemy territory to induce the enemy to employ him as an agent and return him to Allied territory.

In both of the above basic types of double agent operations, there were varying bene-

* Vetting is the process of checking all available CE files to ascertain whether the individual in question has ever been reported to have unfavorable or potentially dangerous associations.

fits from the standpoint of intelligence. The controlled agent could call for supplies or money. His reports to the enemy could attract replies which revealed not only actual or projected enemy intelligence activities, but enemy intentions of greater magnitude. Further, such a controlled agent could serve as a magnet to draw other enemy agents into the CE-controlled network.

Such operations naturally required the utmost delicacy in the handling. The two basic types of operation mentioned above were subject to an infinity of variations and adaptations, depending upon the particular circumstances. On occasion, operations involving controlled agents became extremely complicated. The enemy, of course, engaged in the same types of activity. Thus, an enemy agent might be infiltrated into Allied territory to seek employment as an agent. His objective would be to return to enemy territory, ostensibly working for an Allied service, but actually operating for the enemy. Such an agent might be tripled, if his real purpose were discovered when he sought employment with the Allies.

Another variation would be a captured agent who might agree to be doubled, that is, to continue ostensibly operating his radio or other channel of communication for the enemy while under Allied control. If the enemy realized that such an agent had been "turned", he might try to feed the Allies deceptive material in the form of questionnaires. However, if it were realized that the enemy was aware of Allied control, the agent might be quadrupled in an intricate operation of deception and counter-deception. On occasion, the operation might become too complicated, whereupon it would be dropped.

One of the principal uses of double agents was to feed the enemy such seemingly good information from a given area that he would feel no need of sending additional agents to the region. In this fashion, X-2 could gain complete control of the intelligence which the enemy received from a particular area.

There were infinite variations in methods of manipulating agents. They depended solely upon imagination, ingenuity and judgment. The value of success in such operations was, of course, great. Control of the enemy's intelligence instruments provided an important channel of deception; examination of the enemy's intelligence questionnaires to agents gave an indication of what he wished to know, and thereby provided a basis for deducing his plans and intentions.

A primary principle was not to induce open defections on the part of enemy agents. If the enemy were aware that one of his agents had defected to the Allies, not only was an important channel of deception and a source of information closed, but the enemy would be inclined to send other, and perhaps more successful, agents to the region in question.

The actual operations of X-2 were, of course, carried out in the field. It was the function of the Washington headquarters to receive and preserve in usable form the fruits of field operations. The Washington Registry, however, made many field operations possible. The central Registry, in which was collected all available data concerning enemy intelligence organizations, agents and sub-agents, as well as organizational and individual relationships, provided the coordinating instrument which was vital to success in counter-espionage. Those files did not lose their value at the conclusion of a given operation, or of a war. Individuals or relationships which have seemed dormant for a long period may become active again and provide the key to detection of widespread intelligence activities.

The uncoordinated fragments of enemy subversive personality lists, which had existed in June 1943 when the Branch was established, had by 1945 grown to a registry of some 400,000 carded names. These records, together with those of FBI, provided a

foundation for American security intelligence.

By October 1945, when OSS was liquidated, X-2/Washington had become the headquarters for a widespread net of overseas stations, with a total of some 650 personnel. London was operational headquarters for North Africa, Western Europe, the Balkans and the Middle East, with missions in France, Belgium, Italy, Germany, Austria, Switzerland, Sweden, Spain and Portugal; Rumania, Bulgaria, Hungary; Greece, Turkey, Syria, Egypt. CE work in India, Burma, Ceylon and China had been organized around headquarters in New Delhi, Myitkyina, Kandy, Kunming and Shanghai, each of which reported directly to Washington.

In addition to the valuable files of CE intelligence kept current by these stations and the reports resulting from liaison, X-2 had developed two other major elements of an effective CE organization: A pool of trained and experienced personnel and a net of relationships, principally in the form of basic agreements and operating contracts, with Allied counter-espionage services at home and abroad.

Virtually all of the X-2 staff had received extensive CE operational training and experience in cooperation with Allied specialists in such work, both in the United States and overseas. The high success of a number of exclusively conducted X-2 operations in the field indicates the degree to which the staff of the Branch benefited from this experience.

In the two years and four months of its existence, X-2 worked out firm agreements with FBI, G-2 and the Department of State. In London, the basic operating agreement that was negotiated in 1943 with MI-6(V) was supplemented by a scarcely less important agreement with MI-5 in early 1944. X-2 thus gained full access to the experience and extensive files of both the external and internal British CE services. Similar working agreements were concluded with the French services. Liaison contacts were established with the competent services in liberated countries, notably Belgium, Holland, Denmark and Norway. Basic agreements with the military, for example, SHAEF, AFHQ, Com Z, 6th and 12th Army Groups, implemented by SCI units, had prepared the way for X-2 to service the occupation authorities after the collapse of Germany. Similar agreements in the Far East had opened up an additional field of operations.

Starting at a late date, X-2 developed a CE organization for wartime service which could take its place among the major security services of the world. No small part of the credit for making this achievement possible was due to the records and experience made available by the British. In the course of exploiting that opportunity for wartime purposes, the United States assembled the elements of an effective CE service.

(d) FOREIGN NATIONALITIES—FN

Following the establishment of OSS in June 1942, some question was raised as to whether FN should continue as an OSS activity or be transferred to the Department of State. FN prepared several statements for the JCS and for the Director pointing up its quasi-military contribution to the war effort with special reference to the personnel recruiting services rendered to SI and SO. Effective evidence that the State Department because of its official status was not in a position to do the work was secured early in July. At that time FN obtained from a Czechoslovak official information on a secret treaty concluded in July 1941 between the Czechoslovak Government-in-Exile and the USSR. The State Department had known of this development by rumor only, since its officers were forbidden to make the necessary approaches to get information.

The JCS decided that FN functions belonged in OSS, and the reorganization which followed JCS 155/4/D* of 23 December 1942 fixed the position of the Branch as part of the

* Exhibit W-33.

Intelligence Service. FN's assignment was defined as "Contact with foreign nationality groups in the United States to aid in the collection of essential information for the execution of psychological warfare operations in consultation with the State Department."

A question of internal authority was resolved early in the OSS period. SI had begun to carry on some intelligence work with foreign nationality groups, and, though the branches worked closely together, inevitable difficulties developed when both branches wanted to use the same contact. Finally, in October 1942, an appeal to the Director resulted in his statement that SI and SO had priority and in the event of conflict other branches must give way.

By the beginning of 1943 all lines of authority, within and without OSS, were clear. Relations of the Branch with outside agencies were untroubled. OWI was a new customer which received information formerly supplied to FIS. In November 1945 the Acting Chief of the Foreign Language Division of OWI stated that the Division could not perform its work without FN information. Similar assurances regarding the value of the work carried on by FN were received from the FBI and various quarters in the State Department.

FN's growing support in the State Department was accelerated in September 1942 when the Branch Chief fulfilled a significant request from Assistant Secretary Berle. Although Berle had previously expressed the fear that FN work might depart from its informational character and encroach on the policy field, he nevertheless requested FN to undertake an operation for the Department of State: Tension between the Czechs and Slovaks in this country had increased alarmingly, and Berle wished the Branch Chief to attempt to effect peace between the leaders. He agreed to do this, in his personal capacity, and actually was able to arrange a truce.

Meetings of the Interdepartmental Committee of agencies concerned with foreign nationality problems continued through 27 April 1943, and the maintenance of close liaison with the State Department was assured by means of a standing weekly appointment between Berle and the Branch Chief. In early 1943 Secretary Hull stated that FN had already demonstrated its importance, which would be even greater in the post-hostilities period. By the end of 1943, the State Department had accepted FN unconditionally. Two other agencies concerned with foreign nationality groups, the Department of Justice and the OWI, curtailed their activities drastically by the middle of 1944, so that FN had a virtual monopoly in the foreign nationality field.

In early 1943, the FN staff had reached a total of approximately fifty regular employees and one hundred volunteers—a total which it maintained throughout the OSS period. Activities of the volunteer readers, located at twenty universities throughout the country, were directed from Princeton. In addition to the offices at New York and Washington, field representatives were established in Pittsburgh and San Francisco.

By the end of 1944, there were additional field representatives in Boston, Seattle, Chicago, Cleveland, Detroit, and two cities in Wisconsin. Pittsburgh, an important center for many foreign nationality groups, supplied particularly valuable information. The field to be covered varied not only geographically but in character. For this reason approaches varied. In at least one case, the field representative worked under cover but the more practicable arrangement was to operate as the representative of a government agency, naming OSS if necessary, who acted as a channel to the Government for the desires of foreign nationality groups. The success of field representatives depended substantially on their ability to overcome the predilection of a given contact to regard them as "government spies". At the same time, they had to present the subject with an attractive proposition and continue contacts with maximum discretion.

FN's main sources of information were the press summaries, reports on public meetings and situation reports. The general press summaries supplied by the Special Defense Unit of the Department of Justice were discontinued in November 1943 along with the Unit itself, and FN began to rely heavily for this type of information upon the Overseas News Agency, a commercial service to which it subscribed early in 1943. The State Department wished FN to continue at least some of the services supplied by the Department of Justice. It was arranged therefore that, in addition to the political analyses of its volunteer readers, FN would supply State with information on new developments in that part of the foreign language press not covered by the Department. This was accomplished by supplementing the work of the volunteers and the Overseas News Agency with scanning in the Chancery Division itself.

The meeting reports were a comparatively new source of information. In May 1942 the Branch Chief had agreed to supply OFF (later part of OWI) and the Special War Policies Unit of the Department of Justice with reports on public meetings among the foreign nationality groups. These reports proved very valuable as basic information for FN and were continued throughout OSS. In September 1942 the Field Study Division began to develop from among the field representatives a group of reporters who attended the meetings.

The situation reports, obtained through personal contact and observation, were interpretive reports on activities and trends in foreign nationality groups. They were prepared by field representatives or other members of the regular staff, by the volunteer reporters or readers, and by specialists in the foreign nationality field hired on a temporary basis.

Liaison with other agencies supplied FN with additional information. The Office of Censorship watched the mail of certain individuals, and the FCC monitored specific broadcasts as requested by FN. Appropriate Canadian and British officials, principally the British Security Coordination in New York, supplied information on Canadian groups. The CIAA and State Department diplomatic missions supplied information on Latin American groups. Additional contributors to FN's total information were SI, R&A and the Foreign Agents Registration Section of the Department of Justice.

The information received from these various sources was analyzed, briefed and indexed in the Chancery Division at Washington, and used as the basis for reports prepared for distribution by FN analysts. These reports were issued in categories which the Branch set up. The most substantial of FN's disseminations were the *Reports*, intended to deal with large situations in a comprehensive way. The first of these was issued on 13 February 1942.

Bulletins followed, the first being circulated on 11 September 1942. They were designed to keep readers posted on recent developments in a given foreign nationality area and to treat generally subjects not of sufficient significance to warrant Report status.

The next category was a series of *Specials*, beginning in April 1943. These dealt with matters particularly secret or controversial, or closely related to the formulation of policy. They were prepared by the Branch Chief, usually in the form of memoranda to the Director of OSS and the Secretary of State, and distribution was extremely limited. Often they included reports of interviews with such important figures as Count Sforza, Don Luigi Sturzo, Jacques Maritain, Archduke Otto of Hapsburg, Tibor Eckhardt, Eduard Benes, Milan Hodza, and many others.

A series of *News Notes* was inaugurated on 28 August 1944 to call attention to "spot news". These were generally obtained from press items, emphasizing unusual news not mentioned elsewhere or significant changes in editorial opinion. The first information of the startling reversal of Communist policy

in the United States in 1945 was disseminated in May 1945 in the News Notes.

In addition to these materials, FN sent numerous individual memoranda to State Department officials. Two issues of a *Handbook* of foreign nationality groups were published, containing a wealth of statistical and historical information with respect to the composition and location of these groups in the United States. It listed their newspapers and organizations, and summarized their activities and attitudes in relation to current issues of foreign politics. The first issue, distributed in September 1943, comprised 185 pages; the second, distributed in April 1945, totalled 266. The Handbook was received enthusiastically: 379 copies of the first issue were distributed and 411 of the second. It was especially useful to the Office of Censorship. FN also contributed to The War This Week, and to its successors, the OSS Weekly Survey and the PW Weekly,* until discontinuance of the latter in April 1944.

The distribution of FN material was geared to the needs of the consumer. Reports and Bulletins were distributed most widely, Specials were carefully limited, and News Notes and Meeting Reports were sent only where a positive interest was known to exist. General distribution within OSS included the Director and other principal officers, X-2, SI, R&A, MO, the Security Officer and Strategic Services Officers abroad. Wide distribution was made within the State Department. Pursuant to specific requests, additional copies were supplied for diplomatic missions abroad.** Nearly all FN material was sent to the Foreign Agents Registration Section in the Department of Justice and also to the FBI. Selected distribution was made to the Administrative Assistant to the President, following his request in May 1944, the JCS, G-2, the Director of ASF Intelligence, ONI, the CCS, the British PWE and the British Security Coordination. Occasional distribution, where appropriate, was made to OWI, FEA, FCC and the Office of Censorship.

On 16 March 1945 the Chief of FN resigned and was made a Special Consultant to the Director. Before he left the Branch he prepared, under date of 15 February 1945, an appraisal of FN's work up to 31 December 1944. This appeared in booklet form entitled "The Study of Foreign Political Developments in the United States, A New Field of Political Intelligence". It stated that the FN yield of intelligence had developed to cover three main subjects: (1) Reflection in the United States of situations abroad and foreshadowing here of possible developments abroad; (2) diplomatically unrecognized movements and dissident agitation; and (3) the American democratic process—pressures at Washington touching points in international relations. The first subject, the wartime focus of FN activity, would probably recede in importance with the opening of more direct means of obtaining foreign political intelligence in the post-hostilities period. However, the other two categories of FN information would still be a necessary aid in the formulation of foreign policy. It would be essential to have contact with movements-in-opposition which might some day become governments. Even apart from the possibility of their ultimate success, these movements affected the relations of the United States with foreign powers. Nationality group pressures were becoming increasingly articulate, which made it incumbent upon the Government to know exactly the nature of the pressures, who originated them and why.

Although he was Special Consultant to the Director, the former Chief of FN spent most of his time, as a result of his experience, as

* See R&A above.

** Anthony Biddle, when Ambassador to several governments-in-exile in London, found FN papers of "inexpressible benefit" and marked them as *"MUST"* reading for his entire staff. He was subsequently attached to General Eisenhower's staff, and early in 1945 asked to be supplied with FN releases for use in his new post.

special adviser on foreign nationality problems at the San Francisco Conference. With the assistance of the FN staff, backed by the information on call in the New York and Washington offices, he served as shock absorber and intelligence officer for the American delegation in so far as foreign nationality groups were concerned.

The new Chief of FN brought up the question of establishing FN work in the Oriental field in the spring of 1945. Up to that time FN had consistently side-stepped proposals to this effect, maintaining that the Orient was removed from the study of normal politics, and that clandestine and subversive activities were for the FBI or other agencies. The new Chief, however, secured approval to set up an Oriental section and drafted a budget proposal in May. Request was made at the same time for funds to allow expansion of FN activity in anticipation of an increased need for material on the German-American community. However, the OSS budget for 1945 obliged FN to begin in July an over-all reduction in force and to become by September a skeleton staff operating in New York.

During August the activities of the field representatives were terminated and the permanent staff in Washington and New York was cut from 47 to fourteen. The office moved to New York on 1 September, and the volume of reports—61 in July—dropped to 22 in August and nine in September. On 28 September FN was transferred to R&A, and on 30 September moved with R&A to the State Department.

Throughout its existence FN kept the State Department and other customers supplied with a valuable and substantial body of intelligence totalling, as of 24 September 1945, 247 Reports, 399 Bulletins, 271 Meeting Reports, 152 News Notes, and 126 Specials. In addition, 350 individual memoranda had been sent to various State Department officers. Incoming reports, totalling 18,082, were excerpted, indexed and filed for ready reference. Such reports covered 20,350 individuals, 3,550 organizations and 2,053 publications.

FN proved that through study of foreign nationality groups in America it was possible to obtain indications of future European developments. For example, it deduced that the new Czechoslovakia would have to be recognized on a basis of much wider local autonomy, it foresaw the problems of the restored Greek Government, and it discerned the great issues affecting Poland and her neighbors.

FN's contribution was not confined to the field of political intelligence. It made an incidental contribution to the democratic process. In fulfilling its function as intelligence reporter, FN became automatically a channel to policy-makers of the thinking, particularly with respect to foreign policy, of foreign nationality groups.

(e) CD—CENSORSHIP AND DOCUMENTS

The CD Branch was established on 3 November 1943 by Supplement 13 to General Order No. 9. The Branch was composed originally of a Censorship Division and a Document Intelligence Division. A Radio Intelligence Division was established on 1 March 1944 to provide administrative control for the Reseda and Bellmore Stations and for the direction-finding operation known as "Africa 101".*

By the end of 1944 the permanent components of the Branch were established, and revised General Order No. 9 dated 26 December 1944 (Exhibit W-42) set forth their duties and functions as they were to continue throughout the history of OSS:

> The functions of the Radio Intelligence Division shall be:
>
> (1) The supervision and control of the radio intelligence activities known as "Africa 101."
>
> (2) The supervision and control of the collection, processing and dissemination of radio in-

* See "Communications" under "Central Administrative Units and Technical Branches" above.

telligence received by the two radio stations maintained by OSS in the United States.

(3) The establishment and maintenance of liaison with Radio Security Service (British) and (jointly with the Executive Officer, Communications Branch) with FCC and War Communications Board (JCS).

The functions of the Censorship Division shall be:

(1) The collection and distribution to the appropriate branches and offices of OSS of all material arising from censorship sources.

(2) Establishment of liaison with the Office of Censorship, both in Washington and in the field.

The functions of the Document Intelligence Division shall be:

The collection from all possible sources of personal documents and identity papers and similar documentary material used for travel or residence in enemy-occupied or neutral territories and providing samples of such documents and information regarding them to appropriate branches and offices of OSS.

Radio Intelligence Division. This Division was organized to develop for intelligence purposes the facilities of the radio monitoring stations operated by the OSS Communications Branch at Bellmore, Long Island, and Reseda, California. Consequently, it was recommended that these stations, together with the West Coast Translation Unit; which had been organized into a cover corporation known as the FBQ Company, Inc., should be placed under a separate division of CD. The Radio Intelligence Division was therefore established pursuant to Supplement 10 of General Order No. 9 dated 25 February 1944, effective 1 March.

Under the organizational plan for the FBQ Company, the General Manager of the Corporation was also Chief of the Radio Intelligence Division. He had direct control over what material was to be monitored and how and to whom this material was to be disseminated after translation. In addition, he handled liaison with FCC, FEA, OWI, Army and Navy. All decisions on policy and personnel, as well as corporate financial matters, were in his hands.

During the period when the Company was under the direction of the Communications Branch, it monitored commercial and press messages, such as Domei dispatches, as well as diplomatic messages. The resultant material was forwarded to CD/Washington, which in turn sent some of it on to SI. Coordination with the intelligence branches was not close, however, and it was felt that fuller exploitation was possible. Therefore, when FBQ was transferred to CD, a Radio Advisory Committee composed of a chairman from the Office of the Deputy Director of the Intelligence Service and representatives of SI, X-2 and R&A was established. Weekly meetings were held to review developments and changes and to discuss means of improving the "take" of the stations.

After the transfer, closer liaison was established with FCC, Army and Navy and it was decided that monitoring of press material by CD was an unnecessary duplication of FCC's activities. Thereafter, CD monitoring was restricted mainly to point-to-point commercial messages received in Kana and Morse code. Provisions were also made for the reallocation of positions, thus increasing the total coverage by all agencies concerned.

After the transfer, the monitored material was transmitted to the Reporting Board in Washington, which further screened and edited it.

Following the organization of the Radio Intelligence Division, more extensive interchange of monitored material was made between OSS, the Navy and FCC. Within OSS, the monitored material circulated more widely and rapidly to appropriate branches. Theretofore, the value of the material had not been widely recognized, but statements of Branch officials at a later date indicated that the material was found to be of considerable value.

The Africa 101 Project, which was originated by the Africa Desk of SI in late 1942 to locate clandestine stations on the continent of Africa by direction-finding, was

transferred to the Radio Intelligence Division upon its establishment. D/F stations were erected in Cairo, Casablanca, Algiers and West Africa in 1943 with SI operators, under ATC and Pan American Airways cover. When the Project was transferred to CD in the spring of 1944, steps were taken immediately to begin liquidation, which was completed in September.

Censorship Division. Prior to the establishment of CD, material from the Office of Censorship had been received in both SI and R&A. In October 1941 arrangements were first made for SI (then SA/B) to receive intercepts, but the material was confined to items of "name value" and not circulated to any other branch. In April 1942 an Intercepts Unit was established in R&A, which acted as an indexing, filing and accessioning unit, and disseminated appropriate material to other branches. A directive was issued in November 1942 which provided that the Censorship Materials Unit (formerly the Intercepts Unit) under R&A should codify, index, file, accession and distribute all materials received from the Office of Censorship. Following formal notification to the Office of Censorship, the number of submissions increased, and the Censorship Materials Unit inaugurated a uniform system for the whole agency.

On 23 June 1943 an OSS order was issued which provided for the establishment of a Censorship Section on the Staff of the Deputy Director—Intelligence Service. This Section was responsible for the collection of all material from censorship sources and its dissemination to all OSS branches, as well as for liaison with the Office of Censorship.

