

ORGANIZATION OF THE GOVERNMENT  
FOR NATIONAL SECURITY

137

9 September 1948

CONTENTS

	<u>Page</u>
SPEAKER--Lt. Colonel J. E. Babcock, Member of the Faculty .....	1
GENERAL DISCUSSION .....	11

Publication No. L49-8

THE INDUSTRIAL COLLEGE OF THE ARMED FORCES  
WASHINGTON, D. C.

RESTRICTED

2. *[Illegible]*

*[Illegible text]*

ORGANIZATION OF THE GOVERNMENT  
FOR NATIONAL SECURITY

139

9 September 1948

DR. REICHLEY: This afternoon Colonel Babcock is going to lecture on the present organization of the Government for national security. This lecture will not go into detail as to the organization of each unit, but, rather, will give you the broad, over-all picture. Throughout the remainder of the course, you will get the detailed organization of the different agencies. Today we are confining ourselves merely to giving you a bird's-eye view.

Colonel Babcock.

COLONEL BABCOCK: General Holman, members of the faculty, and gentlemen of the student body: The National Security Act of 1947 has been called, "The most decisive and definite step taken by this country in the formation of a military policy since the foundation of the Republic." The speaker was Mr. James Forrestal, the first Secretary of Defense. This afternoon we are going to review the features of the act in order to provide a brief orientation on the subject. Each part of this act will be given the most critical of examinations during the course of study at the Industrial College of the Armed Forces. The subject matter of this period is not designed to answer all of your questions regarding the national security organization but rather to stimulate such questions so that they may be directed to the visiting specialists later in the course. These lecturers will be experts from each of the various divisions of the national security organization. They will occupy this platform from time to time throughout the course, beginning with General A. C. McAuliffe next Monday morning on the subject of "Research and Development."

Before we take up the National Security Act, I feel that it might be valuable to cover some of the background highlights pertinent to the national security legislation; and this afternoon I am going to go as far back as the Constitution of the United States. I think it might be well for us to hear certain parts of it. With your indulgence, I shall read from the preamble:

"We, the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquillity, provide for the common defence, promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution for the United States of America."

RESTRICTED

Then in Article I, Section 8, it says:

"The Congress shall have Power to lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and" again "provide for the common Defence and general Welfare of the United States;..."

Later in the same section, it says that Congress shall have the power "To regulate Commerce with foreign Nations, and among the several States;..." "To raise and support Armies,..." and "To provide and maintain a Navy;..."

Another milestone in the formation of the military policy of the United States was a separation of the Navy from the Army in 1789, at which time the Department of the Navy was brought into being.

The third milestone was in 1903, when the General Staff of the Army was formed by act of Congress. As you all know, this was the brain child of Elihu Root.

In 1907 the Aviation Section of the Signal Corps was formed. Later, in 1920, it became a separate combat arm within the Army.

The fifth milestone was, in 1920, the Amendment to the National Defense Act. Section 5a of the amended act charged the Assistant Secretary of War with assurance of adequate provision for the mobilization of material and industrial organization essential to wartime needs. This is a starting point for all of your studies at this College.

As a direct outgrowth of this revision of the National Defense Act, in 1922 the Army and Navy Munitions Board came into being to assist the Assistant Secretary of War in his planning for industrial mobilization.

Later, as a result of the same act, the Army Industrial College in 1924 came into being to train officers to perform the afore-mentioned duties.

In 1947 the Department of the Air Force became autonomous, forming the third member of the Armed Forces as we know them today.

Finally, we have the National Defense Act of 1947. Before taking up this act I think we should consider some of the assumptions under which the Congress labored when it drew up the legislation for national security.

One of these assumptions was that the responsibility of planning for, and the control of, the entire national economy must be under civilian direction. The Armed Services should be charged only with the

RESTRICTED

determination of military requirements and the procurement of military items. It has long been felt in the Armed Forces that the control during mobilization of the national economy, in the event of a national emergency, must be exercised through the President by the use of civilian agencies and not by the use of military agencies. In more detail, however, the Army, Navy, and Air Force believe that the procurement of military end-items is so closely interrelated to strategic planning for the supply of the field forces and the development and improvement of weapons that procurement cannot be singled out and separated from the total logistical responsibility of the Armed Forces.

The second assumption that Congress took was that the success of any economic mobilization plan rests jointly upon the organization and public support. Public support is usually manifested by the size of the appropriations to carry out national security planning.

The third point is that a desirable organization for national security should not be cumbersome in operation. It should assure the effective coordination of our foreign, domestic, and military policies. It should permit effective total mobilization of our entire national resources. It should integrate our military forces as to effort but should not merge them as to internal administration.

