

ORGANIZATION FOR NATIONAL SECURITY

24 August 1956

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ORGANIZATION FOR NATIONAL SECURITY

24 August 1956

COLONEL BARRETT: General Hollis, members of the class of 1957: The position of giving the first formal lecture by one of the military members of the Branch faculties is a position of honor but of somewhat precarious prominence. There's a story that bears on it.

Many years ago in a New England town there was a town reprobate who never in his life had occupied a position of any honor or of any prominence. He had been a reproach in the life of the town. Finally his fellow citizens lost all patience with him, broke out a tar barrel, plastered him well with tar and sprinkled him well with feathers, put him up on a rail and rode him around the town. As the procession went around the town, it passed the town tavern and one of his cronies looked up and saw him up there on high and said, "Zeke, Zeke, how do you like it up there?" Zeke looked down and said, "Well, if it twa'n't for the honor and the prominence of the position, I'd ruther be doing some-thin' else."

My lecture this morning is a part of a group of ICAF lectures which began Wednesday and which are intended to be a refresher of your knowledge of the Federal Government. Professor Schattschneider gave you some of the broad aspects of the developments over the last 50 years. Mr. Jones yesterday described for you some of the recent changes which have been made in the field of administration. My talk this morning will narrow the field somewhat and will deal with the portion of the Government that is primarily concerned with national security.

I am going to divide this presentation of the Organization for National Security into two parts. The first and briefer part is to establish what the organization is we are talking about this morning; then go into some detail on the component parts.

National security, broadly speaking, involves everything bearing on the safety of the Nation's continued healthy and happy existence in a world system consisting of national states which are often in conflict with each other, either armed or unarmed. Therefore, in this sense, one should include in the organization for national security nearly every institution, governmental or nongovernmental, in the country since all

of them obviously come into the picture to some degree or other. However, my talk this morning is not pitched on such a broad philosophical level.

I propose instead to give you a silhouette picture in black and white only of the principal features of the Organization for National Security. Details, fine shading, and the rest of the picture will be filled in for you during the year by many other speakers and by your own research.

Therefore, for this morning's purpose we'll exclude from the Organization for National Security all nongovernmental agencies, all non-Executive agencies, and within the Executive Branch we'll concentrate on only those agencies continuously and primarily concerned with the broad elements of the Organization for National Security.

Here is an unofficial chart of the top part of the Organization for National Security (chart 1, page 3). The number of agencies picked out here is small. We have in this class students from such agencies as General Services Administration, Business Defense Services Administration of the Department of Commerce, the Bureau of the Budget, Departments of Labor, Interior, and Agriculture, the Atomic Energy Commission, and others.

All of these agencies and many others play important and vital parts in the Organization for National Security, and you will hear from representatives of all of these during the year. This is, as I said before, a silhouette picture this morning and we'll have to limit the discussion to an outline of the structure.

This chart, then, shows only the top part of the Organization for National Security. Also it is not concerned with the details and complexities of the relations between the component parts.

I think this chart on the easel is a fair statement of the principal elements of the National Security Program.