The overlapping of activities between the two units was resolved when it was agreed that the Censorship Materials Unit of R&A should continue to function as a processing and disseminating unit to handle unclassified censorship material as in the past, but should cooperate fully with the Chief of the Censorship Section who would maintain liaison with the Office of Censorship and handle the secret material. In November 1943 this Section was transferred to the newly activated CD Branch in accordance with the Director's policy that operations should not be carried out by the Deputy Directors. The Censorship Division, in addition to its work in handling intercepts, maintained a current and continuing directive for the Office of Censorship outlining OSS interests, a general Watch List* and a White List** for special handling of mail by the Office of Censorship. Special privileges, such as pre-censoring mail and material to be carried by OSS travellers, made possible a closer enforcement of OSS security, particularly with regard to the protection of undercover personnel.

There were five types of material which OSS received from the Office of Censorship, namely, postal intercepts, cable intercepts, telephone summaries, Censorship Reports and Travelers' Censorship Interrogation Reports.

During the period when CD was handling intercepts, considerable progress was made in demonstrating to other branches the value of the material contained therein, and advances were also made in clarifying the requirements of OSS to the Office of Censorship. Moreover, trips to various censorship centers including San Juan, Puerto Rico, Trinidad, Bermuda, and the New York Prisoner of War Station, and a trip during which arrangements were made to examine the mail being brought back on the Gripsholm, did much to expand the value of the material received.

Document Intelligence Division. Although R&D had been counterfeiting documents for

* A list of names which are given specialized treatment at all censorship stations according to the wishes of the requesting agency.

** A list of names submitted to the Office of Censorship and Imperial Censorship with the request that the mail dispatched and received by the individuals so listed be expedited and given special handling.

agents entering neutral and enemy countries at the request of the dispatching branches since late 1942, no immediate attempt was made to collect and catalogue the background information for such work.

In the fall of 1943 it was found desirable to centralize the collection of personal documents and related intelligence for the use of those branches which required false documents as authentication for agents.

After some discussion it was decided that, in order to avoid duplicating R&D activities, CD would concern itself only with the collection, evaluation and distribution of documents and related intelligence; R&D would continue to handle the actual manufacture. At first it had been thought that CD would undertake the preparation of cover stories, and, working from these, provide all clothing and other accessories necessary to substantiate them. However, since the operating branches already had cover experts, they continued to fabricate the original cover story. CD would then provide the document or equipment intelligence necessary to authenticate the agent's cover.

In order to expand the collection of documents as far as possible, liaison was established with the Documents Section and the Prisoner of War Branch of G-2, as well as the Division of Travellers' Censorship of the Office of Censorship, all of which provided valuable material. The Survey of Foreign Experts and SI also supplied additional material.

From the first it was realized that Washington would be primarily a storehouse and servicing unit for the overseas units of the Branch.

When CD first sent representatives overseas, OSS was largely dependent for documentation on the British in ETO and on the French in NATO. Within a year and a half, however, the OSS had become independent in this respect and approximately 900 agents were authenticated by CD in ETO and NATO.

3. Deputy Director—Psychological Warfare Operations

In the reorganization of January 1943, the post of Deputy Director—Psychological Warfare Operations (PWO)* was established to supervise and direct the activities of the two operations branches: SO and MO.

Under General Order No. 9 of 3 January 1943 (Exhibit W-35), which effected the reorganization, SO was authorized to "organize, train and employ operational nuclei for guerrilla warfare", but no provision for the necessary military allotments had been made. The JCS endorsed the basic idea of guerrilla forces, as evidenced by JCS 83/1,** but were not clear as to where such units would fit into theater plans. In the winter and spring of 1942-43, therefore, the Deputy Director—PWO visited North Africa, the Middle East and England where, in addition to urging the general position of OSS in the theaters, he promoted the idea of operational nuclei for guerrilla purposes. The reaction of the theater commanders was favorable, and they dispatched requests for such guerrilla forces. Upon presentation of these requests to the Assistant Chief of Staff, G-1, the requisite allotments were promptly forthcoming. Thus the Operational Group Command (OG) became a third branch under the Deputy Director—PWO in May 1943.

The Maritime Unit (MU) was given branch status in June 1943. MU developed out of the Maritime Training Unit, which had been established under SA/G in the COI period.

In December 1943 still another unit was separated from SO and raised to branch status. This was Special Projects, which developed out of a specific SO project known

* This title was changed to Deputy Director-Strategic Services Operations (SSO) when "strategic services" was substituted for "psychological warfare" in JCS 155/11/D of 27 October 1943.

** See General Survey, 13 June - 23 December 1942, in A above.

as MACGREGOR. Special Projects was administratively under the Deputy Director—SSO, but for operational purposes it had complete independence and was responsible to Donovan.

Throughout 1943 there were minor reorganizations which were designed to consolidate the control of the Deputy Director over the operational branches. Two exceptions were Special Projects which, as noted, enjoyed operational independence, and the OG Branch which constituted a separate military command and was subject to the Deputy Director only for over-all planning.

Another branch was added in March 1944 with the establishment of the Field Experimental Unit, bringing the total number of operations branches to six.

The Deputy Director supervised the activities of the operational branches through an Executive Officer and three administrative sections: (a) An Administrative Office which provided services for Civil Service and military personnel, budget, finance, transportation and security activities; (b) a Materiel and Supply Office, which allocated materiel upon requisition of non-standard items of military equipment, and assembled and coordinated shipments of project requirements; and (c) a Training Office, which arranged the training curricula of operatives, and processed trainees according to schedules established by the Schools and Training Branch.

(a) SPECIAL OPERATIONS—SO

The purpose of SO was to effect physical subversion of the enemy. As defined in JCS 155/11/D (Exhibit W-40), its functions included sabotage operations in enemy and enemy-occupied countries, and support and supply of resistance groups in those countries.

The nature of such work and the increasing portion of the world which came under the jurisdiction of military theaters of operation made it imperative that SO activities be almost exclusively under the control of the various theater commanders. Consequently, the job of SO/Washington was a servicing one in the main. Its staff personnel in Washington numbered only approximately 45 at the peak of activity in 1944. These servicing functions were principally in the fields of recruiting, training and supply. Over-all planning was accomplished in Washington, but its effectiveness was handicapped by the operational control of theater commands and the constantly changing situation in the field.

As the account of SA/G under COI indicates, SO was the parent of all the operations branches and the genesis of many functions subsequently raised to branch status may be found in the varied activities begun in SA/G. Thus the Maritime Unit evolved from maritime training activities begun at Area D in April 1942; the OG Branch developed out of the continuous attempts to secure approval for guerrilla activities which had been the concern of COI and SA/G as early as December 1941; R&D grew out of the Technical Development Section of SA/G; and the Special Projects Branch had its beginnings in the SO-directed MACGREGOR Project.

Therefore, a great deal of the early history of SO is included in the first efforts of these branches. It may be noted that, from the time of JCS 155/4/D in December 1942, each Deputy Director—Psychological Warfare (later Strategic Services) Operations previously had been Chief of the SO Branch.

Unlike secret intelligence, where independence of the American organization was both desirable and necessary, it was recognized at the outset that independence in special operations was impractical and would lead to confusion and chaos. Therefore, it was essential to work out some sort of firm arrangement with British SOE for the necessary world-wide collaboration.

Negotiations by Donovan and Goodfellow for OSS and Sir Charles Hambro for SOE were in progress in London when COI be-

came OSS in June 1942. They resulted in the SO/SOE agreement of 26 June, approved by JCS 86/1 on 26 August 1942. The agreement, which set forth the basic elements of cooperation in every theater of war, was based upon the general principle that Americans would control areas specifically designated as spheres of American influence, while SOE would control special operations in areas dominated by the British. India, East Africa, the Balkans and the Middle East were to be the province of SOE, with American liaison and assistance. SO was to control special operations in China, Manchuria, Korea, Australia, the Atlantic islands and Finland.

Several vital areas were subject to special consideration. It was agreed that Western Europe, where SOE was already operating, would continue under its supervision. However, American units were to begin operations on the Continent under general SOE control, preserving the independence of separate unit command. Special procedures were also established for North Africa, including Spanish Morocco. This area was regarded as predominantly an American sphere of operations and the Chief of SO in North Africa was to coordinate the activities of SO and SOE. (Gibraltar, however, was an exception to this arrangement since it was to remain outside the sphere of the American SO mission in North Africa.) West Africa was to have an American mission working through the British SOE office there.

In the matter of resources and supplies, it was agreed that there should be interchange of personnel and plans to effect the greatest possible economy and cooperation. The agreement provided that each organization should finance its own operations. For security reasons, however, and because of the practical impossibility of separating accounts in dual operations, records were to be kept of the destination of all materiel issued but there would be no payments or financial obligations as between SO and SOE or their respective governments. The agreement also confirmed arrangements for training American recruits in SOE schools in England and Canada.

The provisions for production and standardization of special items of equipment were the subject of some discussion in the JPWC during the hectic period of June-December 1942.* Representatives of the senior services on the JPWC were reluctant to permit American production of materiel without definite assurance that it would be used exclusively for American operations. This was of course impracticable in view of the duality of the prospective operations and because the requisite accounting procedures would have violated essential considerations of security. In addition, the position of the JPWC majority failed to recognize the definite advantages to be gained by SO in securing the benefit of British SOE experience in research, design and practical use of special devices.

Following the JCS directive of 23 December 1942, arrangements were made for the production of equipment in America for the benefit of SOE, to be charged to Lend-Lease in such fashion that the security of operations would not be breached.

By December 1942 several SO activities in the field had begun to bear fruit, and it became easier to impress upon military authorities the value of SO. The work of SO personnel in North Africa in connection with *TORCH* was of demonstrable aid, and Detachment 101 in General Stilwell's theater was already credited with notable achievements.

Regardless of the attitude of the authorities in Washington, the essential point was to convince the respective theater commanders that SO would be of benefit to their operations. To this end, the Chief of SO, who became Deputy Director—PWO in the reorganization which followed JCS 155/4/D,

* See General Survey, 13 June - 23 December 1942, in A above.

made an extensive tour of METO, NATO and ETO in the winter of 1942-43. His primary purpose was to promote acceptance of SO and OG, as well as other OSS services. Success in this mission was reflected in the requests for SO from these theaters and the definite arrangements to establish SO personnel in the principal OSS field bases which were made at that time.

The first operations, such as *TORCH* and Detachment 101, had been carried out by recruiting and training small groups of capable men and putting them in the field, with only a directive as to the general objects of their mission. In the case of 101, it was to perform such SO jobs as might be permitted by the Theater Commander; in the case of *TORCH*, it was to prepare for the invasion of North Africa, subject to operational directives worked out, for the most part, in London. Supplies for *TORCH* were borrowed from the British; most of the supplies for Detachment 101 in the early period were borrowed from the Theater Command. Such arrangements placed emphasis on the leadership and ability to improvise of the individuals concerned. It is a tribute to them that these early missions were so eminently successful, and the subsequent opportunities of OSS in the SO field may be attributed in no small measure to their efforts.

The rapid expansion of OSS activities in 1943 changed the nature of its organization in the field. Outposts became field bases set up to reflect the pattern of the Washington organization, in which SO took its place among the various branches. This trend was accompanied in the theaters by certain problems of adjustment, entirely normal in view of the traditional aversion of field personnel to headquarters procedures. It was accompanied by continued and increasing requests to Washington for field staff personnel and agent recruits, which presaged the important position of SO in future military campaigns.

It was, therefore, difficult to maintain continuity in the Washington staff and changes were frequent, since personnel usually departed for the field after a short period of indoctrination. The rather informal organization which began the job of sending small groups of individuals to the field in 1942 became more tightly integrated in order to recruit and dispatch large numbers of agent personnel, maintain correspondingly large training areas, and satisfy the continuous demand for large amounts of special devices, explosives and other materiel.

Organization. The general plan of organization of SO was designed to fit the pattern of military theaters and changed as theaters were consolidated, for example, when METO and NATO became MedTO. The Branch organization was further affected by a series of changes begun in 1943 and designed to integrate the various operational branches more closely under the control of the Deputy Director—SSO.

The organization as it existed on 1 February 1945 may be used to exemplify Washington headquarters administration. The Branch was directed by the Chief, who provided executive and administrative decisions and coordinated projects and policies with other branches and government agencies. Reporting to him were an ETO Area Operations Officer and a FETO Area Operations Officer. The Operations Officers supervised recruiting, training, transportation and supply of their respective field and staff personnel; directed studies and planning for SO missions; and initiated action on all SO communications. In performing these duties each of the Area Operations Officers was assisted by a Maps and Reports Officer and a Personnel, Training and Transportation Officer.

Recruiting. One of the major functions of SO/Washington was recruiting. In the early COI phase, recruiting was carried on informally and often without reference to branch lines. By the spring of 1943, however, with firmer establishment of branch lines and clearer delineation of objectives

by military authorities, it was possible to recruit in a more organized fashion on the basis of geographical and branch needs. Personnel officers worked closely with the Area Operations Officers and their subordinates to find and process different groups of foreign language volunteers for field operations.

In general, staff personnel both for the field bases and Washington were older than agent personnel; staff personnel were also subject to less stringent physical qualifications. SO turned more and more to the military as a source for field recruiting, although no possible source was overlooked; other OSS branches and personal contacts were of continued value.

Recruiting procedure may be illustrated by the action taken pursuant to a request from NATO in May 1943 for 75 Italians to be in North Africa by 1 August. This request, supported by a cable from General Eisenhower to the War Department, came as part of the implementation of JCS/170 (providing for OSS operations in the Western Mediterranean). Five OSS officers conducted a recruiting trip in May, during which they visited Camp Mackall, Fort Bragg and Fort Benning, seeking various types of Italian-speaking officers and men for both OG's and SO. Recruits were required to speak fluent Italian, and be willing to participate in dangerous sabotage operations (not always in uniform). They had to be of such calibre that they could absorb training in intelligence work as well as sabotage technique. The tour resulted in the selection for SO of some 50 recruits out of 4,000 applicants. A subsequent recruiting visit to Camp Forrest in Tennessee produced the additional 25 needed to fill the quota specified by General Eisenhower.

The next step was to obtain the transfer of these volunteers to OSS. The Army was reluctant in many cases to give up to a new organization men whose military training had already begun. The considerable paper hurdles involved in this problem were finally surmounted, however, and by 1 August some of the recruits were on their way to NATO. A month later all 75 were on their way, transportation having been requested for them the moment their transfers to OSS were accomplished.

One of the perennial difficulties in recruiting for SO, as for other OSS branches, was the belief in many quarters that it could be conducted on a mass or "pool" basis. This was reflected in the North Africa Area Operations Officer's report for November 1943 which complained of the difficulties inherent in over-all pooling of recruits for highly specialized missions such as SO was called upon to perform.*

In mid-1943, METO requested some hundreds of personnel for Yugoslavia, Albania and Greece. Recruiting in connection with this request was particularly difficult since many potential recruits among the appropriate groups in America were subject to doubts as to their ultimate political allegiances, and traditional divisions along national, tribal and religious lines further complicated the matter.

Experience in the field indicated eventually that, rather than using agents of foreign descent, it was often better to use men who were obviously Americans as organizers to work with resistance groups in certain enemy-occupied territories, such as Yugoslavia and Greece. Such personnel were found to be less susceptible to participation in factional differences inside the country than those with local ties. In addition, the prestige of being obviously a representative of the United States had a certain symbolic value during the war. This did not mean that the recruits sought were less difficult to find, for personnel with the requisite degree of tact, intelligence and good sense, in addition to the requirements of courage and daring implicit in all SO work, were extremely scarce.

One of the most important recruiting jobs was that for Western European operations,

* See History File W-57, p. 74.

which became particularly intense in 1943-44. Possible recruits for France and the Low Countries existed in greater numbers than for some territories having less cultural affiliations with the United States. The pool of French-speaking officers at Fort Benning was an excellent source and, with the cooperation of the War Department, a number of suitable men were interviewed, screened and trained. Prospects from such French-speaking centers as New Orleans and New York City were canvassed on numerous recruiting trips. SO files contained a long list of French personalities in America. From this list men who could meet the exacting standards set up for French agents were chosen. In this connection the problem of adequate commissions was particularly acute. It was difficult to secure appropriate rank for many mature men who were available and had unusually good qualifications for agent work. In the case of many agents, who volunteered out of deep-seated patriotism and desire to assist the war effort, only second lieutenancies were available when field grades were merited.

Recruiting for JEDBURGHS was a separate task. These special teams consisted of one American or British officer, one French officer, and one American, British or French enlisted W/T operator. Their job was to organize resistance groups. As set forth in a communication from London to Washington on 1 September 1943, the SO recruiting objective was 44 officers for staff, 50 officers fluent in French for team leaders, and 50 enlisted men for W/T. Time was of the essence in this matter, and special dispensation by OPD to overcome the transportation freeze was requested by the Theater Command to facilitate the dispatch of these recruits to ETO. The importance attached to the JEDBURGH program was indicated by the fact that the Director ordered all branches to turn over officer slots to SO until JEDBURGH requirements were filled. The JEDBURGH plan required the cooperation not only of other branches but of the British. The Communications Branch accepted responsibility for W/T training; OG's assisted in finding and training officer leaders; the British detailed a skilled training officer from SOE in Canada to temporary duty with OSS to aid in the training program. By 2 November 1943, 59 officers were in training and ready for shipment to England, where further specialized training was to be given. By the end of December the requisite 94 officers and 50 enlisted men had been dispatched.

The achievements of the JEDBURGHS are recounted in the Europe-Africa-Middle East Section. SO/Washington's contribution to those achievements involved the solution of a recruiting problem of unusual difficulty in point of time, qualifications and numbers. Every possible source was scoured for men "of superior intelligence", prepared "to be parachuted behind enemy lines", with "aptitude for the use of small arms" and above all, excellent knowledge of French.*

There was necessarily a margin of wasted effort and time in trying to carry out a recruiting program of such a specialized nature as that required by the JEDBURGH plan in the short time allotted. After the recruits had been trained in the United States and dispatched to London, they were subjected to further screening and training. Only 46% passed the final tests and were accepted for actual operations; yet this percentage was far higher than that achieved by the British. JEDBURGH recruiting was discontinued after D-Day in Normandy.

The task of SO/Washington in preparation for Allied invasion of the Continent was not confined to JEDBURGH and agent personnel. Demands for additional staff, training and services personnel were continuous.

Recruiting for the Far East began with the nucleus of Detachment 101, which was dispatched under COI in May 1942. Thereafter SO activities in the Far East demanded personnel for AGFRTS (the OSS detach-

* See History File W-57, pp. 89-90.

ment with the 14th Air Force), Detachment 202, the THAI mission, the MEYNIER mission, and others. Excellent physical condition and qualities of self-reliance under rugged outdoor conditions were paramount requirements. Between May 1942 and 1 January 1945, 168 officers, 159 enlisted men and seven civilians were dispatched to the CBI Theater. A total of 32 SO officers and men were sent to SEAC in the same period. By 28 March 1945, 235 officers and 246 enlisted men had been sent to CBI and a total of 53 to SEAC. Thereafter the pace was further accelerated by the transfer of personnel returning from ETO and MedTO.

Supply and Training. Following solution of the difficulties which accompanied attempts to secure approval of the OSS catalogue of materiel between June and December 1942,* supply procedures became more standardized. The battle for priorities and for shipping space was constant, as were requests from the field and complaints about delays. The records of SO activities in the various theaters, which show the substantial tonnage of materiel dropped to resistance groups, indicate the burden placed upon Washington in this regard.

SO training was incorporated in the Schools and Training Branch upon the organization of the latter. S&T thereupon took over the areas originally secured and opened by SA/G in the spring of 1942. Naturally, SO participated actively in adapting the training program to the lessons of experience gained in the field.

The real story of SO, like that of so many other branches, was written in the field, and it is to the accounts of operations in the various theaters that one must turn to realize the effectiveness of SO's accomplishments.

* See Survey, 13 June - 23 December 1942, in A above.

SO began on a slender basis of authority in 1941; its activities were given impetus by the establishment of OSS as a supporting agency of the JCS; and its functions were finally acknowledged to be a valuable auxiliary to military operations. It is in no small measure due to the work of SO that sabotage operations and unorthodox maneuvers, not previously recognized or attempted by the armed forces, came to be accepted.

In the development of the SO program, men from all walks of life had a part. Imaginative planning and recruiting was necessary in order to find volunteers with a wide enough range of talents and aptitudes to learn the techniques of parachutage, bridge blowing, radio, lock-picking, booby traps and forging.

The experience of SO confirmed the fact that physical subversion had important psychological implications. It does more than merely destroy or kill—it surrounds the enemy with an atmosphere of insecurity and fear. As Donovan once stated, it keeps the enemy "looking over his shoulder".

(b) MORALE OPERATIONS BRANCH —MO

Among the many distinctions drawn between aspects of propaganda (or political) warfare is that between "white" and "black". The former is actually or apparently objective, admits its source, and conforms to the policies of the government for which it speaks. The latter is subversive by every possible device, disguises its source, and is disowned by the government using it.