Finally, it was appreciated that a realistic balance of our politico-military commitments against our national resources was imperative.

It appears that Congress was mindful of the problem of balancing national security requirements against national resources when it passed the National Security Act of 1947. The President seconded the idea when he approved the act on the twenty-seventh of July 1947. Admittedly, this act was a legislative compromise, but it has this in its favor: It is the first positive step in the process of integrating the several agencies concerned with national security planning. On 13 October 1947 Mr. Forrestal emphasized that integration is a process, not a fact. You might remember that: Integration is a process, not a fact. He further stated that cooperative effort represented his own philosophy in administering the National Security Act.

So much for the historical background and the problem confronting Congress in setting up the national security organization. Now let us turn our attention to the organization itself. Let us see what type of organization Congress has provided to tie together the multitudinous factors of the economic, social and political life of the Nation. What did Congress conceive as the problem in passing the National Security Act of 1947?

Turning to Section 2 of the act, we see that Congress intended (and I quote from the act):

"(1) To provide for a comprehensive program for the future security of the United States.

"(2) To provide for the establishment of integrated policies and procedures of the departments, agencies, and functions of government relating to national security.

"(3) To provide three military departments for the operation and administration of the Army, Navy (including Naval Aviation and the United States Marine Corps) and the Air Force, with their assigned combat and service components,

"(4) To provide for their authoritative coordination and unified direction under civilian control but not to merge them.

"(5) To provide for the effective strategic direction of the Armed Forces and for their operation under unified control and for their integration into an efficient team of land, naval, and air forces."

I have had a simplified chart of the national security organization prepared which sets forth the principal components of the organization. The structure of this organization is typically American. It sets up a system of checks and balances and obviates the possibility of too much concentration of power in the hands of any one body, which, in this case, was feared to be the National Military Establishment. It provides for two advisory boards to do the planning and a single integrated Military Establishment to implement the decisions. All three of these organizations--the National Security Council, the Secretary of Defense, and the National Security Resources Board--are cabinet-level bodies. This organization possesses the best aspects of the military council, yet it corrects the inherent faults of a council by making a single individual responsible for implementation.

The first of these agencies to be considered this afternoon is the National Security Council. Its mission is to advise the President on integration of domestic, foreign and military policy. It has been charged with the following duties: (1) To recommend action regarding United States actual and potential military power, based on objectives, commitments, and risks; and (2) to recommend action regarding matters of common interest to Federal activities concerned with national security. Its membership is of two types: (1) the permanent, which includes the President of the United States, the Secretaries of the State, Defense, Army, Navy, and Air Force Departments, as well as the Chairman of the

RESTRICTED

National Security Resources Board; and (2) the optional, which includes the secretaries of other executive departments, the Chairman of the Munitions Board, and the Chairman of the Research and Development Board. At the present time the Executive Secretary is a civilian, Mr. Sidney W. Souers.

This is the organization to which the newspapers referred yesterday as meeting in special session with respect to the Berlin situation. As yet no report has been made as to its findings or decision.

The Council has no specific time to meet; the events of the day usually determine when, how, and why.

A permanent secretariat of civil servants is provided to perform the administrative duties of the Council in discharging its responsibilities. Heading up this permanent staff is the executive secretary, who is appointed by the President and who is a sort of Cabinet member without portfolio on national security matters. The position of the executive secretary is supposed to be nonpolitical but one of extremely close relationship with the President. While this may sound paradoxical, this position is supposed to be nonpartisan, yet the same man is to act as a close adviser to the President. As you all probably know, considered in the cold light of political practicality, it is quite likely that this position will change with each administration. On the other hand, there will be no change in the permanent civil-service staff, thus giving a certain continuity and stability to the security planning and thinking. This civil-service staff will prepare the agenda of all meetings under the direction of the executive secretary.

Under the National Security Council and under its direct supervision is the Central Intelligence Agency, which is charged with coordinating intelligence activities of Federal agencies concerned with national security. Its duties are as follows: (1) To advise the National Security Council on national security intelligence activities of the Federal departments and agencies; (2) to recommend necessary coordination of such activities to the National Security Council; (3) to correlate, evaluate and disseminate national security intelligence; and (4) to render intelligence services to other Federal departments and agencies. The present Director is Rear Admiral R. H. Hillenkoetter.