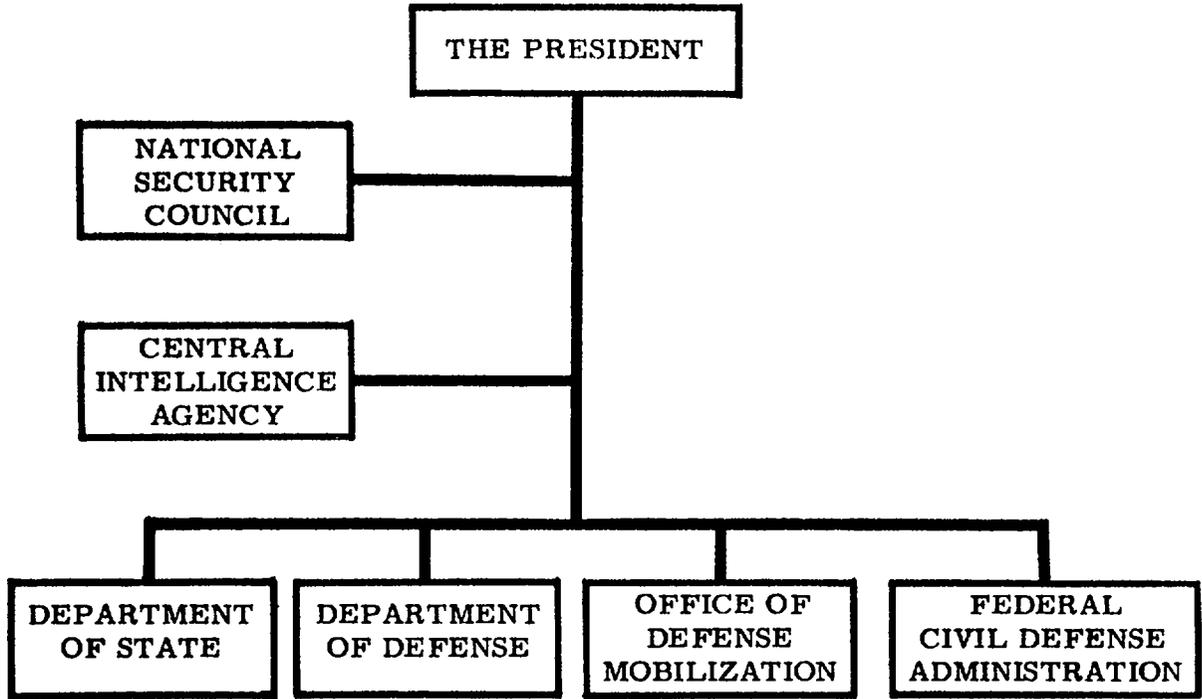
The chart on the screen is related closely to these elements.

NSC and CIA are there to provide the coordination and balance.

The State Department is the prime mover in the foreign relations program.

CHART 1

ORGANIZATION FOR NATIONAL SECURITY



DOD must supply the military elements.

The nonmilitary defense responsibilities bear primarily on ODM and FCDA--Office of Defense Mobilization and Federal Civil Defense Administration.

To understand this organization fully and evaluate it properly, you'll need to go into the history behind it. You'll do that in reading and by hearing later lectures. This morning we'll have to limit the geneology to a brief general statement.

This organization was created by a series of legislative and executive acts dating since 1947.

The principal milestones are the following:

The National Security Act of 1947,

The Amendments thereto of 1949,

The Civil Defense Act of 1950,

Reorganization Plans 3 and 6 of 1953.

All of these, by the way, are included in your room sets, in books marked "Selected Documents for Economic Mobilization" and you can examine them at your leisure.

I'd like to suggest to you that the significance of this sequence of acts as a totality is that they reflect a clear, conscious, and continuous recognition on the part of the Executive, the Congress, and the public that our national security rests fundamentally on power in being, an integrated military, political, and economic power organized so as to be continuously effective.

For much of our history, it has seemed to be the conviction of many people that our security rested on our virtue; that like Sir Galahad, our strength was as the strength of ten because our hearts were pure.

Full, or reasonably full, general acceptance, in time of relative peace, of the fact of life that national security has to rely on effective and immediately available power presents a considerable advance in our political theory and practice. So much for the preliminaries.

Now as the second part of the talk, we'll get into a more detailed description of the included boxes on this chart. First, the National Security Council. As our organization for national security stands today, this agency is of central and vital importance and it appears to be growing in stature. In the opinion of many people it is now at least as important, if not more so, than the Cabinet. However, since its meetings are not publicized and its deliberations and agenda are protected for security reasons, there is not too much general awareness of its importance.