"Black" propaganda was always an essential part of Donovan's program for psychological warfare. "Persuasion, penetration and intimidation," Donovan felt, "are the modern counterpart of sapping and mining in the siege warfare of former days." In his view, "white" and "black" propaganda warfare should be conducted in accordance with a single coordinated program under the overall direction of the military. Sherwood and

FIS successfully fought against the idea of military supervision in the spring of 1942, and the result was the assignment of foreign propaganda to OWI when that agency was established in June. After the reorganization it was Donovan's intention that MO be conducted and directed as a part of SO. However, British inter-agency conflicts made such a set-up impracticable. PWE, which conducted both "black" and "white" operations, was under the direction of the Foreign Office. SOE, of which SO was the American counterpart, was responsible to the Ministry of Economic Warfare. PWE balked at working not only with SOE but with any foreign unit closely associated with SOE. "Black" propaganda and sabotage, therefore, had to be separate in OSS in order to avoid involvement in British internal controversy.

The MO Branch was established on 3 January 1943 by General Order No. 9 (Exhibit W-35). In early 1942 an OSS official spent three months in England studying the organization and methods of PWE. In July he had drawn up a complete program for Morale Operations, but at that time it was still hoped that the JPWC would be able to coordinate foreign propaganda as an instrument necessary to the execution of the military program of psychological warfare. OSS was the agency responsible, on behalf of JCS, for the execution of psychological warfare. According to the interpretation accepted by JPWC, this included, in addition to propaganda, subversion, sabotage and espionage. More ambitious programs than that of July 1942 were being pressed. They failed to win approval; on the contrary, other OSS activities were severely questioned. These moves were settled by the issuance of JCS 155/4/D, but that directive did not itself contain any specific authority for MO, except in a paragraph assigning to OSS "the conduct of special operations not assigned to other government agencies".

The Executive Order (Exhibit W-13) creating OWI authorized it to formulate and carry out "information programs designed to facilitate the development of an informed and intelligent understanding, at home and abroad, of the status and progress of the war effort and of the war policy, activities, and aims of the government". Nothing in the Order could be construed to include subversive morale operations as part of OWI's propaganda functions. MO was consequently established as a Branch of OSS responsible for "the conduct of subversion other than physical".

The Branch started under many disadvantages. Its sphere of operations was not clear, OWI was suspicious, and the other branches of OSS were uninterested or even reluctant to have anything to do with it. Members of SI and SO, in particular, had been glad to see FIS removed to another organization; they looked on propaganda operations as a danger and a handicap to the security of their own activities. Having been released from their association with FIS, they were reluctant to expose themselves again to the insecurity which they feared would attend the execution of "black" as well as "white" propaganda.

Moreover, MO, like FIS in its early stages, lacked the means to discharge the responsibilities vested in it. It had neither the physical facilities nor the agents to transmit its subversive messages. Radio stations, printing presses and qualified agent personnel were, by that late date, extremely hard to secure, particularly in view of the uncertainty as to MO's budget and authorization. The first eight months of the Branch's existence were marked by controversy over its proper functions and by lack of administrative continuity.

Pursuant to General Order No. 9, MO was organized to incite and spread dissension, confusion and disorder within enemy countries, and to promote subversive activities against enemy governments. In enemy-occupied or controlled countries, it was to encourage and support resistance to the enemy. Secret propaganda by radio and word of mouth (e.g., rumor), or hand to hand by

pamphlets, leaflets, pictures, etc., as well as the manipulation of individuals or groups, were set forth as the methods necessary to accomplish these aims. These functions had previously been the theoretical responsibility of SO, which could spare little attention to them. After 3 January 1943 a Deputy Director-Psychological Warfare Operations was charged with the direction of separate branches for physical and morale subversion.

The first Chief of MO started on the assumption that, since OSS had been charged by JCS with "the military program for psychological warfare", MO could conduct not only "black" but also front-line propaganda. The War Department transferred to OSS the 1st and 2nd Radio Service Sections which, after training by MO, were to be sent to North Africa as combat propaganda units. They were to use radio, loudspeakers and leaflets, as well as a monitoring service to intercept enemy broadcasts. MO started to recruit and train men for these units. However, the position of OSS in the field of psychological warfare was still in dispute. Executive Order 9312 (Exhibit W-36) of 9 March 1943 reaffirmed the control of propaganda by OWI. This forced a drastic revision of the budget which MO had been struggling to have approved, and on the following day the JCS ordered that the combat propaganda units be returned to the War Department.*

The Order gave OWI jurisdiction over "the federal program of radio, press, publication, and related foreign propaganda activities involving the dissemination of information." Accordingly, the basic directive to OSS was revised on 4 April 1943 by JCS 155/7/D (Exhibit W-37), which omitted every reference to propaganda which had appeared in JCS 155/4/D. Nothing was done, however, to define MO's functions affirmatively: MO knew now what it could not do, but was still uncertain about what had been left to it. The provisions of General Order No. 9 in regard to MO were invalidated by the Executive Order, at least in part. The situation was not clarified until 27 October 1943, when JCS 155/11/D (Exhibit W-40), the final version of the basic directive to OSS, provided higher authority for MO's activities.

In the meantime, MO attempted to develop its purely subversive functions. OWI refused to concede MO's responsibility for "black" radio, on the theory that propaganda was propaganda whatever form it took. Negotiations between OWI and OSS broke down when examination of the OWI "Pacific Plan" revealed the fact that OWI wished to conduct all clandestine propaganda behind enemy lines. In April 1943 the Chief of the Branch gave the following list of unmistakably "black" operations:

> Contacts with underground movements . . . bribery and subsidies, blackmail, counterfeiting of currency, ration cards, passports, personal papers of enemy prisoners or dead, rumor, abduction, chain letters, poisoning (distribution of and instructions on how to use toy gadgets and tricks), assassination by suggestion or agents, illness and epidemics by suggestion or agents, and divers manipulations such as black market in neutral countries, etc.*

It should be noted that no mention is made of "black" radio, pamphlets or leaflets, "forged" newspapers or the like; also, that a great proportion of the operations listed would require that MO have its own agents in enemy-controlled territory. When this memorandum was written, MO had three men overseas, but they were not engaged in infiltration activities.

These men had been sent to NATO early in 1943, when MO's task was being optimistically interpreted. They were immediately assigned to PWB at AFHQ. This was an overt propaganda organization, which had all the facilities for dropping leaflets by aircraft, for broadcasting the "Voice of America", for placing propaganda posters in the towns of North Africa, but which at that time had no facilities for clandestine broadcast-

* They were later used by PWB in NATO but not under OSS.

* See History File W-32, p. 8.

ing, infiltration of subversive literature, or dissemination of rumors by agents behind enemy lines. An OSS representative had been placed in charge of PWB's intelligence section prior to the North African invasion. Following his departure from the Theater in March 1943, the post was assigned to an MO man. When the first three MO personnel were assigned to PWB, MO justifiably felt combat propaganda to be within its province. By the time Executive Order 9312 restricted MO's field of responsibility, these men were completely occupied with PWB activities, and MO/Washington was unable, as a practical matter, to withdraw them for actual MO work. Consequently, MO planners in Washington were without an outlet even in the one Theater where they had representation.

For several months thereafter, MO had no other field representatives. In May 1943, the Chief of MO left for London to set up the Branch there. He negotiated an agreement with the British whereby rumors originated by MO/Washington would be disseminated by the PWE networks. For some time, this was MO's only channel of dissemination. No other MO outposts were established until a representative was sent to Cairo in July. To perform MO activities in Stockholm, Bern or Lisbon, the Branch was forced to rely on the cooperation of SI or SO. Although MO established a Far East Section in the summer of 1943, it did not begin field operations until the following year.

The MO staff in Washington during these first months was small, but the Planning Staff* devoted much of its time and attention to psychological warfare. Some of the earliest MO campaigns originated there. The Planning Staff also undertook, in cooperation with MO, the preparation of a Basic MO Field Manual. This was intended to set forth the doctrine of morale subversion and to serve both as a description of MO and as a guide for operations.*

Washington Organization. By May 1943 a formal chart of Branch organization was drawn up, even though all the positions established were not filled immediately, and several positions were often held by one individual. Others were temporarily filled by men who had been recruited for overseas posts.

The structure of MO/Washington remained fundamentally the same throughout its existence. Under the Chief of the Branch there was a European and Mediterranean Section and a Pacific and Far East Section. The chiefs of these sections each had, in addition to two Area Operations officers, Administration, Production and Plans officers. Within the Pacific and Far East Section were subsections for printing, radio and other special projects. These subsections were necessary in view of the difficulty of obtaining and using Japanese type and Japanese translators, writers and broadcasters.

An MO Plans and Operations Committee (MOPO) was established in May 1943 under the chairmanship of the MOPO coordinator. The remaining members of MOPO were the heads of the four theater desks and their assistants. Long-term, over-all planning was left to the Planning Staff. However, MOPO met three times a week to consider the exploitation of current events which might be used for subversive purposes. Much of its discussion was necessarily insubstantial, since MO still lacked the facilities to implement MOPO's schemes. The main output consisted of rumors which had become a recognized weapon of psychological warfare, and were being used extensively by the British. An effort was made to develop rumors in accordance with special campaigns, such as a campaign to split the Germans and Ital-

* Working committee for the OSS Planning Group. See account of Planning under Central Administrative Units and Technical Branches above.

* See History File W-144. Note that MO Field Manual is misdated: for 26 February 1943 read 1944.

ians, or to demoralize submarine crews. In its first two months, MOPO considered some one hundred rumors, thirty of which were approved for distribution to the field. Occasionally these rumors had unintended effects. For example, the first one, sent out on 10 April, was to the effect that Mussolini had applied to the Swiss for asylum in case of an Allied invasion, and had been turned down. This rumor reached the United States Minister in Bern, who cabled it to the State Department with the request that "the information be given careful protection".* However, few of the rumors sent out in the first half of 1943 reached their ultimate destination. Those few were, with rare exceptions, rumors sent to London and disseminated by the British,** for, as already noted, MO had no dissemination channels of its own.

The other branches of OSS were reluctant to undertake MO work principally for two reasons: First, that an agent in enemy territory could not spread MO rumors or literature without jeopardizing his security; second, that communications facilities were already heavily burdened without the additional task of decoding MO rumors or campaigns. Moreover, MO plans, like others made in Washington, were often outdated and far removed from the realities of the situation by the time they reached the field.

MO was also suffering from internal difficulties. Departures and rapid changes of assignment meant a lack of continuity in Washington administration which was, in view of the shortage of personnel, inevitable. The first Branch Chief left in May for London, intending to stay for only two months. However, he was only able to return for a brief visit in December. In his absence, a series of acting chiefs administered MO until a new chief was appointed in May 1944.

In August 1943, a report on the Branch was prepared by a member of the Planning Staff. This investigation was the result of concern in the OSS Executive Committee and the Planning Group over the failure of MO to show progress. The report, submitted on 20 August, analyzed the reasons for this failure. The first reason was "confusion as to its objectives and functions".* This confusion, it was pointed out, should be settled at last by the "proposed agreement between the Morale Operations Branch of the OSS and SOE and PWE for combined operations in the war against Germany and Italy" which Donovan had negotiated a short time previously in London. This informal agreement, though never signed, was in general adhered to. Moreover, it indicated that in Donovan's mind MO's place in OSS operations had not changed from that originally indicated in General Order No. 9. The first paragraph of the proposed agreement read:

> It is the function of the Morale Operations Branch to attack the morale and the political unity of the enemy through any primarily psychological means operating within or purporting to operate within the enemy or occupied territories.** The principal means to be employed are field agents, native residents of the enemy and occupied countries, rumors, printed matter and radio.***

The second reason for MO's slow start was found to be "lack of cooperation between Psychological Warfare operations and MO management." The Deputy Director-PWO strongly supported a contention by SO that MO should not have its own agents. The Planning Staff report, however, observed that MO had been established as an operating branch, and that to reduce it to a planning branch would in effect be a duplication of the functions of the Planning Staff and R&A. The proposed agreement specified that MO was not only to use field

* See History File W-32, p. 17.

** See MO/London in Europe-Africa-Middle East Section.

* See History File W-32, p. 24.

** The phrase "operating within or purporting to operate within the enemy or occupied territories" became the key point in definitions of MO's sphere, and was later accepted as such by OWI.

*** See History File W-32, p. 25.

agents, but also to supply agents and other personnel for the forces available to SOE and PWE.

Other reasons for the failure set forth in the August report were the Branch Chief's departure for England before organization had been completed and his successor's inability to grasp the organizational problem; the failure to recruit a sufficient number of suitable personnel; and, finally, the lack of recognition of the tremendous possibilities of MO as a major weapon in psychological warfare.

The report concluded with recommendations that the definition of MO's scope given in General Order No. 9 be adhered to, that the Deputy Director-PWO be instructed accordingly, that the planning functions of MO be transferred to the Planning Staff, and that recruiting, both of staff and agent personnel, be pressed.

Two months later—on 27 October 1943—JCS 155/11/D (Exhibit W-40) charged MO with the "execution of all forms of morale subversion by divers means including: False rumors, 'freedom stations', false leaflets and false documents, the organization and support of fifth column activities by grants, trained personnel and supplies and the use of agents, all for the purpose of creating confusion, division and undermining the morale of the enemy".

In spite of the Planning Staff's report and recommendations, it was decided that all agents for MO and SO should be under the latter Branch. MO was to be represented in the selection of agents suitable for its work, although the object was to secure agents capable of serving both branches.

The Branch expanded rapidly in the last half of 1943. In May MO/Washington had a staff of twelve. By August it had 75, and by January 1944 it had 150. An effort was made to preserve a degree of continuity by naming a deputy chief of MO, who would remain in Washington when it was necessary for the Chief or any of the Area Operations Officers to perform overseas missions.

On 8 May 1944 the original Branch Chief, who was still overseas, was made Chief of MO/Europe, and a new Chief of MO was appointed. By that time, MO/Washington had abandoned its early ambitions to plan and direct subversive psychological warfare and had become largely an administrative and recruiting unit with little authority over field operations. The new Chief sought to return the over-all direction of MO operations to Washington. He laid down the principle that long-term strategy, which involved coordination with the State Department and OWI, must be Washington's responsibility. The field offices should be responsible for making tactical decisions and carrying out this strategy in accordance with the requirements of the local military authorities.

The problem of reaching an agreement with OWI was revived in the summer of 1944. Prospects in this regard seemed favorable, since many of the personalities contributing to the failure of early OSS/OWI negotiations were no longer on the scene. In June 1944, by exchange of letters between Elmer Davis and Donovan, a distinction was drawn between the activities of the two agencies. It was based entirely on the source from which the propaganda actually or ostensibly emanated, rather than the nature of the propaganda (i.e., "black" or "white"). OWI's responsibility for official propaganda emanating from American sources outside enemy-controlled territory was recognized. On the other hand, it was agreed that OSS had charge of propaganda which originated, or purported to originate, from within the enemy's lines.

Thus OWI would be responsible for leaflets dropped by aircraft and traceable to their actual source. However, leaflets dropped in containers to a reception committee for dissemination and purporting to come from a subversive organization in enemy or enemy-occupied territory would be within the province of MO. With regard to radio, OSS agreed not to install or operate "black" sta-

tions outside enemy-controlled territory without OWI's concurrence. OWI, in turn, agreed not to operate agents or installations inside enemy territory. Provision was also made for close working relationships in the field (which already existed in fact).

Shortly after the negotiation of the agreement with OWI, MO was invited to send a representative to the weekly meetings of a psychological warfare board, composed of State, Navy, War Department and OWI members, which developed OWI's central propaganda directives. At the same time, closer relations were established with the State Department after a meeting between the Chief of MO and Assistant Secretary of State Berle. The European and Far Eastern Sections of MO thereafter had direct contacts with the political divisions in the State Department. These divisions were subsequently represented on the various advisory panels formed to scrutinize MO production for policy and quality.

One of the first results of this closer cooperation was the issuance of weekly MO directives, which were designed to implement by subversive techniques the "white" directives of OWI. The "black" directives were composed for the most part in the MO Workshop, where most of MO/Washington's projects were developed. The Workshop was established at Area F in April 1944. In October the Workshop was moved to Temporary Que Building and combined with the MO Intelligence Unit under the Plans and Production Section.

The "black" directives were discontinued after several months because of their limited usefulness in the field, where MO was obliged to direct its output along lines determined by special relations with the Army (as in PWB at AFHQ) or Allies (as in SACO), by the "cover" of radio stations or publications, and by rapidly changing local conditions and opportunities. However, some of the suggestions contained in the directives proved useful. The Orlemanski affair, for example, was exploited by MO in a way that was not open to OWI. In April 1944 an obscure Roman Catholic priest from Springfield, Mass., went to Russia and secured an interview with Stalin. He returned to the United States with assurances of Stalin's friendly intentions toward Poland. German propaganda was exploiting the "Bolshevik Menace" extensively, particularly among Catholics. The MO line suggested in the "black" directive was that Orlemanski's trip, assertedly made with the knowledge and approval of the Vatican, proved beyond all doubt the close collaboration between the Western Allies and Russia and foreshadowed a rapprochement between Moscow and the Holy See. Radio Paris, under German control, was forced to deny this rumor, which served to give it still wider circulation.

ETO/MedTO. As indicated above, the Plans and Production Section of MO/Washington was actively helpful to the outposts in the planning of rumor campaigns. One such campaign, directed against Hitler in the summer and fall of 1944, was an example of particularly effective teamwork in the execution of "white" and "black" operations. At OWI's request, the MO directive of 20 June stated, "It is important that you commit Hitler to deliver a speech on August 3rd, anniversary of the founding of the SA, so that 'white' may later explain his non-appearance." Hitler had not spoken or appeared in public for some time, Germany was suffering reverses, and the rumors were designed to convince the Germans that Germany's plight was indeed hopeless. An attempt was made on Hitler's life on 20 July while the rumor campaign was in progress. The attempted assassination gave MO unexpected opportunities. The "black" directive instructed the field to play up in every way the rumor that Hitler had really been killed. The previously-rumored speech of 3 August was used to strengthen this supposition. Later, the theme that Hitler was dead was abandoned, and Hitler's continued silence was explained by alleging a growing schism within the Nazi Party (Himmler

would not allow Hitler to speak), Hitler's flight by submarine to Argentina or Japan, and, finally, the proposal that Hitler was actually insane.

These rumors, launched or encouraged by "black" methods, were picked up by Allied broadcasting stations, which gave them increased circulation by speculating on their veracity. MO/Cairo planted stories implicating Von Papen and other Germans in Turkey in the anti-Hitler plot. MO/Rome, through the SAUERKRAUT operations,* infiltrated German POW's to plant subversive material, and the German commander in Italy, General Kesselring, was forced to deny authorship of an "official proclamation" posted by these agents in his name.

Finally, Hitler was again "committed" to speak on 9 November,** and his failure to do so resulted in a frenzy of speculation in the Allied and neutral press. Rumors and counter-rumors about Hitler's illness or death continued until they were largely dispelled by his speech on 1 January 1945. Even then, the possibility was put forth that the speech was either a recording or had been delivered by a "double".

Other ETO/MedTO projects to which the Plans and Production Section made substantial contributions were Das Neue Deutschland, the SIOUX mission in Stockholm, and MUZAC.***

Das Neue Deutschland (DND) purported to be the organ of an underground German peace party. Its contents were conceived as though such a party, liberal and religious in character, actually existed in Germany, and in such fashion that a genuine party might crystallize around the DND program. One of its goals was to make more palatable to Germans the "unconditional surrender" formula of the Allies, an object which could not be achieved by "white" propaganda.

This undertaking, first reported by the Chief of MO in the Mediterranean in April 1944, was warmly received by OWI and the State Department, although certain possible dangers in it were perceived. For one thing, reports of such a movement might strengthen in Allied countries the position of proponents of a "soft peace" for Germany, and MO's creature might take on a dangerous life of its own. In July, an Editorial Board of OWI, State Department and OSS membership was established as the strategy board for "black" propaganda against Germany. One of its main tasks was the direction of policy for DND. However, even before this Board met, MO/MedTO had already published one edition of the paper, and distributed it to reception committees in France and the Balkans with instructions for its dissemination to German troops. Later, Washington contributed not only guidance on the paper's editorial policy but considerable "copy".

The major contribution made by MO/Washington to the SIOUX mission in Stockholm was in connection with the *"Harvard* Project". This was a weekly news letter (July 1944-April 1945), purporting to be prepared by German interests in Sweden for the information of businessmen within the Reich. It had limited circulation, and was intended to subvert a small but influential group which, by tradition, social status, financial investments and pre-war international connections, would be especially susceptible to MO's designs.

Copy for the *"Harvard* Project" was prepared weekly by an editor in Washington. The publication, named *Handel und Wandel,* sought to impress upon German businessmen the damage to their interests resulting from Nazi policy and leadership. It stressed the effectiveness of Allied industrial efforts and the willingness of Allied businessmen to work with German businessmen once the Nazis were out of the way.

One issue reported that Himmler was organizing secret groups of saboteurs in all

* See MO/Italy in Europe-Africa Section.
** Anniversary of the Munich beerhall putsch.
*** See MO/France and Stockholm in Europe-Africa Section.

industrial plants to make sure that the official "scorched earth" policy would be ruthlessly carried out. *Handel und Wandel* urged plant owners to protect their property by forming their own counter-groups. It argued also that the dominant radical wing of the Nazi Party was making a deal with the Russians in order to maintain its power. The obvious remedy was a sound German capitalism which the Allies could support.

Copy for the *"Harvard* Project" was cleared with the State Department, and the fact that such delicate material should be allowed out of MO/Washington was an indication that "black" propaganda had become an accepted weapon in psychological warfare and that confidence in MO was increasing.