In operation, the Central Intelligence Agency must provide timely and adequate intelligence estimates to the various agencies of the Government by evaluating information found in "open" sources and through the correlation of national security intelligence gathered by the State, Army, Navy, and Air Force Departments. Dissemination of such information is one of its prime functions. CIA is not intended to displace the intelligence agencies in the various departments but to give over-all

RESTRICTED

centralized control through policy decisions in the field bearing on national security. Congress specifically prohibits this agency from the exercise of police, subpoena, law-enforcement or internal security functions. These are the responsibilities of the Department of Justice and the Federal Bureau of Investigation.

The next agency that I would like to discuss is the National Security Resources Board. This is the second of the advisory boards to the President on national security matters. Its mission is to advise-- I want to repeat the word "advise" because you will refer to it often in the near future--advise the President regarding coordination of military, industrial and civilian mobilization. Its duties are to develop policies and programs for: (1) manpower mobilization; (2) effective wartime use of resources, balancing military and civilian requirements; (3) unified wartime Federal effort in production, procurement, distribution, and transportation of military and civilian supplies, materials, and products; (4) determining the status of potential wartime supply versus needs for manpower, resources and productive facilities; (5) strategic and critical material reserves and their conservation (stockpiling, in other words); and (6) strategic relocation of key industrial, service, government and economic activities. Its membership includes the heads of such Federal departments and agencies as the President may direct. At the present time it includes the Secretaries of State, the Treasury, Defense, the Interior, Agriculture, Commerce, and Labor. Its Chairman is Mr. Arthur M. Hill.

The Chairman of the National Security Resources Board sits as a member of the National Security Council, as previously mentioned; and, in this way, there is automatic coordination. The membership of the National Security Resources Board is flexible and is purposely kept to a minimum, being comprised of the Chairman and the heads of other Executive departments and agencies, as the President may from time to time direct. Unlike the National Security Council, it has no permanent secretariat; but the Chairman may hire such civil-service personnel as he deems necessary to carry out his responsibilities. The obvious intent of Congress was to avoid setting up a large economic staff and to utilize the facilities of the other agencies of the Government to the fullest extent possible in order to avoid duplication. At the present time there are about 200 people working with the National Security Resources Board.

That completes the discussion of the so-called civilian section of the organization for national defense. All of the rest of the organization, that part under the arc (see Chart), is the organization of the National Military Establishment.

The National Military Establishment consists, as you can see, of the Secretary of Defense, the War Council, the Joint Chiefs of Staff,

RESTRICTED

the Munitions Board, the Research and Development Board, and the Departments of the Army, Navy, and Air Force. The Army, Navy, and Air Force will be studied in detail by you at a later date, so I shall limit my remarks with reference to the National Military Establishment to the over-all considerations and activities of the Office of the Secretary of Defense, its staff agencies, and its boards.

The organization headed by the Secretary of Defense is new, and there is no body of laws, precedent, or tradition to serve as a guide to the specific responsibilities and requisites of the office. The Office of the Secretary of Defense is unique in that there is no other official of the Government, short of the President, who has under his direction more than one Executive department, yet the Secretary of Defense has three separate departments under his jurisdiction, integrated as to coordination yet not merged. Congress was careful to limit the authority of the Secretary of Defense and, in doing so, recognized the often stated fear of concentration of "too much power" in one person and of "legislating away the responsibility of the Congress and the President for national security." For these reasons, I would say that, in discussing the National Military Establishment, we are speaking of a dynamic organization. More specifically, the organization is still in the process of formation and growth.

The Secretary of Defense has been given the mission of serving as the principal assistant to the President in all national security matters. His duties include the following: (1) To establish general policies and programs for the National Military Establishment; (2) to exercise general direction, authority, and control over the Establishment; (3) to eliminate unnecessary duplication or overlap in procurement, supply, transportation, storage, health, and research; and (4) to supervise and coordinate budget matters of the component activities under the jurisdiction of the National Military Establishment.

As I pointed out in the foregoing, the Secretary of Defense is the chief civilian adviser and assistant to the President in all national security matters. He sits as a member of the National Security Council and, in the absence of the President, will presumably preside over the Council. He is also a member of the National Security Resources Board. As a result, he is in a position to automatically integrate state and military policies. However, Mr. Forrestal has said: "Policy making is not our business--that is why Congress created the National Security Council. Our business is to see that our military potential conforms to the requirements of our national policy."

To assist him are the statutory boards and three assistants. In order to envisage the type of organization now thought to be necessary, for the assistance of the Secretary of Defense, we shall discuss briefly the statutory boards.