The Council was established by the National Security Act of 1947. Its statutory duties are: Advising the President with respect to the integration of domestic, foreign and military policies relating to the national security; assessing and appraising the objectives, commitments, and risks of the United States in relation to our actual and potential military power; and considering policies and making recommendations to the President on matters of common interest to departments and agencies of the Government concerned with the national security. These are the statutory duties of the NSC.

The objective here is to integrate the manifold aspects of national security policy to the end that individual policies adopted shall be representative, coordinated, and fused, rather than compartmentalized and several.

Here on the screen is the membership of the National Security Council (chart 2, page 6). You will notice at the bottom an ad hoc group. Those listed do not exhaust the list of individuals who attend. They are only the individuals in most frequent attendance. Others besides these attend on invitation for ad hoc matters. Also in regular attendance, although not shown on this chart, are the staff for the Council, the President's Special Assistant for National Security Affairs, the Council's Executive Secretary and his deputy. Meetings are held regularly, every Thursday, and normally the attendance, including these last three staff people, is about 15 individuals.

I'm going to go a little bit into the way the National Security Council operates as the best means of demonstrating that this is the keystone of our national security organization and is not just a subcommittee of the Cabinet as a first glance at the membership might lead one to believe.

CHART 2

MEMBERSHIP OF NATIONAL SECURITY COUNCIL

1. BY STATUTE

THE PRESIDENT
THE VICE PRESIDENT
SECRETARY OF STATE
SECRETARY OF DEFENSE
DIRECTOR OF ODM

2. AS ADVISORS IN ATTENDANCE AT ALL MEETINGS

DIRECTOR OF CIA
CHAIRMAN, JCS

3. STANDING INVITATION OF THE PRESIDENT

SECRETARY OF THE TREASURY
DIRECTOR OF BUREAU OF THE BUDGET
SPECIAL ASSISTANT FOR DISARMAMENT

4. AD HOC

CHAIRMAN, AEC
SPECIAL ASSISTANT FOR FOREIGN POLICY
SECRETARIES & CHIEFS OF STAFFS OF THE
ARMED SERVICES
SECRETARY OF COMMERCE
DIRECTOR OF U. S. INFORMATION SERVICES
ATTORNEY GENERAL
DIRECTOR OF FCDA
AMBASSADOR TO THE U. N.

Before I do this, however, I want to reemphasize one thing. August as its membership is, and important as its duties are, the National Security Council is not in any sense a board of directors for national security policy. As you know, the board of directors of a corporation makes decisions; the National Security Council does not. The power and duty of decision are the President's alone, and are his inescapable constitutional responsibility. It is the function of the Council to recommend to him.