MO/Washington also contributed to the "MUZAC Project", which constituted MO/-London's participation in the operations of "Soldatensender West". This was a powerful radio station run by the British which posed as a German station relaying entertainment and news to the Wehrmacht. It became a joint Anglo-American undertaking, with MO providing the entertainment features which, during the last year of the war, commanded a steadily growing audience of German troops. American popular music (all of it known as "jazz" in Europe) was the mainstay of "Soldatensender West". German lyrics were written for American tunes, and sung by artists of German or Central European origin. Some of this work was performed in England, but most of it was done by recording in New York. A dummy corporation was organized to handle the business matters involved, such as hiring orchestras, studios, performers, negotiating with the musician's union, etc. A small MO staff made translations and supervised production. From July 1944 until April 1945, 312 recordings were made, many by celebrities such as Marlene Dietrich, the Metropolitan Opera Star, Grete Stueckgold, and various night club entertainers.

The German lyrics, composed by a former writer for the Austrian stage, were of high quality. Many of them had no propaganda content whatsoever, but were intended solely to attract and hold listeners. Others had a nostalgic appeal designed to promote war-weariness and defection. Still others were hard-hitting satirical songs attacking Nazi leaders or relating the discomforts and dangers of army life.

In addition to the straight musical programs, there were three fifteen-minute variety shows in the best tradition of the "political cabaret" so well liked in Europe. The "MUZAC Project", which kept the Wehrmacht listening to Allied propaganda for ten crucial months, was one of MO's most proficient and worthwhile achievements.

Pacific and Far East. The Pacific and Far East Section of MO/Washington was given almost complete autonomy by the Branch Chief, in view of the specialized nature of questions relating to Japan. As a matter of practice, the Chief of the Section had direct access to Donovan, who had always been firmly convinced of the value of morale operations against Japan. In spite of his support, however, it was not until the last few months of the war that this value became widely recognized in other quarters. That such recognition was achieved is due not only to the efforts of MO but to the vision and experience of Joseph C. Grew, then Under Secretary of State and formerly U. S. Ambassador to Japan.

Even those who thought the Japanese vulnerable to MO realized the peculiar difficulties which existed. It was agreed that Japanese troops in the field were not a promising target, and that the most effective MO work should be directed toward the home islands. MO had no transmitters powerful enough to reach them. MO shared Ambassador Grew's opinion that the basic beliefs and institutions of the Japanese, such as the Emperor, should not be attacked. But MO believed, as did Grew, that there were cleavages which could be exploited. These included jealousy

between the army and navy and between the Emperor's civilian ministers and his military advisors, the disillusion of Japanese businessmen, and possible conflicts between Shintoism and Buddhism.

Under the circumstances, it was felt that the most promising approach would be through concentrated underground work in China, with the use of clandestine radio, leaflets, etc. next in importance. A plan was devised to use a boat of the North Pacific Fishing Fleet as a floating radio station. This idea had to be abandoned, since Navy approval could not be obtained. Thereafter, MO made arrangements with the Theater Commander in Alaska for the installation of a transmitter there. Although approval from the Theater was obtained, the JCS refused to authorize the project.

In connection with these and other projects, the Pacific and Far East Section requested permission to purchase three transmitters. This request was finally approved in OSS after a personal appeal to Donovan by the Section Chief, whereupon priorities were obtained and the transmitters were purchased. However, two of them had to be relinquished to OWI, since MO was unable to obtain authority to operate them. The remaining transmitter was set up in China.*

In August 1943, negotiations were begun in Washington for MO operations in China under the terms of the SACO Agreement.** Article No. 11 of that Agreement provided for a psychological warfare section. Colonel Hsiao, General 'Tai Li's representative at the Chinese Embassy, was very receptive—on certain conditions. The Chinese Bureau of Investigation and Statistics was preparing an intensive campaign of subversion against the puppet governments, and would furnish MO with agents, provided that MO supplied equipment and a great deal of money.*** Plans were drawn for MO operations from China directed toward Manchuria, Korea, Indo-China, Japan proper and Formosa.

At the same time, discussions were initiated with PWE with regard to operations in South East Asia, specifically Burma, Siam, Malaya and Sumatra. OSS was active in Burma and Siam by the summer of 1943. Originally, MO had contemplated little more than liaison with India-based British psychological warfare agencies. However, with the appointment of Lord Louis Mountbatten as Supreme Allied Commander, SEAC, with General Wedemeyer as his Deputy, MO expanded its plans, since both men had shown interest in psychological warfare. On 7 September 1943, MO representatives conferred with General Wedemeyer in Washington. His reaction was favorable. Accordingly, extensive plans were drawn, envisaging the use of "black" radio, subversive leaflets and cartoons, faked newspapers, poison pen letters, rumors, and sound and visual devices.*

It was recognized that there would be jurisdictional difficulties with the British, as well as a number of unusually delicate political problems. MO had to exercise caution so as not to commit or involve the United States Government in conflicts between the British and Dutch and their former subject peoples who had been overrun by the Japanese.

By the end of 1943, MO's plans for the Far East were sufficiently developed to establish a personnel objective of 240. The Section only had 25 members, including technical experts (radio and printing) and men familiar with the peoples and psychology of the Far East, particularly anthropologists and psychologists. Recruiting to meet the personnel objective was slow. Far East ex-

* See account of MO/China in Far East Section.

** See account of SACO in Far East Section.

*** This was quite in keeping with Tai Li's approach to SACO generally.

* Sound devices which seemed promising for use against the Japanese included "junior heaters," which reproduced sounds of tanks, trucks, etc., for tactical deception. When tested, most of these devices showed need for further development. Moreover, MO found that they came under the jurisdiction of the Joint Security Control so far as JCS was concerned. For these reasons, the project was shelved.

perts were few; priorities within OSS were given to the war against Germany, so that it was hard for MO/FE to get allotments for military and naval personnel, and security considerations made difficult the hiring of Japanese, even Nisei.

In December 1943, Donovan cabled from New Delhi requesting the immediate dispatch by air of key MO personnel for New Delhi and Chungking, to be followed by seventy additional "bodies" in the next three months. Nevertheless, by September 1944, MO/FE had only 154 of the planned 240.

In January 1944 the Chief of the Pacific and Far East Section departed for the field to survey possibilities and to arrange basic working agreements for MO.

After long and delicate negotiations, an MO section was established in SACO, bases agreed upon, and authorization for "black" radio obtained. MO was to supply transmitters and other equipment; the Chinese were to furnish agents and intelligence. Arrangements were also made for morale operations to be conducted under AGFRTS without the knowledge of the Chinese. If the SACO arrangements failed to work satisfactorily, MO personnel could be turned over to the AGFRTS organization, which offered, in any case, an opportunity to pursue purely American objectives.

Additional difficulties were encountered in attempting to develop MO operations with Detachment 101. These were largely due to concern in the Planning Group, Washington, over the dangers of MO work in Burma. Both Donovan and the Commanding Officer of 101 favored MO operations with the Detachment, but it was not until late October 1944 that an MO team was dispatched.

In early 1944 the Chief of MO/SEAC was made the Commanding Officer of Detachment 404. By 15 May the MO contingent at Ceylon numbered six—more than MO had anywhere else in the Far East. Plans called for "black" radio and for agent infiltration into Sumatra, Malaya, North Burma and Siam. Two radio programs using Japanese wave lengths and purporting to originate in Sumatra were started in the spring of 1945; the requisite scripts were forwarded regularly from Washington. Plans for the use of agents were vitiated by the fact that it was difficult to find natives of the target countries. In addition, SI had first priority on all agent recruits.

Meanwhile, a trip by Donovan to Admiral Nimitz' headquarters revitalized planning in Washington for MO operations in the Pacific. Such planning contemplated the secret installation and operation in the Aleutians or the Marianas of a radio transmitter to broadcast subversive propaganda and create interference on short and medium waves. MO succeeded in obtaining two transmitters for the project in October, but failed to obtain Navy authorization to use them. The "black" radio program for Japan had to be shelved until the spring of 1945, when OWI made its radio transmitter on Saipan available.

During this period Washington produced material for the MO staffs in China, Burma and Ceylon, since efforts to send them Japanese personnel for writing or translating in the field had been unsuccessful. In February 1944 a special production unit for the preparation of written and spoken (recorded) Japanese material was formed. It was staffed by Japanese and its production was based on intelligence obtained from monitored Japanese broadcasts, Japanese magazines and newspapers, and captured letters and documents. A secondary purpose of the unit was to train Japanese for overseas assignments. In June a second unit was established for the same purposes. In order to review the material produced by the two units, the Branch Chief established a Far East Panel of Experts, on which OWI, State Department, G-2 and ONI were represented. After four or five meetings the Panel gradually dissolved, but during its existence close relations were established with State Department, which thereafter took an

active interest in psychological warfare against Japan.

Guidance was also received from the JCS. The Combined Chiefs of Staff issued a paper dated 23 May 1944, entitled "Joint Anglo-American Outline Plan for Psychological Warfare Against Japan", together with an annex, "Inducement to Surrender of Japanese Forces". JCS forwarded these papers to OSS, requesting that they be implemented in close collaboration with the appropriate United States and British agencies.

Closing Months. By March 1945, the imminent conclusion of the war in Europe led to the decision that MO personnel in ETO and MedTO should be sharply reduced. MO reached an agreement with SI providing that the two branches collaborate closely, particularly in post-hostilities work, and that MO field men be attached to SI and the collection of morale intelligence stressed. MO/Washington undertook the preparation of copy suitable for use in Germany after Allied occupation. One project concerned a purported DND organ which, if authorization could be obtained, was to be published during the U. S. G. C. C. phase.

The surrender of Germany in May led to a discontinuance of all MO operations in ETO and MedTO. Liquidation of MO outposts in these theaters was begun immediately, the only exception being the joint MO/SI project on propaganda intelligence. A small staff of former MO personnel was to be retained in SI/ETO as a propaganda intelligence section. This was formally accomplished in Washington in August by a directive from the Chief of SI. In that month an experimental monthly report was compiled and sent to the chiefs of overseas missions with the request that the field prepare similar material and forward it to Washington.

As morale operations were drawing to a close in Europe, there were prospects of even greater activity in the Pacific and Far East Theaters. In June meetings were held in Washington with the JCS Planners Steering Committee, the Operations Division of the State Department, the staff of the Military Government Program for Japan, the Psychological Warfare Division of G-2, and representatives of the Army Air Forces, ONI, OWI and State Department. All of these agencies expressed growing interest in morale operations against Japan, both in the Pacific and in the Far East. Japanese personnel were at least being moved overseas. A Mobile Van Unit for the Pacific was being prepared and "black" programs were being broadcast over MO transmitters in China and SEAC, as well as OWI transmitters on Saipan. Washington production was at an all-time high and included material for use against Japan and against targets in Siam and elsewhere in Asia.

The surrender of Japan brought these programs to a close. In August selected personnel from MO were assigned to the Strategic Bombing Survey to study Japanese public opinion concerning the economic, sociological, psychological and other results of the bombing of Japan.

MO's efforts to disrupt, confuse and divide the enemy through "black" techniques had been made in the face of serious handicaps. Among these were failure to coordinate "black" and "white" operations; confusion and controversy over MO's functions; a late start, which made it difficult to secure first-class personnel and necessary equipment; and lack of confidence in MO, which was often justified by the circumstances, on the part of other OSS operating branches.

Nevertheless, by the time hostilities ended the principle of morale operations had come to be appreciated by other military and political agencies. MO had demonstrated its value against both Germany and Japan. Perhaps the greatest contribution of MO was that it brought to the attention of American authorities a weapon which the United States had not theretofore systematically and effectively employed. It drew atten-

tion, also, in time of peace, to the advantages of a specialized type of intelligence—information on the morale, social cleavages and underlying worries of foreign peoples.

(c) OPERATIONAL GROUPS—OG

OG's were authorized by the JCS directive of 23 December 1942 (Exhibit W-33) which provided that OSS should organize operational nuclei to be used in enemy and enemy-occupied territory. The OG's were highly trained foreign language-speaking soldiers, skilled in methods of sabotage and small arms, and trained parachutists, designed to be used in small groups behind enemy lines to harass the enemy.

The OG Branch developed from the plans for guerrilla units with which Donovan and Goodfellow were concerned as early as December 1941.*

In August 1942, shortly after the establishment of OSS, JCS 83/1 approved in principle the formation of guerrilla units and referred the preparation of detailed authorization to the JPWC which controlled OSS. However, attempts to decide the matter in the JPWC failed, as set forth in the General Survey in A above. There seemed to be a deep-seated disapproval of the organization of independent military forces on the part of the War Department. The Strategic Services Command** was dissolved in December 1942. In the same month, consolidation of the OSS position under JCS and the definite placing of the military program for psychological warfare under OSS paved the way for what subsequently became the OG Branch. Pursuant to JCS 155/4/D, OSS was to be responsible for the "organization and conduct of guerrilla warfare", personnel for this purpose being limited to "organizers, fomenters and operational nuclei of guerrilla units". Thus, while the formal beginnings of OG may be said to stem from the December 1942 directive, it is apparent that the OG idea extends back to 1941.

The first definite request for OG's developed out of the approval by AFHQ of JCS 170 (Exhibit W-38), which set forth the objectives of OSS in the Western Mediterranean. This request, as it applied to OG's, involved four to eight operational groups to be used as organizers, fomenters and operational nuclei in areas adjacent to North Africa. When the War Department was requested to assign officers and men for OG operations in NATO, G-1 inquired whether tables of organization would also be submitted for other theaters. OSS replied in the affirmative, and the War Department granted the OG's approximately 540 slots.

The OG Branch was established by Special Order No. 21, issued 13 May 1943, effective 4 May 1943.* All OG personnel were military as was the organization of the Branch. Its Washington headquarters comprised a Commanding Officer, assisted by an Executive Officer to whom a Maps and Reports Officer reported. The staff positions were those of Training Officer, Adjutant and Supply Officer.

Following the initial allotment to OG, a recruiting program was immediately undertaken. It was thought that the best qualified men would be found in line outfits, and for this reason the first OG's were secured from infantry and engineer units. Radio operators were secured from the Signal Corps; trained medical technicians from the Medical Corps. Knowledge of foreign language was essential.

Prospective recruits were usually interviewed in groups made up of individuals who met the two basic requirements of physical qualifications and linguistic ability in order

* See Special Activities and SA/G in Section I above.

** Successor to COI Service Command; see SA/G in Section I.

* OG was initially responsible to the Deputy Director - SSO. On 27 November 1944, by Supplement 25 to General Order No. 9 (Rev.), the Operational Group Command was activated as a separate military unit within OSS. Thereafter, the chain of command was from the Director to the Commanding Officer of OGC.

to judge whether they were otherwise suitable. They were given the opportunity to volunteer for "hazardous duty behind enemy lines". Such groups were then advised that interested individuals would be granted personal interviews. In the interests of security, operational plans were not divulged, yet enough was told so that the recruit understood what he might expect. Only men giving evidence of a real desire for such duty were chosen. It was found that approximately ten percent of those initially interviewed in groups subsequently volunteered.

The basic unit of organization was originally conceived to be a group composed of four officers and thirty enlisted men. Each such group was to be commanded by a captain and a first lieutenant, and divided into two sections of sixteen men; each section was sub-divided into two squads.

In actual experience, units used in the field varied from a liaison team of one officer and two enlisted men (T/Sgt. and radio operator) to units slightly larger than the group. For the NATO-based French operations, the section, commanded by a captain rather than by a lieutenant, was the basic unit.

On 27 November 1944 the Operational Group Command was activated as a separate military unit within OSS. The chain of command thereafter was from the Director to the Commanding Officer, OG Command, and thus control by the Deputy Director—SSO was eliminated. This was the result of several factors which indicated the wisdom of separating the OG's as far as possible from OSS administratively. One such consideration was experience in the field indicating that OG's were likely, despite the fact that they operated exclusively in uniform, to be treated without regard to the Geneva Convention when captured. It was felt that for their protection in the event of capture every effort should be made to eliminate the possibility of connection with OSS. Another consideration was the fact that the OG's were exclusively military, and the quasi-military administration of OSS caused some confusion. OSS continued throughout, however, to maintain coordinated operational control.

Since all OG's were recruited from the Army, it could be assumed that they had completed basic training. As a result, OG training was specialized in nature, with particular emphasis on physical conditioning. Courses were conducted by men who had themselves volunteered for OG duty and were therefore combat soldiers in the United States on a temporary basis. This policy served as an incentive to instructors and pupils alike. Courses were designed to make all OG's proficient in demolitions; small arms (both of American and foreign make); scouting, patrolling and reconnaissance; first-aid; unit security measures; living off the land; knife and hand-to-hand fighting; camouflage, map reading and compass; and equipment and methods of operation of airborne and seaborne raids. A large percentage of the tactical exercises was conducted at night. Operational training included mountain operations, parachutage, amphibious operations, skiing and mountain climbing, light artillery, radio operation, and advance espionage tactics. Aggressiveness of spirit and willingness to close with the enemy were stressed.

The OG's recruited for Italian operations were designated Company A, those for France Company B, and those for the Balkans Company C. An additional unit, not designated by a company symbol, consisted of OG's to be used in Norway.

In April 1943 recruiting parties toured Army camps to secure personnel for the groups intended for operations in Italy. Approximately 200 volunteers, of whom nineteen were officers, were selected. The requisite transfers were initiated in May. The unit was ready for dispatch on 12 June but transportation delays intervened. A small contingent departed in July and the remainder in August.

In July and August 1943 recruiting for French OG's was in progress. The first group consisted of thirteen officers and 83 enlisted men. As part of their tactical training they took part in the combined airborne troop carrier maneuvers in North Carolina in December 1943. They were dispatched in January and arrived in NATO in February.

Six additional groups, two Italian and four French, were formed in the winter of 1943 and 1944 and departed in March 1944 to augment Companies A and B in NATO. One German group was formed in the spring of 1944 and arrived in North Africa in July, where it was attached to Company A.

The first OG's for Yugoslavia left the United States on 24 October 1943; others left on 24 January. The Yugoslav OG's comprised fifteen officers and 110 enlisted men.

A Greek OG unit was formed at the request of the Greek Government-in-Exile. In the summer of 1943 an OSS recruiting team visited Camp Carson, Colorado, seeking personnel with Greek language qualifications. So many of the 122nd Infantry Battalion (Sep.) volunteered for this duty that its Commanding Officer offered the entire Battalion. Negotiations with the War Department were undertaken to secure approval of this unusual step, and in September 1943 the requisite authority was granted. The Battalion was assessed by the OSS recruiting team, and officers and men were given a second opportunity to volunteer. Almost all reaffirmed their desire to become OG's. Of the Battalion, 17 officers and 205 enlisted men were chosen and trained in units of approximately 25 men each. A total of 172 enlisted men and 18 officers was dispatched to Cairo in early 1944.

As a result of discussions held in early 1943 in London between the Deputy Director—PWO and officials of the Norwegian Government-in-Exile, and subsequent discussions with the Norwegian Military Attache in America in the spring of that year, it was decided to recruit qualified officers and enlisted men from the 99th Infantry Battalion (Sep), an all-Norwegian United States Army unit stationed at Camp Hale, Colorado. In July 1943, 10 officers and 69 enlisted men volunteered and were transferred to OSS. In the succeeding five months this group went through intensive specialized training and was dispatched in December 1943.

The tables of organization for OG were amended and enlarged, so that in August 1944 the OG's became known as the 2671st Special Reconnaissance Battalion, Separate (Prov.). At that time the OG's numbered some 1,100.

After the collapse of Germany in the spring of 1945, OG's who had participated in operations against the Axis were returned to America and processed for transfer to the Far East. This involved reassessment and additional training.

The actual record of OG operations is a matter for the theater accounts. The OG's were not Rangers, an idea which Donovan had sponsored in early 1942. However, they did partake of the nature of commandoes and of Rangers in some aspects of their operations. The distinction was simply that, while Donovan saw the Rangers as operating in front of the enemy, the OG's fitted into the pattern of OSS activities behind the enemy lines.

All of the OG's saw action, and, both as individuals and as units, won distinction for courage and resourcefulness. They proved the validity of Donovan's contention that the potential liability of a large foreign language population with various ties to other countries, could, by careful screening, intensified training and daring maneuver, become a definite asset in the prosecution of modern unorthodox warfare. The OG record in the field amply justified Donovan's faith in such an organization and the fight he made to have it established.

(d) MARITIME UNIT—MU

The Maritime Unit evolved from SA/G

training activities begun at Area D in April 1942* which were designed to educate SO and SI agents in techniques of clandestine infiltration by sea. The importance of maritime activities became clearer as Allied forces reached striking distance of the enemy, whereupon the number of MU personnel increased and the Branch developed in status and function.

MU was established as a Branch under the Deputy Director—PWO by Supplement 4 to General Order No. 9, issued 10 June 1943. effective 9 June 1943. It had four principal functions: (1) Infiltration of agents for other branches by sea; (2) supply of resistance groups and others by sea; (3) execution of maritime sabotage; and (4) development of special equipment and devices to effectuate the foregoing.

The first maritime training activities at Area D were begun with personnel allotted by the United States Navy under the direction of an experienced British naval officer who had been loaned to COI in February 1942. The area selected presented certain obstacles to small boat maneuvers: Lack of surf and beach conditions comparable to those existing in theaters of operation, together with pollution of Potomac River water. However, the area afforded good security, and, in view of this advantage and its proximity to Washington headquarters, a lease was executed. A small cabin cruiser was procured for use in night exercises to represent a submarine or surface vessel from which the operatives would land by rubber boat or other small craft.