The first, and really the top military organization in this entire setup, is the Joint Chiefs of Staff. Their mission is to be principal military advisers to the President and to the Secretary of Defense. Their duties include: (1) Strategic planning for and direction of military forces; (2) joint logistic planning and assignment of logistic responsibility to services thereunder; (3) to establish necessary unified commands in strategic areas; (4) to formulate joint training policies; (5) to formulate coordinated educational policy for the Services; (6) to review major military materiel and personnel requirements under strategic and logistic plans; and (7) to provide United States representation on the Military Staff Committee of the United Nations. The membership of the Joint Chiefs of Staff includes the Chief of Staff to the President; the Chief of Staff, Army; the Chief of Naval Operations; and the Chief of Staff, Air Force.

The Joint Chiefs of Staff have within their organization a body known as the Joint Staff. This is the permanent operating body of the Joint Chiefs of Staff. They are the people who do the routine day-to-day work and prepare the agenda for meetings of the Joint Chiefs of Staff. Their duties are as directed by the Joint Chiefs of Staff. This is a pretty simple statement of duties and yet all inclusive. The membership is not to exceed 100 officers from the Army, Navy, and Air Force, equally distributed as amongst the three Services. The Staff Director at this time is Major General A. M. Gruenther, of the Army.

It is well to point out here that the Secretary of Defense, when authorized by the President, may exercise the power of decision over the Joint Chiefs of Staff. However, it is expected that this authority will be exercised only in administrative matters and in the broader aspects of strategy where political matters are involved.

This brings us to the War Council. Its mission is to advise the Secretary of Defense on broad policy matters of the Armed Forces. Its membership includes the Secretary of Defense as Chairman; the Secretaries of the Army, Navy, and Air Force; the Chief of Staff, Army; the Chief of Naval Operations; and the Chief of Staff, Air Force. The present Executive Secretary is Mr. John Ohly, who is also a Special Assistant to the Secretary of Defense.

The War Council serves as a board of advisers, to the Secretary, to assist in the establishment of broad over-all policies for the coordination of the military effort. The Council also serves as a medium for the discussion of problems relating to national security and for the reconciliation of divergent interests of the various segments of the National Military Establishment. Undoubtedly, the Secretary of Defense will delegate to the Council considerable authority in specific fields, subject to his power of decision in the event of failure to agree.

For a long time, one of the principal subjects of instruction at the Industrial College of the Armed Forces has been the activities of the Munitions Board. The National Security Act of 1947 changed the title of this organization from the Army and Navy Munitions Board to, as you know it today, the Munitions Board. It has been given the mission of performing the following duties under the Secretary of Defense and in support of Joint Chiefs of Staff strategic and logistic plans: (1) To coordinate the National Military Establishment activities in industrial matters, their procurement, production, and distribution plans; (2) to plan for the military aspects of industrial mobilization; (3) to recommend inter-service procurement responsibility assignment; to plan for specification standardization and for single-purchase authority allocation; (4) to prepare potential production and personnel estimates for evaluating logistic feasibility of strategic operations; (5) to determine priorities within military procurement programs; (6) to supervise assigned subordinate agencies; (7) to recommend the most efficient inter-service logistic organization; (8) to correlate and develop policies for military versus civilian requirements, particularly on strategic and critical material, through liaison with other Federal activities; and (9) to reconcile Joint Chiefs of Staff logistic requirements with those of supply agencies and to recommend action to the Secretary of Defense. The membership includes the Under or Assistant Secretary of the Army, Navy, and Air Force, as well as a civilian Chairman. The Army is represented by Mr. Gordon Gray, the Navy by Mr. W. John Kenney, and the Air Force by Mr. Arthur S. Barrows. The civilian Chairman is Thomas J. Hargrave.

This brings us to the last of the boards within the Secretary of Defense's organization. The Research and Development Board has been given the mission of advising the Secretary of Defense on the status of scientific research in relation to national security and of assuring adequate provision for research and development on scientific problems in relation to national security. Its duties include the following: (1) To prepare an integrated military research and development program; (2) to advise on scientific research trends regarding national security and recommend steps to assure constant progress; (3) to recommend research and development coordination among the Services and allocate responsibility for specific joint program; (4) to formulate National Military Establishment policy on research and development matters outside the Establishment; and (5) to examine interaction of research and development and strategy and advise the Joint Chiefs of Staff thereon. The membership includes two representatives each from the Army, Navy, and Air Force designated by the secretaries of those Departments. At the present time the Army is represented by General J. L. Devers and Lt. General Henry S. Aurand, the Navy by Vice Admiral Earl W. Mills and Vice Admiral John D. Price, and the Air Force by General Joseph T. McNarney and Maj. General L. C. Craigie. The Chairman of this organization is Dr. Vannevar Bush.