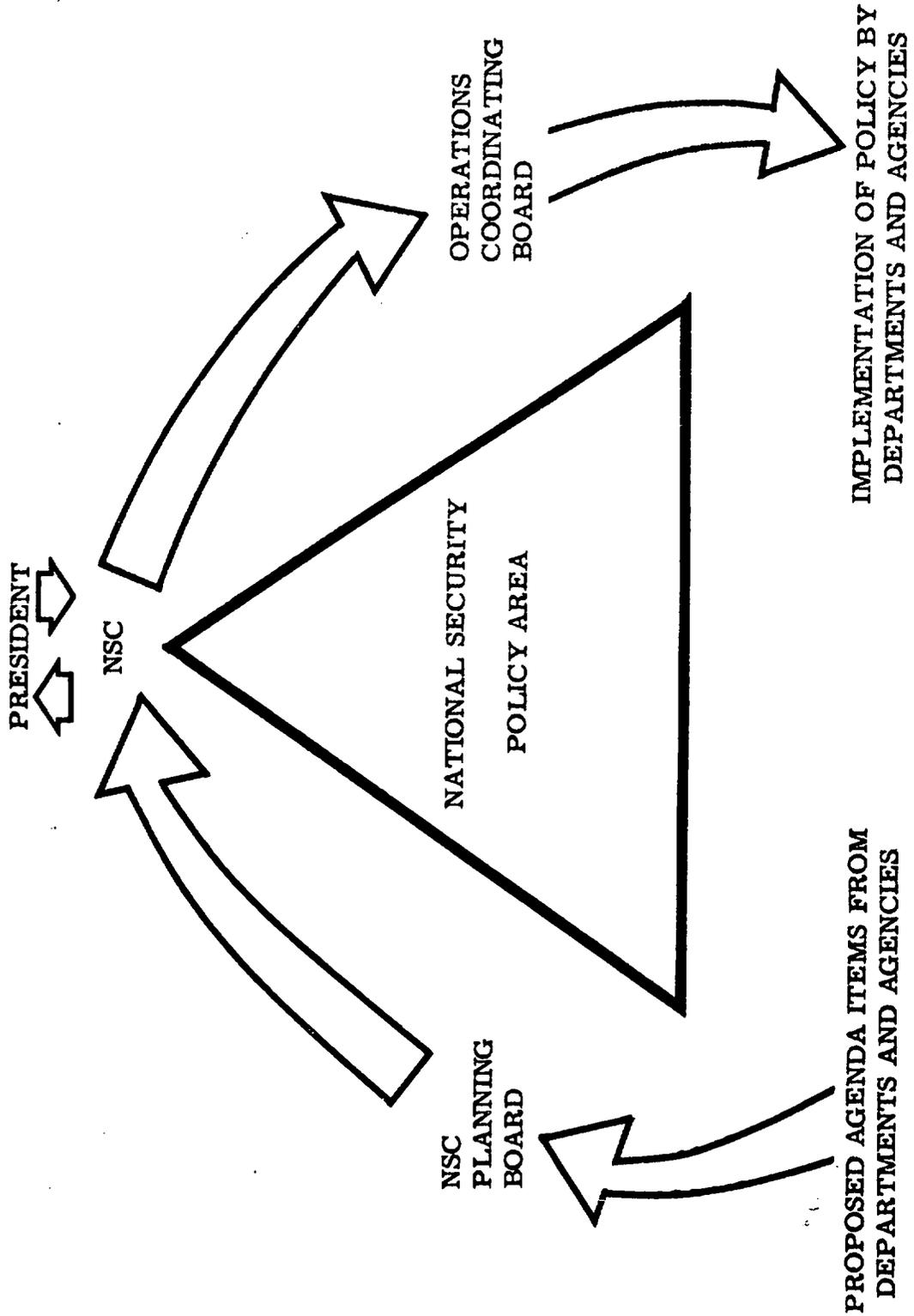
Now, as to how the Council operates after almost ten years of refinement and experimentation. I'll talk from a chart here (chart 3, page 8). The blue side is the beginning side. Proposed national security papers normally originate in the departments or agencies whose heads are Council members. They may originate outside, too. Initial stimulus may have been a Presidential request for study and recommendation. Papers also originate as a result of discussion at a Council meeting or from the impact of an external event, such as, for example, the action of Egypt on the Suez.

After departmental or agency study and workup, the paper goes to the National Security Planning Board. This duplicates, at Assistant Secretary level the composition of the Council. Thus, State, Defense, ODM, Treasury and Budget have members, and CIA and JCS have advisers, with observers from time to time present from other agencies. These members are appointed by the President on recommendation of department heads. The presiding officer of the National Security Planning Board is the President's Special Assistant for National Security Affairs, presently Mr. Dillon Anderson.

This Board meets about three times a week and on occasion can be summoned into emergency and continuous session for several days. In this arena of the Planning Board all points of view are represented, heard, explored, and contested, and what might be called the final staff workup of an item for the agenda of the National Security Council is made.

As the workup proceeds, each Planning Board member keeps in touch with his department's reaction to proposed revisions of the original submission. In this way, frequently, differences are reconciled, but where they cannot be reconciled, the Board must and does identify them clearly, possibly even sharpening them and presenting them challengingly, and must lay out alternative courses and reasons therefor.

CHART 3
HOW THE NSC WORKS



Consequently, a clear resolution can be achieved by the National Security Council when it discusses the proposed policy.