The first class, consisting of eighteen students from SI and SO, began training on 4 August 1942. The training schedule was designed to fit them to effect clandestine entry by sea, and also to engage personally or through sub-agents in sabotage of cargoes, dock facilities, warehouses, etc. Simple seamanship, elementary navigation and small boat handling, particularly folboat, rubber boat and raft, were also studied. Other equipment, such as kayaks and canoes, was gradually obtained. Equipment was, however, rudimentary compared to that which was later developed. Nevertheless, this training was valuable in the field since the latest equipment was not always available in areas of actual operations and improvisation was often necessary. Throughout 1942 maritime activities were confined to training and had no separate identity.

On 20 January 1943 Donovan constituted maritime activities the Marine Section of SO, and in March this Section assumed complete control of Area D. Even at that time, however, the potentialities of maritime activities were not fully realized by the other branches of OSS. They were considered purely as a servicing function, and there was little appreciation of the possibilities of maritime sabotage as a distinct operational activity or of the service which a maritime unit might provide in supplying guerrilla and resistance groups. The Marine Section sought to bring to the attention of OSS authorities the desirability of branch status, so that it could take its place with the operating branches.

In the meantime, the Section was performing research on new equipment, notably an inflatable surfboard and a collapsible eight-man kayak which could be taken apart easily and used from a submarine. In addition, a new two-man kayak was developed. The latter caused such favorable comment that the British immediately ordered 275 of them for shipment to various parts of the world.

Underwater swimming groups developed out of plans for such a unit approved by Donovan on 18 February 1943. The first group was placed in training at Annapolis on 24 May, becoming familiar with such devices as the Lambertsen Unit (an underwater breathing apparatus which permits a man to remain beneath the surface for as long as an hour or more). Subsequently,

* See Training under SA/G in Section I.

the group proceeded to Area D for training in small boats, limpets, navigation, etc. The polluted water at Area D prevented effective swimming training and the men were later sent to Silver Springs, Florida, for further training and research in underwater breathing devices.

By the summer of 1943 the potentialities of maritime activities began to be realized, and MU was established as a separate branch on 9 June. Consequently, MU had for the first time authority to send its own personnel into the field. In late July, the first MU officer was dispatched to METO, where a caique service, which had been established by SI for purposes of clandestine maritime supply and infiltration, was taken over by MU.*

Once the Strategic Services Officers in the various theaters were apprised of MU's expanded functions, requests for boats and maritime training personnel were continuous. In CBI some sea operations had been attempted under conditions of extreme difficulty because of lack of trained personnel. Boats and crews trained in maritime activity were immediately requested. In METO the Strategic Services Officer advised Washington that he expected eighty percent of his operations toward Greece to be maritime. ETO requested that an MU group be dispatched as quickly as possible. The Strategic Services Officer in NATO desired equipment but did not immediately request MU personnel. However, he subsequently approved the dispatch of an MU officer to survey maritime possibilities in that Theater.

In 1943 R&D questioned the practicability of MU continuing independent experimentation and development of maritime equipment and devices. This matter was settled on 15 October when Donovan decided that the Chief of MU should be responsible for his own experimental and developmental work.

It was also decided in October 1943 that maritime training would continue under the direct control of the Chief of MU and his instructors, but that training camps were to be maintained, equipped and otherwise staffed by the Schools and Training Branch.

The Branch expanded as personnel were sent to the theaters following October 1943,* and impressive advances were made in the development of many specialized items of equipment. In the same period the training program moved into high gear and new training sites were located. It was found that the warm water of the Pacific facilitated under-water swimming training and camps were established in California at Camp Pendleton in November 1943 and on Catalina Island in February 1944. In May 1944 an additional under-water training base was established in Nassau, British Bahamas.

The Maritime Unit was instrumental in the development of undersea breathing apparatus, a compass which could operate under water and which would resist the effect of magnetic limpets, luminous and water-proof watches, and depth gauges. An electrically powered inflated surfboard capable of carrying two men (total weight-carrying capacity 1,800 pounds) was also developed. It had a speed of five knots and a maximum cruising range of fifteen miles. The silent electric motor and the low silhouette made it particularly effective for approaching ships at anchor without detection, and it could also be used for clandestine landing of operatives.

MU collaborated with the Navy in experiments conducted in Guantanamo Bay, Cuba, designed to test the effectiveness of harbor defenses, such as submarine, antitorpedo and various other types of underwater nets. In these tests the lengthy training showed commendable results, because the swimmers were able to circumvent the net defenses in each instance. An additional point of value was proof that the

* See Greece in Europe-Africa-Middle East Section.

* By 31 August 1944 the Maritime Unit had a total personnel of 226.

Navy sound-detection gear did not reveal the presence of underwater swimmers.

MU also experimented with midget submarines; while the experiments never got beyond the model stage during the war, their results should be valuable to any future efforts in this field.

The field histories recount the numerous instances in which clandestine maritime operations were used to infiltrate agents. This method of infiltration was particularly effective from Corsica toward North Italy and southern France, from bases in the Aegean Islands and southern Italy toward Greece, Albania and Yugoslavia, and in the Far East. The success of the maritime supply (caique) service operated by MU in the Eastern Mediterranean was another achievement. Underwater swimming groups were effective in the Pacific towards the close of the war.

The full possibilities of maritime sabotage were never realized, however. In the latter stages of the North Italian campaign, the San Marco Battalion (Italian)* was used to good effect, but, in general, the United States was slow to realize the possibilities of this form of attack. America was, therefore, far behind both its enemies and its Allies in this respect. The Japanese used midget submarines in the attack on Pearl Harbor. The British had not been slow to develop these instruments, and the attack of two-man submarines upon the Tirpitz is well known. Perhaps the most effective, and certainly the most impressive, operations in maritime sabotage were conducted by the Italians. Their exploits in destroying shipping in Gibraltar and Algiers in 1942-43 were particularly successful. In using the Italian San Marco Battalion under MU direction, OSS benefited to some extent from their experience.

Despite its late start, MU was able to demonstrate the effectiveness of clandestine maritime entry and attack and to develop new and valuable special maritime devices and equipment.

* See account of North Italy in Europe-Africa-Middle East Section.

(c) SPECIAL PROJECTS OFFICE

The Special Projects Office was established on 31 December 1943 by Supplement 27 of General Order No. 9 to "carry out special assignments and missions as approved by the Director". It was, therefore, responsible for operational purposes directly to Donovan. However, for administrative purposes Special Projects was given branch status under the Deputy Director—SSO.

The Office grew out of the MACGREGOR Project which was started under SO in the summer of 1943. MACGREGOR, with Donovan's approval and the active support of the Secretary of the Navy, had for its purpose the subversion of a portion of the Italian fleet. However, the capitulation of Italy in the late summer of 1943, while the Project was in progress with a mission overseas, obviated the necessity for continuing with the original plan.*

When Donovan arrived in NATO in September 1943, he secured Italian clearance for MACGREGOR to pursue the results of certain Italian experiments on secret weapons, particularly glider bombs.** Accord-

* As a part of MACGREGOR, it was necessary to make contact with a high-ranking Italian admiral. Personnel for the Project arrived in Algiers in the summer of 1943 with a directive from Washington that all OSS branches should afford every assistance possible. Several methods were used to attempt contact with the admiral: A courier was dispatched from Cairo to try to make his way through the Balkans; MACGREGOR personnel, with the assistance of Italian SI, recruited an Italian agent in Sicily and infiltrated him by sea to the Italian coast near Rome; OSS/Bern was requested to dispatch a courier to Rome to make the essential contact. The last method succeeded in delivering the preliminary message a short time before the Italian capitulation.

** The dramatic and effective use of the glider bomb by the Germans during the landings at Salerno made this subject of prime interest to Allied intelligence.

ingly, MACGREGOR made contact with an Italian vice-admiral and an Italian scientist who specialized in the field of electronics, and transported them to the United States. At the same time, some personnel remained in NATO to search the ruins of the Torpedo Works at Baia in an effort to salvage a barge loaded with secret and experimental weapons which the Italians had sunk in Naples harbor. When the equipment had been salvaged and certain important Italian engineers and technicians had been contacted and dispatched to the United States, the Secretary of the Navy issued a priority making an LST available to carry the salvaged material directly to America.

The equipment included, in either model or descriptive form, magnetic torpedo pistols, new guided torpedoes, winged aerial bombs, and a three-man assault submarine. The Italians and the equipment were turned over to Naval Ordnance experts at the United States Naval Torpedo Station at Newport, Rhode Island. The Navy later stated that the results of this operation had saved one year's work on the part of the Research and Technical Sections of the Torpedo Station.*

The Branch was established at the end of 1943 in order to develop projects which normally would not fall within the purview of any one branch and the execution of which transcended geographic theater boundaries. Although the Branch was not limited as to the nature of the projects to be handled, the great interest in secret weapons in late 1943 and early 1944, together with the results achieved by MACGEGOR in this field, determined its focus of interest. Of the projects which were undertaken by the Branch, SIMMONS and JAVAMAN merit particular interest.

The SIMMONS Project began in April 1944. Its purpose was to secure intelligence data on secret weapons, particularly the HS-293, a new guided radio missile which had been developed by the Germans in late 1943. Special Projects had compiled some information on the subject in the form of photographs and information based on pictures taken by a scientist who happened to be on the Island of Bornholm in September 1943, when the Germans launched (presumably from Peenemünde) a radio-controlled missile against the Island. He was later captured by the Germans, but the British had the pictures and the technical data which he had compiled subsequent to the attack. This information was forwarded to the United States in December.

In April 1944 SIMMONS became active, following the receipt of intelligence which indicated that a factory in Portes des Valence was being used by the Germans as a storehouse for HS-293's. Special Projects enlisted the cooperation of the Air Force and the French Resistance in planning an operation to secure physical possession of an HS-293 receiver and/or transmitter. The MAAF supplied twelve planes to bomb the factory; following the attack members of the resistance, disguised as firemen, were to search the debris for specimens of the missile. This was one of the first plans for coordinated resistance ground-air bombing operations. The operation was first laid on for the night of 10-11 May. It failed when a storm prevented the attacking planes from reaching the target area, although a diversionary raid was made on schedule and the Maquis arrived on time. Another operation was thereupon scheduled for a month later, the night of 9-10 June. However, two days after D-Day, all German troops in the Portes des Valence area were moved out, together with the HS-293's.

Following the abortive Portes des Valence operation, a Special Projects representative went to Cairo to discover what intelligence was available there with regard to secret weapons. While he was in Cairo, contact was established with a German officer who was willing to deal with OSS in regard to the radio control mechanism of the HS-293.

* Minutes of conference, Naval Torpedo Station. Newport, Rhode Island, 31 January 1944.

The equipment in question was from an Me-109 grounded in Greece. It was forwarded to the Air Corps, which expressed its appreciation in a letter addressed to the Director of OSS and subsequently requested that SIMMONS expand its operations in connection with secret weapons generally.

In the SIMMONS Project, the Branch had been concerned with procuring high priority technical intelligence. However, it should be noted that Special Projects was an outgrowth of SO, and its attention soon turned toward the field of actual operations. The JAVAMAN Project,* which had been under consideration as early as the spring of 1944, provided the opportunity.

JAVAMAN was a missile craft** designed to effect the sabotage of enemy vessels and installations which, because of tight protection by inner and outer harbor defenses, could only be attacked by using operational deception. Disguised as an ordinary craft normal to the area of operations, JAVAMAN would operate by remote control radio from an aircraft and be aimed by the use of television.

Experimentation and development were in progress throughout the late spring of 1944. A test was made in August. In this test the cooperation of the Air Forces, begun during SIMMONS, was continued. They made available to Special Projects a 5,000-ton, 300-foot derelict for the experiment, which took place on 11 August 1944 in the Gulf of Mexico. Representatives of the JCS, the Navy, the Air Forces and OSS were present at the maneuvers. In these tests, a JAVAMAN craft, containing high explosives, under remote control from a plane which aimed the missile by the use of television, was completely successful in sinking the target vessel.

* This project was originally known as CAMPBELL; it was retitled JAVAMAN in January 1945 at the request of the CCS.

** Air-sea rescue boats, appropriately modified, were the foundation for JAVAMAN craft.

Consequently, at the end of September JAVAMAN was declared ready for operational use in ETO. Maneuvers and operational runs continued during the period of waiting, pending Theater Commander approval.* By March 1945, this approval was not forthcoming and Special Projects turned to another theater to find operational employment for JAVAMAN.

In May 1945 General MacArthur requested and approved appropriate air priority for Special Projects personnel to proceed to his Theater to discuss the possibilities of JAVAMAN there. Personnel was dispatched and, as a result of the discussions, General MacArthur on 21 June approved the dispatch to his Theater of a JAVAMAN mission with appropriate equipment, on condition that transportation would not be charged against Theater tonnages.

By mid-July, the first group of ARB's was ready for shipment to the Pacific on tankers allotted by the Army Transportation Corps. The sudden end of hostilities in the Pacific on 17 August obviated the possibility of using JAVAMAN in actual operations against the enemy. Contracts were cancelled, work was stopped and liquidation begun.

(f) FIELD EXPERIMENTAL UNIT

The Field Experimental Unit was established in March 1944 "to carry out special assignments and missions as approved by the Director". It was operationally responsible immediately to Donovan, but was placed for administration under the Deputy Director—Strategic Services Operations.

The Chief of the Unit was the former commander of Detachment 101 in Burma who had led the Detachment from the time of its inception in the spring of 1942. The actual work envisioned for the Unit was of an operational nature. However, the Chief made an extensive tour to various theaters in the spring and summer of 1944, ostensibly for

* This was contingent upon British Admiralty concurrence.

the purpose of demonstrating newly developed devices and special weapons to field missions. In reality, he was surveying the possibilities for special missions to be assigned to the Field Experimental Unit.

Thereafter, recruiting activities to secure some 300 personnel began. The first groups of Field Experimental Unit personnel began an intensive training period on Catalina Island in the middle of January 1945. The program covered parachutage, "Joan-Eleanor", and the use of various items of underwater equipment which had been developed by MU.

By August, some 45 of the anticipated 300 had been recruited and were in training. With the end of the war the project was liquidated.

4. Schools and Training—S&T

The problem of training personnel for the varied activities of OSS was a complex one, in some respects as unusual as the activities themselves. There was no precedent in America for such an undertaking and it was necessary at first to piece together various fragments of seemingly relevant knowledge from other agencies of the Government, to borrow instructional techniques from the British, and to adapt certain technical aspects of orthodox military training to the probable conditions under which guerrilla units and resistance organizers might operate.

The initial task was to establish training facilities and programs which would produce spies, saboteurs and guerrillas. By 1943 the problem was complicated by the necessity of preparing "black" propagandists and counter-espionage experts. In addition, it was necessary to train the staff members who would direct from field or Washington headquarters the activities of agents and operatives, and also to train in the fundamentals of OSS those who would perform more routine tasks, so that they would understand the unusual security requirements upon which the lives of agents and the success of operations depended. Consequently, S&T was called upon to establish training curricula to prepare a wide variety of personnel for the unorthodox and unprecedented activities in which OSS engaged.

The complexity of the over-all training program was added to by the fact that, with the exception of certain types of paramilitary training, all training had to be as highly individualized as possible. Ideally, the training of spies, saboteurs, "black" propagandists and counter-espionage experts should probably be on a completely individual, i. e., tutorial, basis. However, in a situation of war, with the heavy demands from the field for large numbers of staff members, agents and operatives which the rapid expansion of OSS dictated, it was necessary to establish training by classes.

There were two separate categories of training initially established under COI in 1942.* One was designed to prepare agents for espionage, principally under conditions prevailing in neutral territories. The other was designed to prepare personnel for various forms of sabotage and to establish simultaneously a program and physical facilities which could be adapted to the training of guerrilla units when authorization therefor should be secured.

As the progress of the war transformed most of the areas of interest in the world into either Allied military theaters or enemy and enemy-occupied territory, the numbers of agents which could or should be sent to neutral territories diminished in relation to those destined for military theaters or actual infiltration into enemy or occupied regions. Therefore, the cover technique and the method of infiltration of the spy became essentially the same as that of the saboteur in most cases. The entry of the spy into a neutral country was illegal in intent but not in method, and his cover was predicated upon authentic documents. In enemy or enemy-occupied territory, however, he was, like the saboteur, dependent upon forged

* See SA/B and SA/G in Section I.

credentials and such unlawful modes of entry as the parachute, the rubber boat, or a surreptitious crossing of battle lines.

It thus became evident shortly after the establishment of OSS that training for all OSS branches should be centralized and the various types of training subdivided within one branch, so that trainees could secure more readily any type of training pertinent to their missions.

The first move in this direction was the establishment in September 1942 of a Training Directorate composed of officials of SA/B and SA/G. Since the members of the Directorate had approximately equal powers, however, responsibility could not be fixed in any one person. It was therefore decided that OSS training should be placed under one individual with the status of a branch chief. Consequently, the S&T Branch was established on 3 January 1943 as part of the OSS reorganization effected by General Order No. 9 (Exhibit W-35).

The Branch was immediately subject to three distinct pressures: (1) To find capable instructors and develop appropriate curricula for new types of activity such as MO and X-2, in addition to expanding the facilities for SI and SO training; (2) to provide the best possible instructors for training activities at overseas stations, such as Algiers, Cairo, London and in the Far East; and (3) to adapt its physical facilities and training curricula in the United States to handle effectively the large numbers of personnel being prepared for departure to overseas posts.

The three factors mentioned above were particularly acute in 1943 and they exerted pressures upon the Branch which resulted in some confusion. S&T was forced to send its best instructors overseas, a fact which benefited training abroad but handicapped domestic operations. There were few in America experienced in the activities in which OSS was engaged, and it was necessary to school the instructors themselves. Even this was difficult, however, since the functions of the various branches of OSS were actually being defined and developed by experience in the field, so that clear-cut direction from the operating branches in this early period was lacking. During 1943 S&T was forced to lean heavily on the British for assistance, both by sending potential instructors to British schools and by borrowing instructors from the British for varying periods of time.

Furthermore, the training facilities were severely taxed in attempting to school the large numbers of personnel necessary for rapidly expanding overseas activities. In addition, transportation was scarce and had to be taken advantage of when it became available which created an uncertain period of time prior to dispatch and made fixed periods of training impracticable in many cases.

The entire training situation was re-examined in the fall of 1943, and the Chief of S&T was replaced by the Commanding Officer, Headquarters and Headquarters Detachment. This move, which placed an Army officer in charge of all training establishments, was in one sense an effort to reconcile the friction which had arisen between the military and civilian approaches to various phases of OSS training. In general, intelligence training had been established and operated on a civilian basis. Conversely, SO schools had been run along more military lines, not only because most SO personnel were drawn from the farmed forces, but also because the facilities were to be made available for the training of military guerrilla units.

It soon became apparent that the type of irregular training necessary to most OSS activities did not lend itself to the strictly military approach. Consequently, the Commanding Officer of Headquarters and Headquarters Detachment secured an Army officer with civilian background to become his Executive for Training.

Some sources of friction remained, however, since the Headquarters approach to

training was too rigid and was not in accord with either the operational or the training needs of OSS. Ultimately, Donovan secured the services of a civilian with long experience as a college president to act as his advisor on training. Following an extensive survey of the situation, recommendations were made that training be reestablished as an independent branch and that the full operation of all training establishments be placed under the control of a branch chief. At the same time, in order that S&T might be in a position to maintain independence in dealing with the various branches it served, it was recommended that there be appointed a Deputy Director—Schools and Training, to whom the Chief of S&T would report. These recommendations were put into effect when General Order No. 9 was revised on 26 May 1944. Donovan's advisor on training was appointed Deputy Director, and essential civilian control of training was thus established.

The administrative position of S&T remained unchanged thereafter. The Deputy Director was responsible to Donovan and the Assistant Director of OSS. The Chief of S&T had two principal assistants, one for administration and one for training. The commanding officer of each school or area reported to the Chief of S&T. Each such commanding officer was responsible for the administration of the servicing functions of the establishment he controlled and was assisted by a Chief Instructor, who was directly responsible for the actual training.*

Training. The principles of undercover training derived primarily from espionage techniques. However, they were also applicable to the work of saboteurs who might infiltrate enemy or enemy-occupied territory to operate under cover, to "black" propagandists who might similarly be engaged in infiltration operations and to counterespionage staff members who had to be thoroughly familiar with the techniques of enemy espionage which it would be their purpose to circumvent and turn to advantage.

In this field, cover was synonymous with security. Upon the effectiveness of an agent's cover depended the success of his activities. It was recognized that there were several types of cover. In neutral territory, an agent might be semi-overt, that is to say, he would be ostensibly in a diplomatic or other government post, his connection with the United States Government being obvious. In some such instances, the fact that the individual was engaged in intelligence activities might be well known, which would attract disaffected political elements or individuals who, for various motivations, were willing to give information. However, even in such semi-overt activities, the cover in a given operation had to remain strictly inviolate. In other words, secrecy had to be maintained as to connection with OSS and as to how intelligence operations were executed.

A more complicated type of cover in neutral countries would be that of ostensibly engaging in a business or profession. In such cases the cover requirements were more rigid, since knowledge of the fact that the individual was engaged in intelligence work was not to be revealed. However, such cover was generally predicated upon an occupation with which the agent was familiar, and his presence in the area would be supported by authentic credentials. In most such cases, the problem was to find an occupation for the agent which would allow him freedom of time and movement to carry on his clandestine activities without jeopardizing his cover.