RESTRICTED

The Research and Development Board, under the chairmanship of Dr. Vannevar Bush, is active in assuring the leadership of this country in the military application of new scientific discoveries. Currently the Board is reviewing about 15,000 projects. The cost of these projects has been estimated to be 435 million dollars during 1949.

As I have pointed out, these boards function as primary staff agencies of the Secretary of Defense. There are, however, a number of responsibilities that are charged to the Secretary which do not logically fall within the functions of these groups. The Secretary of Defense is, therefore, using his three assistants to function as a team and has grouped their activities as I shall indicate. I am referring now to the blocks labeled "Special Assistants (see Chart)". The first is Mr. McNeil, who handles the budget and related management matters, including financial procedures and accounting, personnel policy, and organizational policy. The second is Mr. Leva, who is charged with the legislative and legal matters. The third is Mr. Ohly-- I have mentioned him before--who has a sort of catch-all office. He is charged specifically with liaison, coordination, and special programs of the Office of the Secretary of Defense.

The Departments of the Army, Navy, and Air Force are coordinated by the Secretary of Defense but they are no longer on cabinet level. They may, however, consult directly with the President in cases where there is disagreement with the Secretary of Defense. However, they are supposed to first notify the Secretary of Defense as to their intentions.

As a recapitulation of this organizational talk, I would like to mention that, for the unification of security activities, the National Security Act of 1947 establishes the National Security Council, its subordinate organization, the Central Intelligence Agency, the National Security Resources Board, and the Secretary of Defense. The chief coordinator of the National Military Establishment is the Secretary of Defense. The Secretary of Defense has the following staff agencies: the War Council, for broad policy; the Joint Chiefs of Staff, for military strategy; the Munitions Board, for supply matters; and the Research and Development Board, for scientific advances in weapons and materiel; and finally the organization of the Armed Forces, which includes the Department of the Army, the Department of the Navy, and the Department of the Air Force.

In conclusion, I would like to point out that the Military Establishment will probably be unified and kept in balance chiefly by direction from the top. But all personnel of the Armed Forces, top to bottom, can help build unity of spirit. "In peace as in war," General Eisenhower has said, "The spirit of teamwork, based on good will, is the vital ingredient in any organization... We of the Army

110

must do our full part to insure the success of this legislation and demonstrate that it results in greater unification." General Spaatz of the Air Force sees the purpose of the act as to insure "that all three Armed Services are a common team and fight for a common objective, that is, the safety of the United States." Fleet Admiral Nimitz has said that, with the enactment of the new law, "the Navy enters upon a new and closer relationship with its sister Services, the Army and the Air Force." General Vandergrift of the Marine Corps has urged "the wholehearted support and cooperation of every member of the Armed Forces" in achieving the act's objectives. As quoted before, Mr. James Forrestal has called the new law "the most decisive and definite step taken by this country in the formation of a military policy since the foundation of the Republic."

It is an important fact that our Armed Forces--our Army, our Navy, and our Air Force--are now, more than ever before, partners in the same endeavor, made so by modern speed and modern weapons that make unified military action indispensable and possible. Just as each of us, no matter from what state, is above all a citizen of the United States, so all of us in the Armed Forces, no matter what our Service and uniform, belong more than ever to one powerful military organization.

Thank you.

QUESTION: Colonel, I think you covered very well the advisory functions of the National Security Resources Board to the President. However, would you discuss or elaborate a little bit on the functions of the head of the National Security Resources Board and his relationship to the Cabinet members, both in time of peace and in time of war?

COLONEL BARCOCK: I elaborated especially on the advisory capacity of the Secretary of National Defense because that is his one principal duty in time of peace. It has been assumed from time to time that he had various other functions, but very recently it was pointed out that his principal duty is advisory and nothing more.

Now, on the National Security Resources Board subject, we will have either Mr. Hill or General Robinson down here to discuss all of the details of that organization, as Dr. Reichley mentioned before. I would not like to take from their lecture.

QUESTION: I didn't quite get what the War Council is. Would you go over that again briefly?

COLONEL BARCOCK: The War Council is a sort of close personal advisory group to the Secretary of Defense, and it may handle many different types of subjects as referred to it by the Secretary of Defense. It is his own personal staff, you might say. It is a sort of secretariat within the Secretary of Defense's office.

150

QUESTION: Could you tell us how many personnel they have in the Munitions Board and in the Research and Development Board at the present time?

COLONEL BABCOCK: The Munitions Board has about 250 and the Research and Development Board has about 200.

DR. REICHELEY: Thank you very much, Colonel Babcock.

(23 September 1948--450)S.