Perhaps the most rigid type of cover was that of the agent infiltrated illegally into enemy or enemy-occupied territory. In such cases, cover was quite often supported

* While S&T was charged with the administration of all training establishments, the actual training programs for such specialized activities as those of Communications and MU were subject to the direction of those branches.

by documents, forged at least in part, and the identity assumed by the agent was often completely false. The agent would take up an occupation, compatible with the identity he assumed, in which the same qualification was present as in the case of neutral countries, namely, freedom of time and movement to carry on surreptitious activity.

A variation of cover in enemy or enemy-occupied territory was that which was only partly false, that is to say, someone who had previously engaged in the cover occupation in the assigned area and who had all or most of the requisite documents necessary to support his presence in the area. However, there would necessarily be a period of absence which had to be covered by falsification.

The matter of cover was basic to practically all of the activities in which OSS engaged. Staff members, operations officers and intelligence officers, who were to deal with agents and would on occasion recruit and direct agent activities in the field, had to understand cover and the techniques necessary to preserve it. Needless to say, those who were actually to act as undercover agents, whether in neutral, enemy or enemy-occupied territory, had even more necessity for such knowledge.

Therefore, all OSS training, with the exception of that for OG units, stressed from the beginning the importance of maintaining cover. An informal civilian atmosphere prevailed at the intelligence schools and the students were forbidden to disclose their real identities and lived under assumed names. At the same time they were instructed to attempt to pierce the cover of their fellow students. It was sought to create, under a relaxed surface, an atmosphere of tension which would characterize real activities in the field. In the SO schools, as in the Communications areas, students wore fatigue uniforms without designation of rank. While these schools were run along more military lines, the identities of the students were not revealed and the preservation of cover was equally stressed.

Intensive interrogation exercises of various types were carried on in attempts to force the student to break his assumed identity. In each of these the student was made familiar with the various techniques of interrogation and the importance of the most minute detail in his cover preparations was stressed. The entire atmosphere at all training establishments was designed to prepare the trainees psychologically for the fact that the life of an agent is a constant and continuing gamble with detection.

If the agent were to accomplish anything, however, it would be necessary for him to take action, and every action taken would create another vulnerable point in his cover. Most agents were to operate primarily as organizers. Their object would be to organize chains of sub-agents to perform the actual espionage, sabotage or dissemination of "black" propaganda. Therefore, a great deal of attention was given to methods of agent organization. The primary purpose of such methods was to insulate the main agent from the possible consequences of detection of any part of the various activities carried out under his direction.

One of the prime factors was the use of cut-outs—an intermediary who would handle all actual dealings with sub-agents for the principal agent. In the event of a "blow", arrangements would be made for the cut-out to go underground or leave the area, whereupon the remnants of a given chain could be re-activated by a new cut-out. In this fashion, sub-agents would not know the identity of the principal agent, and would therefore be unable to implicate him. A principal agent might use any number of cut-outs, depending upon the situation in the area in which he was operating at a given time. Modifications and adaptations of the cut-out principle might also be devised.

Another expression of the principle of insulation was the cell system. While subject to numerous variations, its basis was

organization of a chain of small units of sub-agents. One member of each unit would know one member of the group above, and another member of the same unit would be the only one who would know the identity of a member of the unit below. In a chain of this nature, a "blow" would result generally in the loss of only one group, and at most three, before the possibility of further detection could be blocked off.

Communications, other than technical, were also basic to agent activity. All students were familiarized with various cipher and code systems and were apprised of their inherent weaknesses. It was, of course, basic that no cipher or code system could be used through technical facilities provided by the Communications Branch unless formally authorized. However, it was recognized that certain low-grade ciphers and home-made codes might be employed for local communications with sub-agents in a given area, where detection by the enemy would not jeopardize other operations. The technique of writing "innocent text" letters, i.e., seemingly ordinary letters which concealed a previously enciphered message, was also practiced.

The precautions necessary to the establishment of "safe houses" were also explained. A "safe house" (one where the people were friendly and willing to take the risk of harboring an agent or sub-agent) might be necessary to assist the concealment or escape of a sub-agent, or, on occasion, the principal agent himself. As it developed in the field, chains of "safe houses" were often useful in facilitating the escape of wanted individuals who possessed experience or knowledge potentially valuable to the Allies. Also, chains of "safe houses" frequently constituted a route to safety for escaped prisoners of war. The use of "safe houses" to receive newly infiltrated agents and shelter them until they could make arrangements to establish themselves in their cover occupations was of primary importance in enemy and enemy-occupied territory.

Letter drops were necessary to agent communication. Such letter drops might be animate or inanimate. A news dealer or a tobacconist might be used to receive and pass messages. A designated tree, or an empty tin can placed at a pre-arranged spot in relation to a given kilometer marker on a European road, might be used. It was possible to use an inanimate letter drop for the actual transportation of intelligence reports over great distances. For example, agents might place intelligence material at a designated spot on a railroad car or locomotive. Such material would be removed by confederates in another city and forwarded.

The above subjects were not taught so that the trainees would learn them by rote. They were given merely as principles and examples of what had been done. The students were constantly made aware that variations and adaptations, as well as entirely new techniques, must be developed by them. All instruction was designed to sharpen the student's ingenuity, and to impress upon him the necessity for exercising the utmost judgment in calculating the risks inherent in a given activity.

The study of cover and security and the techniques of agent organization and communication was fundamental to all activities of OSS. Basic courses also included Intelligence Objectives and Reporting, Small Arms, Sabotage, Demolitions and Close Combat.* In addition, rudimentary training in counter-espionage and the various techniques of "black" propaganda was added, as those functions became integral parts of OSS activities.

The basic course included two separate undercover field problems in the course of which students were dispatched to various cities. Such problems required that each student prepare a cover story, with appropriate cover credentials, and attempt to penetrate an industrial establishment in

* This was the system of unarmed combat developed by Major Fairbairn, whom the British lent to OSS as an instructor in 1942.

such cities as Baltimore, Philadelphia or Pittsburgh. While such practice operations could not involve the element of actual danger which would be met in the field, they gave the students an opportunity to test in practice some of the theories which had been given them in the courses, and were valuable as a means of psychological conditioning for actual operations.* Field problems, which comprised simulated night sabotage attacks, compass runs and various tests of observation and reporting, were also carried out in the course of basic training.

The period covered by basic training was only three weeks, and, since it was so short, was necessarily intensive. Students were kept hard at work from dawn until late at night and were given no breaks for weekends or holidays. This intensity had not only the effect of teaching the most in the shortest possible time, but also, by the pressure which it exerted, eliminated some of the lazy or incompetent.

The final night of basic training was ostensibly a party, with refreshments freely available. In actuality, this farewell "party"—in an atmosphere which fostered the feeling in the students that they were not under pressure and could relax after the arduous training program—provided an excellent opportunity for final judgment. A thorough evaluation of each student was prepared by the instructors and submitted to Washington headquarters upon the conclusion of each course.

The basic training was not intended to produce finished OSS operatives, but to be preliminary to more advanced courses for those who would specialize in some particular activity, and to provide those who were to go overseas in staff positions with a general understanding of the problems inherent in OSS operations.

* A by-product of these field problems was that by reporting security weaknesses in defense plants, OSS was able to contribute indirectly to the improvement of security practices in various industries.

A second type of training was SO basic training. This was designed to fit SO men for their missions, and was quite often given to such personnel subsequent to OSS basic training. The emphasis was upon physical conditioning, survival in the field and knowledge of sabotage devices. The course was three weeks in duration.

Subjects given during SO basic training included Field Craft, Demolitions, Map Reading, Weapons, Morse Code and Close Combat. Students were taught how to make basic types of demolitions charges for the sabotage of industrial establishments, rail lines, bridges, etc. They were instructed in the use of small arms for most rapid and effective day and night firing. They were further instructed in methods of sabotage by abrasives, contaminants, "slow-downs", etc.

The course included field problems comprising night map and compass runs, various types of reconnaissance and the placing of demolition charges on dummy targets.

The atmosphere of the SO schools was military in nature. As stated above, trainees wore no designations of rank and preserved cover identities throughout the course.

MO personnel usually took OSS basic training first. Thereafter, they received advanced MO training in such subjects as propaganda fundamentals, propaganda writing and radio propaganda. Emphasis was chiefly upon "black" propaganda, including such subversive techniques as poison-pen letters, rumors, etc.

For X-2 personnel, basic OSS training was also considered preliminary to advanced courses which went into the more detailed aspects of the enemy intelligence services and also into the techniques of manipulating and controlling double agents, as well as the specialized X-2 personality report.

OG training was originally set up by SO instructors who worked out a program which consisted, in effect, of longer and more elaborate courses of physical toughening,

weapons training, close combat, map reading, and the like. OSS basic training was not considered essential to OG's. Their training was distinguished from that of SO in that they were to operate as uniformed troops in well-organized and disciplined units, rather than as individuals or small teams.

When MU was established, maritime training became the responsibility of that Branch, but S&T remained in charge of administration. Originally, maritime training was a specialized aspect of SO training and included small boat infiltration operations and the elementary techniques of maritime sabotage. In the early period it was one of the advanced courses for trainees who had been given SO basic training. Following the establishment of MU, specialized maritime schools were set up, and the training was extended to include various advanced forms of maritime sabotage, underwater demolitions, beach reconnaissance and the use of the new and specialized devices which MU developed.

Another type of training for which S&T was only administratively responsible was communications. There were two categories of trainees at the communications areas—those intended for base station duty overseas and those who would enter enemy territory either as SO or SI agents. The general atmosphere of the communications schools was military. In the case of prospective base station operators, there was no concealment of rank or true identity. Student agents, however, preserved cover identities and bore no indication of rank.

In communications training for clandestine radio operation, the emphasis was not upon the speed of transmission, but rather its accuracy. Student agents generally were not required to be proficient in Morse code beyond a speed of 18 words per minute. It was realized that, in transmitting under conditions where the base station operator could not "break" the agent,* accuracy was the prime consideration. Agent radio operators were given instruction in radio theory and in maintenance of their sets, with emphasis upon the improvisation which might be necessary in enemy or enemy-occupied territory, where replacement parts would be difficult to obtain. Two of the most difficult problems facing the clandestine radio operator were power supply and concealment of his antenna. Field problems, in which the prospective agent was required to set up a radio clandestinely and make contact with the "base" (school), were carried out over distances up to 200 miles.

In communications training, also, it was sought to impress upon the agent the necessity for the exercise of ingenuity in carrying on his operations.** The period of training for an agent radio operator was normally some 10 weeks.

Therefore, the complete training of a secret agent required 16 weeks—3 weeks for OSS intelligence training, 3 weeks for SO basic training and 10 weeks for communications training. At the conclusion of such period, the prospective agent was familiar with undercover intelligence practices, the arts of sabotage, the elements of field craft and the procedures and techniques of clandestine radio operation.

Certain other branches gave their overseas personnel various types of training prior to dispatch. R&A personnel for the most part

* A cardinal principle of agent radio operation was that the agent might interrupt base transmission at any time when the exigencies of his situation demanded it, whereas the base station (which could not know the conditions of emergency under which the agent was sending) might under no circumstances interrupt the agent.

** One of the developments to camouflage antennae was the concealment of antenna wire in the form of a clothes line. Students were encouraged to use their ingenuity to the utmost. On one occasion, a student on a field problem managed to make contact with the school over a short range of 75 miles by using the springs of a bed as an antenna.

required no training which was included among S&T curricula. However, certain R&A personnel were given OSS basic training prior to departure for overseas assignments. Prior to dispatch for overseas missions, most Special Funds officers received OSS basic training and most Field Photographic personnel went through the SO basic course.

There was never any consistent policy with regard to S&T indoctrination or orientation for all OSS personnel. Many people were sent overseas without any particular training because it was assumed that they would be engaged in purely servicing functions. In some instances where the exigencies of the situation in the field made it necessary for such personnel to be transferred to more active duties, the lack of training constituted a handicap.

One other type of training played an important role in many OSS operations overseas. In the early days of COI, a small parachute school had been established at one of the SA/G areas. The staff of this school was sent to North Africa in late 1942 to establish parachute training facilities there. Arrangements were made with the Army in order that OSS personnel requiring parachute training in the United States might receive it at Fort Benning. Those who were sent overseas without parachute training, and whose missions required such training, received it at the OSS school in North Africa or at British schools in England.

One additional responsibility of S&T was to set up courses to fulfill Army requirements that all enlisted men receive basic military training before going overseas. The necessity for this developed out of the fact that many OSS civilians were drafted and reassigned to the agency prior to departure for overseas assignments. By considerable streamlining and intensive work, S&T compressed the elements of basic military training into a 4-week course.

Assessment. In the summer and fall of 1943, the rapid expansion of OSS, with its concomitant demands for large numbers of personnel overseas, resulted in an intense recruiting drive by all branches which taxed to the utmost the capacity of the training areas. There was naturally a percentage of recruits who were either unfit to receive training for various reasons or psychologically unsuited for operations overseas. In addition, instruction was handicapped because the poorer students established the pace of the class. There were security risks in releasing students who "washed out" during training, since they received at least some knowledge of the secret operations and methods of the organization. The risk in sending overseas personnel who might not be emotionally fit for field activity was even greater.

In the fall of 1943, therefore, it was proposed that a holding area be established, at which no actual training would be given but which would serve to screen prospective trainees as to their physical, mental and emotional capabilities for their intended assignments. Before this proposal could be put into effect, reports were received that the British SOE had established a program of psychological evaluation for the potential agents. The merits of this idea seemed so obvious that members of S&T, in conjunction with the Planning Staff, proceeded to evolve, independently of the British, a plan of psychological assessment. The OSS plan proved to be remarkably similar to that of SOE.

Several prominent psychologists and psychiatrists were called to Washington to implement the program. A country estate (Station S) in Fairfax, Virginia, was leased. In January 1944, Station S opened as the first OSS assessment school. The program called for a three and a half day period of tests and problems designed to evaluate the potential trainee from the standpoint of emotional stability, mentality, personality, aptitude, etc. Initially, the assessment

program was considered in the nature of an experiment, and its facilities were offered to OSS branches on an optional basis. The results of the first three months proved so impressive, however, that in March 1944 Donovan ordered that all OSS personnel destined for overseas assignments be assessed before departure from the United States.

The result of this order was to place an unmanageable burden upon Station S, as, in addition to staff and agent recruits, clerical and services personnel were included within the purview of the order. It was, therefore, decided that personnel in the latter categories should be given a one-day assessment course which would be sufficient to screen out the obviously unfit. A house in Washington (Station W) was rented for this purpose. Thereafter, it was possible to make the assessment program at S more rigid and more closely geared to the prospective overseas assignments of SI, SO, X-2 and MO personnel.

In June 1944, an assessment area was established on the West Coast, designated Station WS, to handle personnel destined for the Far East.

Area F* became the fourth assessment station in November 1944, when a reassessment program was established for returnees from European theaters in order to determine their fitness for further assignments in the Far East or Washington. In the reassessment program, particular emphasis was placed upon the possibility of nervous tensions resulting from war experience. As an incident to the reassessment program, useful facts were elicited by the interviews in regard to operational techniques which proved of value to the various training programs.

Assessment had two primary objectives: (1) To analyze the personality of the candidate in order to determine his ability to withstand the rigors of war; and (2) to make some estimate as to the type of activity for which he was best suited, and, incidentally, whether he could perform the job for which he was intended.*

By April 1944, Station S rated all candidates in terms of twenty major qualifications. These included motivation, initiative, resourcefulness, inference, discretion and leadership; an additional category—job fitness—was added later.

The programs at S (three and a half days) and W (one day) were varied in order to indicate as far as possible the candidate's skills, as well as latent emotional disturbances which might handicap his performance in the field. In general, the various tests were designed to determine individual adjustment and adjustment to a group situation. Station W, in the short time allotted, secured excellent results with a condensed and necessarily somewhat general program. The program at Station S was longer, more rigorous and consequently more valuable as a definitive estimate of the candidate.

During the assessment course at Station S, all candidates wore Army fatigue uniforms without indication of rank. Immediately upon arrival, each candidate was subjected to routine paper and pencil intelligence tests which provided a general index of his intellectual capabilities and aptitudes.

A variety of tests were evolved which were designed to produce not only material for a psychological analysis of the candidate but also a job analysis, namely what he could do best and whether he was capable of performing the task for which he was employed.

However, no test produced one type of evidence only. For example, a candidate would be required to transport a 150-pound case, presumably of ammunition, to the top of a nine-foot wall. He would be provided with two ladders, a block and tackle, several planks and a hand truck. He would be given

* Formerly used for OG training.

* Assessment reports were for OSS use only. They were kept separate from personnel files and were not available to the subject, or to the scrutiny of persons outside of OSS. They were ordered destroyed at the time of the liquidation of OSS.

six minutes to complete the job. Obviously the results of a test such as this demonstrated a variety of things about the candidate, including physical strength, ingenuity, presence of mind, etc. The same was true of a test which involved supervising and directing two assistants in setting up a complicated frame construction in ten minutes. The assistants, who were actually junior members of the assessment staff, were directed to make things as difficult as possible for the candidate, while professing every desire to assist him. This type of test indicated the candidate's ability to withstand frustration, to persevere, to think clearly, etc. The results of such tests as these were on the whole general in nature.

More precise tests undertook to discover the candidate's ability to memorize maps, faces, terrain, etc. In one test, two sets of slides were used. Each slide of the first set had on it a man's photograph, his name, age, occupation and place of residence. The second set consisted only of the photographs. The candidate would be shown the first set of slides in groups of four, each slide being exposed for twenty seconds. After each group, the corresponding slides of the second set were shown for thirty seconds in random order. During the showing of the second set of slides, the student was asked to write down all that he could recall of the information appearing on the first slide. Aptitude of this nature was more essential to an intelligence agent than a saboteur and pronounced skill in the test was considered an indication that the candidate might have additional capabilities which would make him a worth-while intelligence officer or agent.

Other tests, designed to indicate a candidate's specific aptitudes, involved assignments to process propaganda material (MO), and ability to instruct and speak extemporaneously before a group (which was useful in determining the potentialities of prospective instructors). Additional tests were devised to indicate aptitudes for other OSS activities.

The clinical interview played a decisive role in the assessment of a candidate. This was a personal conference of varying length between the candidate and a staff member designated as mentor for him. The interview was designed to bring together by conversational and interrogational techniques all the data on the candidate which had been acquired in paper tests, by observation, etc. Following the interview, the results of the various tests and the opinions of the interviewer were compared. In addition, the observations of other staff members were also considered. On occasion, the interview evaluation conflicted with the cumulative indications provided by the tests. This raised a question as to the validity of the tests vis-a-vis the clinical interview. On the whole, it was the interview which carried more weight. Actually, there was seldom conflict of this nature, and the fact that it arose in certain exceptional cases did not destroy the validity of the original concept, which was that clinical data is stronger when supported by situational data but is not invalidated by an occasional discrepancy.

The assessment program was most effective in providing a psychological evaluation of the candidate. It was less effective in determining the candidate's suitability for a particular job. There were many reasons for the latter. For one thing, no member of the assessment staff, at least until very near the close of the war, had actual field experience with OSS and, with the wide latitude necessarily given to theater units to divert personnel from their original assignments to other activities, it was difficult to secure from the branches precise job descriptions. Furthermore, even when a reasonably precise job description could be provided, there was no assurance that the candidate would not be transferred in the field to another assignment.

From January 1944 to July 1945 the OSS assessment schools screened 5,300 candi-

dates for the European theaters. On the West Coast, Station WS handled 210 candidates. These statistics are not particularly illuminating since there is no basis for comparison. The assessment program certainly succeeded in screening out the 15% to 20% who were obviously unfit. However, it is impossible to ascertain with any exactitude whether the courses could have been so designed as to be more effective.

The effort to assess an individual's total personality had never before been attempted in the United States. The psychologists and psychiatrists who handled the program for OSS later used the techniques developed under the stress of war to establish programs for the Veterans Administration and several leading universities, in addition to giving the benefit of their experience to various departments of the Government. It seems obvious that the OSS assessment program established a precedent and accumulated experience which will in the future facilitate effective personnel selection in many fields.

Training Areas. In June of 1942 only four schools were in actual operation. These were RTU-11 (the "Farm") and Areas A, B and C.*

The "Farm" was located in Maryland about 20 miles from Washington. It was used for both elementary and advanced intelligence training until basic training began at Area E, whereupon it became the advanced, or finishing, intelligence school.

Area A, which comprised approximately 5,000 acres of heavily wooded terrain near Quantico, Virginia, was subdivided into four separate schools, designated A-2, A-3, A-4 and A-5. Area A-4 was used primarily for basic SO training.

Area B, comprising some 9,000 acres of mountainous wooded terrain in the Catoctin area in Maryland, was used primarily for paramilitary training.

Area C was located on wooded terrain adjacent to Area A, and was used for communications training.

In mid-November 1942 Area E, located in Maryland some 30 miles north of Baltimore, was opened. It was somewhat similar to the "Farm", consisting of three country houses, and became the principal school for OSS basic training.

Area D, located on the Potomac River near Quantico, was activated in March 1943 to conduct training in maritime activities.

Area F was acquired in April 1943. It was located at the Congressional Country Club on the outskirts of Washington, and was used primarily for the training of OG's. Toward the close of the war, when large numbers of personnel were returning from European theaters for de-briefing or transfer to the Far East, Area F became a holding area and was used for de-briefing and reassessment.*

In October 1943, Area M, a former Signal Corps camp (MacDowell) in Indiana, was acquired and used for communications training.

In January 1944, Station S, a country estate at Fairfax, Virginia, was acquired to provide facilities for the assessment program. In a short time, Area S proved inadequate to handle the large numbers of candidates, and a house was acquired in Washington (Station W) where a shorter assessment program was established for clerical and services personnel.

In mid-1944, a West Coast assessment program was established at the Capistrano Beach Club in San Clemente, California.

After mid-1944, most training was performed on the West Coast, and the schools in the east were gradually closed. By VE-Day, the eastern establishments were being used mainly as holding areas, in which personnel could be de-briefed or screened for possible use in the Far East.

* Area D had been acquired by SA/G in the COI period and was being prepared for maritime training. See SA/B and SA/G in Section I.

* See Personnel, under Central Administrative Units above.

The need for exceptionally qualified people in the Far East led to the establishment of courses under university auspices. Georgetown University made available facilities for a two-week course on the economic and political backgrounds of Far Eastern countries. In January 1945, arrangements were made with the University of Pennsylvania to train specially selected students in the Japanese and Korean languages. This was a six-month course which included, in addition to language instruction, a comprehensive survey of the sociological, political and economic problems of the Far East.

Overseas Training. Until the middle of 1944, S&T/Washington had practically no authority over training programs conducted in various theaters. It was called upon for instructors, and made available the material used in training in the United States.

Late in 1942 several instructors were dispatched to NATO, where they took part in the Tunisian campaign. After the fall of Tunis, training schools were established in NATO for Italian and French agents. North Africa soon proved to be a fertile area for recruiting and an excellent base for infiltration operations. When parachute training became necessary, the staff of a parachute training school which had been set up under COI in the United States was dispatched to NATO in early 1943. In the following two years, over 2,500 male and female agents were given parachute training. Included in this total were agents trained for the British and French services, as well as for OSS. When parachute infiltration into southern France and Italy was virtually completed, the parachute school was moved to China where it achieved a notable record in the training of American and Chinese commando groups for parachute operations.

In late 1942 and early 1943 instructors who had been schooled in the United States were sent to Burma and China to prepare training programs for native agents. Such instructors established training bases in forward areas where, in addition to teaching, they were called upon to recruit and direct the operations of such agents.

In the spring of 1943, S&T began recruiting a group of instructors for the OSS base at Cairo where agents were to be recruited and trained for Balkan operations. The staff was composed of personnel with Greek, Bulgarian, Rumanian, Serbian and Hungarian language qualifications. Following the arrival of the training staff in Cairo, it was found that, since the Balkans were primarily a British sphere of operations, there was less OSS training to be done than had been anticipated. Consequently, most of the agents trained in Cairo were destined for Greece. Later, when part of the Cairo training staff was transferred to Bari, some agents were trained for Yugoslavia and Hungary, but very few for the other Balkan countries.

By the summer of 1943, OSS in London had worked out arrangements for joint British-American training in England in connection with certain projects, and S&T/-Washington was requested to dispatch its best instructors to ETO. Most of S&T's veteran instructors were on their way to England by the fall of 1943.

The shift in emphasis from Europe to the Far East early in 1944 necessitated the dispatch of instructors to Ceylon and China. In both of those countries, assessment personnel worked closely with the training staffs in an effort to screen and assess natives who were recruited as agent prospects.

In 1944 further requests were received from the European theaters for instructors qualified to train German-speaking agents.

It became evident by August 1944 that overseas training was somewhat spotty and uneconomical under the administration of the various operating branches. Consequently, Donovan, by order of 14 August 1944, directed that S&T was to provide and operate all facilities for the instruction and training of OSS personnel. From that date until the liquidation of OSS, a great variety of overseas training establishments, holding areas and dispatching areas were operated

by S&T. From the viewpoint of S&T/Washington, the order created manpower problems which were difficult to surmount. On the other hand, it also made possible some much-needed rotation of personnel.

Following the collapse of Germany, S&T began a large program of closing down various overseas areas under its jurisdiction. S&T completed its mission in ETO with the establishment in Germany of a small training school attached to the OSS mission in Germany and the establishment of another school in which some 2,000 Germans were trained for posts with Military Government.

In addition to providing personnel for overseas training, S&T/Washington also developed a considerable research staff to see that the proper training aids, lecture materials, etc. were dispatched to all overseas training establishments. In turn, S&T/-Washington received from overseas some of its most beneficial training material in the form of reports of agent operation.

From the first day of January 1944 to July 1945, the assessment schools evaluated and/or screened 5,300 candidates. Basic Espionage Schools graduated over 1,800 trained personnel as operatives in gathering, analyzing and disseminating information. The Paramilitary Schools, concerned with the training of sabotage men, trained a total of 1,027. The "Farm", specializing in advanced intelligence training, graduated from May 1942 to December 1944 over 800 men and women.

The above figures cover only those trained for European operations and, furthermore, do not take into account specialized groups, over which S&T had divided or little control, such as Communications, OG, MU, etc. From the beginning of training on the West Coast until its conclusion, close to 1,000 personnel were given basic OSS training, approximately 250 advanced SO training and 200 advanced SI training; 210 were assessed on the West Coast, where approximately 100 were given advanced MO training. These are, of course, over-all figures, and give only a general indication of the scope of the program.

The rapid expansion of OSS, both in numbers of personnel and in function, presented a challenge to the training program. There was another challenge which cannot be so clearly delineated by the use of statistics. It grew out of the fact that only a small portion of OSS operations consisted of subjects that could be taught by concrete example, e.g., the use of demolitions materials, small arms, codes and ciphers. The precise situation which any agent or agent team would encounter in the field could not be foreseen. Therefore, the major goal was psychological—to develop in the student-agent an attitude of mind which would respond to an emergency in accordance with the exigencies of the particular situation. Examples were cited and principles discussed, not for the purpose of learning them by rote, but so that the student could use them as a springboard for his own ingenuity.

Field problems, likewise, were not used so that the student-agent, be he spy, saboteur or guerrilla, would learn to react according to habit; they were in no sense rehearsals. Rather, they were designed, as was the general atmosphere at the schools, to provoke an undercurrent of tension and nervous pressure beneath a relaxed surface. Even in such technical fields as demolitions, only the fundamentals could be taught—the successful execution of sabotage would require the ingenious application of such principles in the context of a given situation in the field.

Thus, the OSS training program was never static, but was constantly being developed, refined and improved in the light of experience from its inception in 1942 until the liquidation of the agency on 1 October 1945.

5. Services

The rapid expansion of OSS and the indications of large-scale overseas activities in the summer of 1942 made it obvious that a

great burden would be placed upon its servicing branches. In the COI period, various servicing functions had been loosely grouped under the Executive Officer. Within a short time after 13 June 1942 steps were taken to unify and integrate the services branches.

In October 1942, as part of the reorganization in anticipation of prospective militarization,* the branches of OSS were divided into several groups, each under a deputy director. One of these groups consisted of services branches. The October reorganization proved to be temporary, since JCS 155/4/D was issued within two months. The consequent reorganization of 3 January 1943 pursuant to General Order No. 9 (Exhibit W-35) established the pattern which was to remain throughout the existence of OSS.

Reorganization under General Order No. 9 divided the activities of OSS into four categories: (1) The branches which were administrative or technical in nature and which reported directly to the Assistant Director and Director; (2) the intelligence branches; (3) the operations branches; and (4) the services branches under the Deputy Director - Services.

The Order was twice revised. On 26 May 1944 it was amended to remove the Special Funds and Communications Branches from the orbit of services and to give them independent status among the executive branches (Exhibit W-41). On 26 December 1944 it was further revised to create the position of Deputy Director - Personnel, who assumed responsibility for the Civilian Personnel Branch which had previously been under the Deputy Director - Services (Exhibit W-42). This latter revision also added to Services responsibility for the overseas transportation of all OSS personnel, a function which had been previously an independent branch and before that one of the responsibilities of the Special Relations Office.

According to the final revision of General Order No. 9 on 26 December 1944, therefore, the Deputy Director - Services was responsible for the following branches: Budget and Procedures, Procurement and Supply, Reproduction, Transportation, Office Services, and Finance (exclusive of Special Funds).

OSS was a unique organization engaged in unorthodox activities. Normal government and military procedures were not so established as to permit anything like the degree of flexibility which the agency required. It was, therefore, engaged in a constant struggle to reconcile its exceptional and unusual needs with standardized government and military regulations. This problem had been particularly evident in the COI period with regard to personnel. Under OSS the problem of securing sufficient military allotments, both in number and grade, was ever-present. In addition, similar problems arose in connection with transportation of personnel overseas and shipment of materiel.

One of the basic factors in this problem was, of course, the unusual degree of security which attended most OSS operations. It is a truism in the performance of secret activities that they are most susceptible to exposure through errors in seemingly routine matters. For example, the marking of a shipment of ordinary equipment with the symbol "OSS" when destined for a cover detachment or individual could work irreparable injury to the activities in which that detachment or individual was engaged. Similar dangers attend such routine matters as mailing, or drawing up payrolls, telephone directories, etc. In a secret organization these activities continue to be routine in performance, but the potential cost of a petty mistake is so great as to require the establishment of precautions that sometimes seem over-elaborate to the uninitiated.

The question of priority for shipments of materiel is another aspect of the same problem. Its solution revolves around the importance attached by the appropriate authorities to the special activities which an organization such as OSS is to perform.

* See General Survey, 13 June - 23 December 1942, in A above.

While it is probable that no headquarters organization ever escapes constant demands from the field for more and quicker shipments of equipment, there was a notable improvement in the case of OSS as the success of its early operations created a demand for their continuance on the part of field commanders, and as OSS gained stature as a valuable, if unorthodox, auxiliary to the prosecution of the war.

The rapid expansion of any organization is generally attended by increasing emphasis on procedures. OSS was no exception. But the establishment of procedures was complicated by the necessity for flexibility which arose out of the nature of the organization's activities, and the fact that it had to deal not only with various branches of the armed services, but with other standardized government agencies. It is doubtful that this problem could ever be solved to the satisfaction of all concerned. However, it was met in the case of OSS by a series of compromises with regulations existing in the various military and civil departments with which it had to deal.

It would serve no purpose to go into a detailed discussion of each of the various branches which carried out the servicing functions of OSS. Transportation is discussed elsewhere,* since for the greater part of its existence it was under the Special Relations Office and, later, an independent branch. Office Services functions are self-explanatory, and the activities of this Branch were subject only to the general complications discussed above.

Reproduction. In April 1942 the Reproduction Branch was completely reorganized. A specific assignment had precipitated the realization that an improvement in security policy was necessary. The assignment was the so-called Caroline Islands job, a series of seven volumes, covering projected military operations in the Pacific. The material was secret and speed was essential. The job proved beyond the capacity of the existing facilities, both as to time and security. At the end of two months, only two volumes were completed and the job was taken elsewhere to be re-done.

Donovan saw a clear instance of inadequacy, and directed that the Branch be overhauled so that it could handle assignments for the JCS with the requisite degree of security. The essence of the problem was to create and maintain a situation of maximum security and efficiency. To this end, a substantial number of Army personnel was brought in and stricter security measures were inaugurated, as well as a system of production record and control.

The introduction of the military resulted in a tightening of control geared to heightened security and a rapidly widening field of endeavor, coupled with expanding facilities, both the direct result of Army prestige.* It thus became possible for the Branch to engage in experimentation, with the result that certain inventions in the field of reproduction proved valuable to both OSS and the armed services during the war.

Of the security methods introduced, the most notable was the so-called "job-control system." This took the form of a ticket which noted all relevant data from the time that a given assignment entered the Branch to the time of completion and return to the originator. This procedure was supplemented by a similar control system within each section which indicated who had worked on the job and the nature of his contribution.**

As the Branch established a record of competent performance, it gained increased

* See Special Relations under Central Administrative Units and Technical Branches above.

* Personnel statistics indicate the degree of expansion: Total personnel employed in November 1941 — twelve; total personnel employed in February 1945 — 126, of whom 96 were military and thirty were civilians.

** As early as January 1943 the security position was firmly established, as indicated by a request from OPA to print coupons for shoe rationing. Strict security was essential since violation would result in immediate price rise and the buying up of existing stocks.

recognition. Following the abortive Caroline Islands job, Reproduction performed many large conference jobs. These included the Quebec Conference in the spring of 1943, the Teheran Conference in the fall of 1943 (a book of 600 pages completed in three weeks), and the Yalta Conference in the winter of 1944. In 1945 Reproduction sent fourteen technicians to the United Nations Conference in San Francisco. Experience in assignments of this magnitude led to the establishment within the Branch of a bookbinding section to avoid the introduction of outside personnel for rush jobs—a previous expedient which came into question from the standpoint of security.

Reproduction inaugurated a training program in early 1943, which included instruction not only in regular reproduction devices but also in special devices such as the "Gilhooley",* spy cameras, and the like. Some 500 operatives received instruction, including a substantial number of R&A personnel who were thus enabled to microfilm maps, documents, periodicals, etc., in the field.

In 1943 map reproduction increased to the extent that it represented some 60% of the total work of the Branch by the end of the year. In 1944 a color photography section was established. One of its most important contributions was its experimentation with fluorescein and invisible inks. In this connection, the Chief of MIS gave the Reproduction Branch a special commendation for what he termed, in the interests of security, "special application of certain processes to materials for use in spy work".

Perhaps the most notable technical development was the "Gilhooley", which was developed in the summer of 1943. It was a portable field photostat machine and was subsequently used all over the world by OSS and United States military forces. Another significant technical development was the so-called "spy camera", which could take a full-view picture from any position. It required no focussing—nothing more than general aiming at the object. The working model was completed on 3 November 1943, and Eastman Kodak produced the finished product. It was generally acknowledged to be the finest espionage camera in existence from the standpoint of simplicity in operation and design.

The Reproduction Branch provided field plants in all theaters where OSS was represented in force. Outposts were thus established in London, Oxford, Paris, Rome, Caserta, Bari, Algiers, Cairo, Kunming, Chungking, Calcutta, Kandy, and at the end of the war in Nuremberg. (There was also a field plant in New York.) Teams with portable equipment were provided for various missions with advance troops and the Washington Reproduction Branch also provided mobile units for MO teams in the field.

Recruiting and training personnel for these plants was the responsibility of Washington, which also processed the technical equipment and supplies to meet their many requirements. The first overseas mission of Reproduction Branch was a two-man team sent to Oxford, England, in 1942 to copy the British Admiralty Strategic Photographic File, consisting of several million pictures for R&A. Soon after preparations began for other specific missions, such as the mobile unit intended for North Africa and the printing plant in Calcutta for MO. Because of shortages of skilled personnel and necessary equipment, missions were planned only to meet specific needs.

In general it may be said that inadequate attention was paid to reproduction in advance planning for field operations. Obviously the collection of intelligence is wasted effort without dissemination. An MO leaflet campaign may be well conceived to no purpose unless the leaflets can be produced quickly and securely. Although in Washington Reproductions Branch came to be responsible directly to a Deputy Director, in the field it was administratively in the

* See below.

Services Branch. Services officers often failed to appreciate the time required to set up adequate reproduction service or to realize the scarcity of qualified personnel and proper equipment, or the technical difficulties involved in establishing a field plant.

Budget and Procedures. As indicated in the account of COI in Section I above, the early period of this Branch was characterized by informality. From July 1941 to 13 June 1942 COI subsisted on a series of allocations from the President's Emergency Fund which totalled, for both vouchered and unvouchered funds, some $12,000,000. In the late spring of 1942, COI prepared budget estimates for the succeeding fiscal year.

As a result of the President's Military Order of 13 June 1942, however, the new agency was caught in something of a squeeze play. The Order automatically nullified all COI budget estimates for the fiscal year 1943, and yet there was not time to go before Congress for funds. In any event, the preparation of adequate budget figures would have been difficult, if not impossible, until the JCS clarified the status and functions of OSS. The situation was resolved by informal arrangements whereby OSS was financed for an additional period from the President's Emergency Fund, rather than on a regular budget. These arrangements continued until 30 June 1943, when the first formal budget, for the fiscal year 1944, went into effect. Total expenditures for the period from July 1942 to 30 June 1943 were $22,100,000, of which $9,500,000 constituted unvouchered funds. This brought the over-all total supplied by the President for the first two years of the existence of COI/OSS to $41,000,000.

OSS presented its first budget request to Congress for the fiscal year 1944. After the Budget Bureau had reduced the estimates substantially and Congress had effected a token cut, OSS emerged with an appropriation of $35,000,000, of which $21,000,000 was available "for objects of a confidential nature". In addition, $2,000,000 were earmarked to be used "for the purchase of things or services which were not ordinarily available with regular government funds". This represented a substantial increase over figures for the fiscal year 1943. In spite of the increase in appropriation, however, OSS would have been unable to operate through 1944 on $35,000,000 if it had not been for what could be termed a financial "break", viz., permission to requisition from the Army standard military supplies for all operations in which such supplies could be used. Since standard Army items were rapidly becoming an important part of the OSS budget, this represented a tremendous step forward, even though OSS was still required to pay from its own budget for "special items of a military nature".

OSS continued to expand. Congress granted an appropriation of $43,000,000 for the fiscal year 1945. Of this sum, $21,000,000 was available for "objects of a confidential nature". The high budget figure reflected a corresponding high in OSS operations. In anticipation of a reduction in overseas operations, the 1946 budget of $45,000,000 constituted a substantial reduction in the 1945 figure. The Bureau of the Budget reduced this figure further to $38,200,000. Following the submission to Congress of this latter figure, hostilities in Europe ceased and the Appropriations Committee of the House of Representatives recommended that the estimates be reduced to $20,000,000.

On 30 September 1945 OSS was liquidated. Thereupon, the $20,000,000 appropriation was further cut to $10,500,000, for allocation between the State and War Departments, to which residual OSS functions were transferred.

Procurement and Supply. The main problem of this Branch was to keep abreast of the rapidly expanding overseas activities of the agency. In late 1942 and during 1943, when OSS outposts were developing into major field bases, a great deal of standard equipment had to be shipped. As the field bases became established, and in turn set up sub-bases, communications equipment and

special materiel for supply of resistance groups became an increasingly important part of the shipments. The peak of activity was reached in 1944-45.

To expedite shipments to the theaters, the Branch established supply coordinating offices for ETO, MedTO and FETO in July 1944. The total weight of shipments for that month was approximately 7,000,000 pounds, which represented twice the June volume. A great portion of the shipments at that time was ultimately destined for resistance groups. In August 1944, there was a 1% increase over the July total, but in September there was a sharp decline in the amount and size of shipments to both ETO and MedTO. The decrease was a direct result of the reduced demands of the resistance groups in those theaters consequent upon the Allied advance.

Thereafter, Procurement and Supply concentrated on FETO requirements, even to the extent of diverting in November 1944 a substantial amount of materiel slated originally for ETO and MedTO. This was a temporary development, and the main efforts of the Branch, after the beginning of 1945, were directed toward a tabulation of probable OSS surplus. This had been requested by the War Department in view of the imminent cessation of hostilities.

As of 11 June 1945, all procurement action temporarily ceased. It was resumed on 30 June 1945 and operated in routine fashion until the liquidation of OSS.

6. New York and West Coast Offices

(a) NEW YORK OFFICE

The New York Office was established by SA/B at 630 Fifth Avenue in February 1942.* In the COI period it was an undercover office, primarily for secret intelligence matters requiring attention in New York. As such, it acted as a service agency in connection with particular projects which could not be directed as effectively by SI in Washington. Such projects were designed to obtain foreign intelligence, recruit agents and maintain liaison with the principal United Nations which had information agencies in New York.* It was also used for special inquiries of a secret nature through civilian channels. During the COI period, SA/G also used the New York Office and maintained representatives there.

Upon the establishment of OSS in June 1942, the agency lost the large FIS office (which went to OWI), and the OI office was abandoned when that unit was dissolved. The SI office, therefore, became the principal office of the agency in New York. Consequently, the original undercover idea had to be abandoned and the office became overt and expanded to accommodate all branches of OSS which found it necessary to conduct any activities in the New York area. Among the branches which established representatives and/or units in New York were SI, R&A, X-2, FN, SO, MO and Services.

Additional office space was leased at 630 Fifth Avenue, but rapid expansion soon made it necessary to establish branch offices in other locations. For example, R&A established an office at 55 West 42nd Street. In addition, other offices were leased for various special undercover projects operated in New York. In most of these cases the office would be an undercover one, and no connection with the Government or OSS would be evident. Also, small offices or hideaways, such as undercover recruiting offices and places suitable for secret conferences, were secured at numerous locations and for varying periods of time, when necessary for the confidential work of SI, X-2 and FN.

In 1943 instances of overlapping and unregistered ** activities were reported. In

* See SA/B in Section I.

* One of the principal reasons for establishing the office at 630 Fifth Avenue was its proximity to British Security Coordination which was located in the same building.

** Regulations required the registration of any new OSS office with G-2, ONI and FBI.

September 1943, therefore, the Chief of SI in New York was designated "Chief, New York Area". As such, he had authority over all OSS personnel stationed in or entering the Area and was responsible for supervising general OSS policy and relationships with all agencies and government departments there. Furthermore, all OSS personnel who passed through the Area were required to report to the New York Office and anyone from the Washington headquarters who interviewed possible recruits in New York was required to submit a list of the candidates he contacted.

SI. Although it was necessary to depart from the original concept of maintaining the New York Office as an undercover office for secret intelligence purposes, SI remained the principal branch represented and the most important projects developed by the New York Office were of a secret intelligence nature, either exclusively or in collaboration with other branches.

One of the most important SI functions in New York was its liaison with the information services of various United Nations which maintained headquarters in the City. The British had a parallel agency in New York—British Security Coordination—with which COI/OSS had maintained extremely cordial relations from the beginning. Cooperation was facilitated by the fact that British and OSS offices were in the same building. With respect to the French, there was a rather involved liaison problem since, although there were a number of French agencies represented in New York, there was no officially designated French service and consequently no clear opposite number with which to deal. SI in New York maintained contact with all the French agencies and collected such intelligence as became available. Naturally, the effectiveness of such relations depended to a great degree upon the establishment of cordial personal relationships in the absence of official directives and clear lines of demarcation between the various French groups. The same situation existed, in some degree, with respect to the information services of Norway, Poland, Czechoslovakia, Yugoslavia, Belgium and Luxemburg. None of these countries had an active parallel agency to OSS, but they did have secret services which were operating in Europe, and SI/New York secured information from them.

The position of SI/New York was not the same as OSS/London, where disseminations came to OSS as an accredited consumer and by virtue of formal arrangements. Such intelligence as was received by OSS in New York, in effect, constituted a check on the completeness of the intelligence received through London, and occasionally was secured more speedily than that received through official channels.

SI/New York carried on extensive recruiting activities for the Branch in Washington. In addition, it was extremely useful in the negotiations which were necessary to establish and maintain private commercial cover for SI agents. Such negotiations required constant regard for the highest degree of security. Only American firms normally transacting business in the given foreign areas were approached. Contact was made only with individuals at the top level. OSS agents were carried on the personnel roster of the firm concerned, were paid through usual corporate channels, then secure methods were devised for reimbursement of the corporation involved.

Many of the projects undertaken by SI/New York have been described elsewhere in this Report, for example, the Ship Observer Project and the Office of European Labor Research, both of which were directed by the Labor Section.*

An additional project was the Survey of Foreign Experts (SFE). This was a joint SI/R&A project,** which grew out of the activities of OI. The purpose of SFE was to

* See Labor Section in SI above.

** SFE was originally established jointly by OSS and BEW.

establish an index of American and alien experts residing in the Western Hemisphere who had detailed knowledge of foreign countries which could be used either as basic economic, industrial, political or sociological intelligence, or to confirm and/or amplify intelligence secured through other channels. The contacts of SFE included, in particular, various industrial and technical experts who had knowledge of specific installations or areas abroad. They also included political refugees.

Originally, SFE concentrated on political intelligence. The emphasis gradually shifted to operational intelligence in support of the strategic air program directed against the Reich. For example, in July 1943, SFE did a substantial amount of work on Peenemünde. The resultant composite description of the Nazi air experimental station formed a portion of the great volume of intelligence upon which the RAF attack was based. In addition, SFE was of great value to R&A in making available for interview experts who could confirm or add significant information necessary to R&A studies.

The SFE staff was recruited mainly on the basis of language qualifications. Since many of the persons interviewed had experienced Gestapo interrogation methods, the psychological factor was important. The intention was to conduct the interviews upon an informal basis which would overcome latent or habitual fears. The greatest degree of security and discretion was necessary, not only in the actual interviews but in the dissemination of the information which resulted from them. In some cases, disclosure of source would have cost lives in Axis or Axis-dominated countries, and in other cases reports explicitly or implicitly included information which, if known by the enemy or enemy satellites, would have "blown" routes and methods of escape then in operation.

By the middle of 1943, the SFE staff of six averaged 130 interviews per month. From October 1943 to 31 December 1944, SFE built up an index containing names, addresses and biographical data of some 12,500 individuals. During the same period, it conducted approximately 2,600 interviews. The latter resulted in some 1,500 "regular" reports, which received a progressively increasing distribution. The British Security Coordination received them in New York and transmitted them to London for dissemination to various British agencies. In the United States, dissemination was made to ONI, G-2, A-2, OWI, Army Service Forces and the Department of Justice, among others. In addition to "regular" reports, SFE issued some 360 special reports of high classification.

In anticipation of a shift of emphasis to the Far East, plans were made in 1943 for SFE to operate in California. The West Coast unit was established in August 1944.* New York acted as a training school for key personnel who went to the West Coast and in general provided counsel, but activities in New York continued to be identified with the European theaters.

An SI project which operated through the New York Office was the GEORGE Project.** This was operated by a native-born German recruited by SI. The Project maintained headquarters under corporate cover outside New York City and was never listed as an OSS unit. The Chief of the Project never came to the New York Office, but reported directly to SI/Washington. The facilities of the New York Office were used, however, for general supervision and for transmission of the intelligence produced. The Project was designed to secure intelligence through the analysis of intercepts. Since most of the material derived from British censorship sources, close cooperation with the British was necessary.

Generally under SI supervision in New York was the Mohawk Trading Corporation. This was a cover corporation established by

* See West Coast Office below.

** See accounts of SI projects in Exhibit W-23.

the Washington Secretariat to make purchases which, if made openly in behalf of OSS, would have breached security by disclosing secret activities.

R&A. R&A cooperated jointly with SI in the establishment and operation of SFE. In addition, it maintained a separate office at 55 West 42nd Street.* The Biographical Records Section of R&A also maintained an office in New York, collecting, carding and collating data on important enemy personalities. In this work, R&A cooperated closely with SI, since much of the source material originated with SI interviews.

X-2. Originally X-2 maintained its principal United States headquarters in New York due to the close collaboration with the British which was necessary when the Branch was first established.** The center of X-2 activities soon moved to Washington. However, the Branch remained active in New York, its special projects including the Insurance Unit which was established in an undercover office in the Wall Street sector.***

FN. Due to the fact that New York was a center for foreign nationality groups and individuals in the United States, FN was extremely active in the Area. It maintained several cover offices and hideaways. In addition, its principal contact with the Overseas Press Service was effected in New York. A fuller description of FN activities in New York is included in the account of the Branch under Deputy Director - Intelligence Service above; some indication of the extent of its activity is evidenced by the fact that in one month, September 1944, FN held 118 interviews in New York and added 800 names to its files.

SO. This Branch was active in New York throughout. It performed extensive recruiting activities there and also carried on negotiations necessary to the design and production of special devices and equipment.

MO. The principal project operated by MO in New York was MARIGOLD—the only project in the New York Area concerned with the Far East. It employed some 12 Chinese who were engaged in printing posters and magazines for eventual distribution as "black" propaganda in the Orient. Such literature was forwarded to the theaters through Washington. The operation was conducted with high regard for the security factors involved and none of its personnel ever appeared in the New York Office. In May 1945, when the entire focus of war interest shifted to the Far East, the project was terminated so that the personnel might be released for operational missions in the field.

The New York Office, which had a total personnel of 69 at the end of 1942, expanded to the point where it employed some 200 persons in August 1944. Thereafter, with the end of the European conflict in prospect, activities and installations in New York were gradually liquidated. On 1 June 1945 the Chief of the New York Area resigned and the Office accelerated the process of liquidation, which was concluded in September.

(b) WEST COAST

The need for representation on the West Coast became apparent by 7 December 1941. At that time, liaison was established with defense command chiefs on the West Coast and the various intelligence offices there. A representative was appointed in San Francisco, who maintained such liaison and served as the local point of contact for COI, and later OSS.

By the end of 1943 there were offices in San Francisco, Los Angeles and Seattle, and training schools in the Catalina area. R&A was active in interrogation and document collection, and two more specialized technical activities, radio monitoring and photography, were established in Hollywood.

Administration. In addition to specific assignments for OSS branches, the West Coast

* See Outposts in R&A above.
** See X-2 above.
*** See Special Units in X-2 above.

offices arranged local transportation, rooms and services for OSS personnel on official business. In January 1945 direct TWX communications were opened between OSS/Washington and the San Francisco office.

A North American Theater Officer was appointed in Washington in June 1944. His principal function was to represent West Coast installations at Washington headquarters. In addition, all OSS personnel going to the West Coast were required to clear through his office prior to departure.

Warehouse facilities were maintained in San Francisco for OSS cargo, shipments and supplies, and secure arrangements were made to route both personnel and supply shipments through West Coast ports.

Recruiting of personnel for the Far East became an important activity in the summer of 1944. In September of that year a roster was begun of the names and, wherever possible, other data, of persons known to have language or area experience in Japan, Korea, Formosa or coastal China. Early in 1945 a full-time PPB staff was assigned to the San Francisco office. From the several thousand names assembled, approximately fifty recruits were obtained.

Training. In September 1943 the OSS maritime training school was shifted to the Pacific Coast.* The first installation (designated WP) was at Camp Pendleton near San Onofre. This was maintained for almost a year, but due to its proximity to Marine Corps activities it could not be used for advanced training requiring the highest degree of security.

Several areas were opened on Catalina Island, where the climate, rugged coastline and surf conditions were ideal for year-round training. In addition, Army, Navy, Coast Guard and Maritime Service activities on the Island made them restricted areas with stringent security measures. This greatly simplified OSS security problems but necessitated special procedures for oriental agent trainees. In December 1943 an area was established at Toyon Cove (WA) which was prepared to handle up to 200 men; in January nearby Cherry Cove was prepared for the permanent and semi-permanent housing of 100 men. An assessment school (WS) was opened in June at the former San Juan Capistrano Beach Club. Training, administrative and supply headquarters were established at Newport Beach (WN), connected by teletype with OSS/West Coast headquarters at San Francisco. At the peak of activity, six training areas were in operation, with a monthly turnover of 100 students. In addition to training for field operations, special areas were operated for MO and the Field Experimental Unit.

Intelligence and Research. A small R&A office was maintained in San Francisco, similar to the Branch's New York office. Staffs from Biographical Records and Pictorial Records were established in June 1944.

A complete R&A unit was established at the Civil Affairs Staging Area (CASA), first at Fort Ord in January 1945 and later at the Presidio at Monterey. Its purpose was to assist in the training and briefing of Civil Affairs officers for Japan and the elaboration of post-occupation plans for 47 Japanese prefectures.

R&A played a major part in the special OSS group designated by Donovan to be available as needed by the American delegation at the San Francisco conference in April and May 1945.

To secure information on personalities, the Biographical Records staff in the San Francisco office combed West Coast sources, including universities, libraries and personal interviews on private files.

The Pictorial Records Section operated both in Los Angeles and in the University of California Library. The technical work of picture reproduction was done either in the Army Signal Corps laboratories or commercially, until May 1945 when Field Photographic Branch facilities in Hollywood were

* The first group of underwater swimmers was sent to the Bahamas in March 1944 to complete training. See MU in 3 above.

used. Among the more productive sources of picture material were the records of the Alien Property Custodian.

In September 1944 the Survey of Foreign Experts began operations in San Francisco to conduct specific and detailed interrogations on the Far East. Close liaison was maintained with R&A, and much of the volume of interrogation was cleared by R&A personnel.

An FN officer was dispatched in September 1944 to cover developments among groups on the West Coast.

Specialized Activities. OSS radio monitoring was done by the FBQ Station at Reseda, near Hollywood.* Acquired in late 1942, it was damaged in a flash flood in December. By March 1943 repairs were completed and the station's activities expanded both for OSS and for the Navy.** To supplement the work an intercept translating staff was assembled in Los Angeles.

The Field Photographic Branch maintained a special technical photography section in Hollywood. In September 1942 the Joint New Weapons Committee and OSRD requested that the section record photographically the operations and results of highly secret projects, particularly rocket bombs and similar weapons being developed principally at California Institute of Technology. When test photos proved successful, both for observing results and training, the section was placed on a permanent footing.* Most of the films were for the Bureau of Ordnance or the Bureau of Aeronautics of the Navy, Division 3 of NDRC, Amphibious Training Command, California Institute of Technology, or Republic Aviation Laboratories.

The preparation of morale operations aimed against the Japanese was the function of the MO Branch training unit and production staff located first on Catalina Island and, after April 1945, in San Francisco. Personnel included the staff of the MARIGOLD Project transferred from New York, and various other selected American and Japanese-American personnel, including prisoners of war. The production unit prepared scripts for "black" radio transmission and served to support the OSS "black" radio operating on Saipan in the last months of the war.

Liquidation. In July 1945 all Pacific Coast activities were ordered terminated by 1 October. Activities such as Reseda, Field Photographic and MO continued until VJ-Day. All others were rapidly terminated and their files transferred to Washington. The R&A/CASA staff remained with the Civil Affairs group. The General Counsel supervised the closing of installations and the terminating of leases and contracts.

* See CD Branch in 2 above.

** Letter from Chief of Naval Operations Office dated 26 June 1944 notes that improvements in Reseda "were definitely appreciated . . . since the value of the station to the Navy was very high." A separate Navy Station was established at Point Loma in September whose work FBQ continued to complement. "The cooperation and use of OSS facilities greatly aided the Navy's important task of maintaining Navy security." (Vice Chief of Naval Operations, letter of 4 October 1944.)

* In one representative month of operation (June 1945) colored films were prepared on experimental fire from Navy F6F, comparing 5-inch SSR with 5-inch HVAR; first firing of 5-inch spin stabilized rockets from the nose of a Navy PBJ-1; comparing effects of 5-inch HVAR with base fuse and nose fuse when used against M-4 medium tanks; dropping of aerial torpedoes at high speed in shallow water.

OBSERVATIONS

In one sense, an agency such as OSS may be viewed as a wartime expedient, liquidated as soon as it had served its purpose. As such, its value can best be measured in terms of its active contribution to the prosecution of the war. That contribution is the subject of the succeeding Volume of this Report which deals with activities in the field, in the various theaters of war.

In another and perhaps larger sense, the agency was an experiment—not only in the many phases of unorthodox warfare in which it engaged or the various fields of intelligence which it explored, but in the organizational structure which it evolved and the administrative and jurisdictional problems which it encountered. In these aspects, its value is less easily discernible since it must be appraised in terms of contribution to future developments.

While definitive conclusions would thus be inappropriate, a study of the inception and development of the agency prompts certain general observations on (1) its position within the government, (2) its administration and organization, and (3) its personnel requirements.

Admittedly, COI/OSS was established in time of crisis and existed in the abnormal circumstances attendant upon a state of war. Since its functions, in their full scope, were new to the United States, they were not clearly understood for more than half the period of the agency's existence. The evolution of these functions, and consequently the development of the organization to carry them out, was conditioned in part by the exigencies of the agency's struggle to gain acceptance of its status. In setting forth these observations, the intention has been to overlook such situations as arose from political or other pressures peculiar to the time, but to stress instead such absolute factors as may be considered basic to the working of an agency of this type.

1. *Position within the Government.*

An agency engaged in secret and unorthodox activities is peculiarly susceptible to difficulties in its relations with other agencies and departments of its government. Secrecy inevitably creates a psychological attitude of distrust and suspicion on the part of others. In many instances, this attitude is aggravated by the clash with established procedures and regulations which the performance of irregular and unorthodox activities often entails.

Such an agency occupies a position of high trust. This is most patently evident in the fact that there must be made available for its operations special funds which cannot be accounted for in usual fashion, since detailed explanation of the use to which such funds are put would destroy the secrecy of the activities they support. The same considerations affect other factors, such as personnel and materiel.

Essentially, the function performed by such an agency is a service function. Secret intelligence and operations are not ends in themselves, but means to ends. The agency does not make policy, but provides information to guide the makers of policy, and can undertake operations to advance policy once it is made. In much that it does, it is dependent upon facilities which must be provided by the agencies and departments which it serves. To do its job well, it must have their confidence and support, even though at times it will make unusual demands requiring a relaxation of standard procedures and regulations. The element of secrecy in its activities often makes it imperative that its demands be accepted as a

whole, without question; they cannot be explained step by step as they develop.

Thus the effectiveness of the agency depends directly upon the confidence placed in it. But the fact that it cannot reveal its day-to-day activities precludes the possibility of a broad base of official or popular support. Unable to make use of public releases or to make widely known the details of its activities, it must operate on a high echelon and depend upon the support of a few key officials. In other large nations, the acceptance and understanding of such an organization had become traditional long before World War II. In the United States, that was not the case. Inevitably OSS was on occasions faced with the dilemma that, while the confidence of others was essential to success, success was a necessary preliminary to the winning of confidence. If the experience gained with OSS leads to acceptance of the role of an intelligence agency, this in itself will constitute a major contribution of OSS to the future security of the country.

A fundamental question which the record of OSS must help to answer concerns the necessity and propriety of maintaining a permanent agency to carry on its functions. World War II has shown for the United States, as for other countries, the importance of coordinated, centralized intelligence to all levels of the national effort, not only in the winning of a war, but in the preparation for peace.

This much is also evident: If there is to be centralization of peacetime intelligence activities, it must be at the policy or strategy level. All agencies and departments of the government must cooperate fully in making available to the central agency the information necessary to its proper functioning. This does not mean that such agencies and departments should not maintain their own distinct and separate intelligence organizations, for the central agency is primarily concerned with long-range, strategic and policy intelligence.

But the central agency must have permanent status, and within certain fields—namely, secret intelligence and counter-espionage outside the United States—it must be given exclusive authority in the conduct of operations. In these fields, it must be the agency to service other United States departments, and it must be able to count on the cooperation of the State Department for "cover" positions, passport privileges, and the use of diplomatic communications facilities. In time of war, many of the same considerations must be extended by the armed forces, with the addition of transportation—both for travel in friendly territory and for clandestine infiltrations.

Morale and physical subversion programs in time of war also depend in great degree upon similar cooperation and support on the part of the armed forces, with the addition of the important matters of materiel, research facilities, priorities, and actual supply.

2. *Organization and Administration.*

The form of organization of OSS was influenced by three major factors: (1) The political necessity of working in cooperation with various parallel agencies of Allied governments, which necessitated separation of functions in some instances. (2) The necessity of establishing separate sections or branches to deal with various other agencies and departments of the government, e.g., separate personnel sections for civilian, military and naval personnel. (3) The fact that normal routine functions in a secret agency in some cases do not lend themselves to combination. For example, Special Funds must be separate from the branch which handles normal vouchered finances, and cannot be included in a group of Services branches. Similarly, Communications, and even Medical Services, become so highly specialized as to require independent branch status.

The first two factors mentioned above might not be valid in the future. They

arose principally because OSS was new and there was no clear acceptance of the agency for approximately a year and a half. OSS set precedents which may well influence wider understanding, both within and outside the government, of the basic requirements for secret and unorthodox activities.

Unavoidably, the variety of functions exercised by an agency such as OSS necessitated a complex organizational structure, which in turn complicated problems of administration. For example, that branch of the agency which handled the research and analysis function, employing many persons at the domestic headquarters and involving a great deal of clerical work, was confronted with an extensive administrative burden. This was not true of the branch which handled the secret intelligence function, which employed fewer persons at headquarters and required a minimum of clerical assistance, since a great deal of its headquarters work was high-level secret planning. A completely different administrative structure was required by the branch which handled special operations, where the organizational pattern was virtually military in form. Nevertheless, all these functions were intimately interrelated, from strategic penetrations through tactical military support to intelligence analysis, and the organization of the agency had to be sufficiently flexible to accommodate them all.

Furthermore, the field organizations of such an agency varied in accordance with local situations. Where they operated under cover in neutral territories, the channel of command was direct to Washington headquarters which maintained immediate operational control. In the various wartime Theater Commands, the field bases were patterned after the Washington organization, containing in themselves most of the major branches and facilities of the Washington headquarters. Organizational emphasis, however, depended upon the needs of the individual theaters, whose commanders exercised operational control. Even so, the strategic functions of the agency's Washington headquarters continued. The problem of the relative emphasis to be placed on headquarters or on field functions might well cease to exist in a future conflict if sufficient personnel were available to satisfy both the demands of headquarters and the requirements for local theater operations. Failing this, the more immediate operational needs of the theater must of necessity prevail, as they did with OSS.

3. *Personnel.*

Modern war has demonstrated the importance of unorthodox activities of the type performed by OSS. It is impractical to maintain during peacetime any but a fraction of the personnel which would be required in case of another war, and any future crisis will therefore necessarily involve a major and rapid expansion. The basic personnel problems of OSS, problems of number and of status will thus recur.

In OSS all categories of personnel were employed: civilian, military and naval. Since the functions of the agency were constantly redefined and the agency was constantly expanding to meet additional needs as they arose, the allotments of Civil Service grades and military commissions were never considered sufficient. In future situations of this sort, the precedents established by OSS will provide a valid basis for comparison.

The problem of status is more complex. OSS was harassed throughout by the difficulties and inequities inevitable with a staff of select personnel recruited for specialized skills rather than on the basis of Civil Service status or military rank. In any future military emergency it might be possible to accord to the personnel in an agency such as OSS status as members of an independent branch of service. A war situation might necessitate the use in many instances of military and naval rank for cover and

liaison purposes. In such cases a system of brevet commissions might be worked out with grades determined by the nature of the assignment, to be in effect for the duration of the assignment only.

Basic to personnel policy for an agency conducting secret operations is recognition of the importance of the individual.

The agency, and the personnel who comprise it, hold a position of high trust. Discretion, ingenuity, loyalty and a deep sense of responsibility are required. No force of discipline can extract from personnel the exercise of these qualities. At the staff level, this applies to such intangibles as judgment and human understanding; at the level of actual operations, it holds true because disciplinary measures cannot be extended to personnel operating under cover in remote areas or in enemy territory. It is indeed remarkable that among the personnel in OSS, although quickly assembled and working largely in unusual and unprecedented situations, there were so few instances of outright irresponsibility.

Pride of organization and a spirit of service go, as in the case of select military units, hand in hand. It is a cement stronger than discipline, indispensable where the emphasis must be squarely upon the individual. Without this intangible but easily recognizable pride and spirit, no placement procedure ever devised can meet the high standards which must be required from an agency such as OSS.

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