The upshot of this process is that when matters are before the National Security Council they have been completely developed from a Staff point of view. Therefore, the presence of supporting phalanxes of Indians is unnecessary. This is a great advantage in facilitating free and open discussion and in keeping the number in attendance limited, which is important if you are going to have a full and exploring discussion at a Council meeting. At the same time, there is a guarantee against biased judgments and imprecise guidance of the Chief Executive.

The deliberations of the Council at the summit here are the next step. Here the members are expected by the President, who has been previously extensively briefed on the agenda, to work up as a corporate body and after a vigorous, informed, and searching discussion--with the President participating--clear, concise and incisive policy recommendations, based on the Nation's overall interest rather than a departmental interest.

When Council action on an agenda item is completed, it is recorded by the Secretary, checked by the members, and finally approved by the President. It then becomes a National Security Policy and shifts to our red side of the chart and starts down the policy hill on the way to action.

On the way down it passes through the Operations Coordinating Board. This Board, created in 1953, consists of the Under Secretary of State, the Deputy Secretary of Defense, the Director of CIA, and other members who parallel much of the Council itself. The Board is a coordinator, an expediter, a follower-up, and a progress reporter to the National Security Council. It assists the action agencies to implement approved policy in a coordinated manner, but cannot itself initiate or change policy. I believe you can see the need for such a board in the light of the fact that actions implementing a policy are rarely the responsibility of one department or agency. You will also recognize from your experiences the need for a followup in a mechanism of this National Security Council type.

You might say that the operations of the OCD are the out-the-door counterpart of the in-the-door agency of the National Security Planning Board. Both boards are necessary components of the complex that makes the NSC the mainspring of the national security organization.

The next box from the top here is CIA--Central Intelligence Agency. CIA operates directly under the National Security Council. I specified earlier that the National Security Council is not analogous to a board of directors for the Nation's organization for national security. It is, however, the Board of Directors for CIA.

Among other duties, the Central Intelligence Agency has the responsibility for providing the necessary intelligence information, evaluation and correlation for the National Security Council as a corporate body. The existence and effective functioning of CIA are necessary requirements if the National Security Council mechanism is to operate effectively. The experience and ability of the NSC and its two supporting boards would be largely wasted if operations and ideas were not based on reliable, coordinated intelligence information with no special departmental bias.

I am going to drop the CIA right here. I think its place in the structure I am describing is self-evident. You'll hear more in detail about CIA from visitors from the agency itself.

The next item on this exploratory tour is the Office of Defense Mobilization. This will be an old friend of yours before the year is over and you will meet and hear from many of its staff, from the Director, Dr. Arthur Flemming, on down. You will recall from the chart on membership of the National Security Council that the Director of ODM is a statutory member of the National Security Council. His agency is not a board or a group of coequal colleagues wearing other hats like the NSC, the NSC Planning Board, or the OCD. ODM is a bureau, made up for the most part of career civilian specialists, supplemented by short-time recruits from industry. It, like the Bureau of the Budget, is a part of the Executive Office of the President. It is designed to provide the President with a single staff arm to assist him in carrying out central leadership, direction, and coordination of the nonmilitary aspects of the Defense Readiness and Mobilization Programs of the Government. Its principal responsibilities fall into two groups: First, it is a planning and coordinating agency; and, second--and to a less important extent--it is an operating agency.

The areas of ODM's concern in discharging its planning and coordinating functions include, but are not limited to, production, procurement, manpower, economic stabilization, transportation, and communications. That is a lengthy catalog. Involved in these areas are

programs relating to the continuity of Government and continuity of industrial capabilities after an attack. This latter includes development of preattack dispersal and emergency relocation plans.

The line operating responsibilities of ODM are limited in number and relate closely to its planning and coordinating responsibilities. Although secondary in total responsibility of the agency, they are of individual importance. They include, for example, determining what strategic items, in what quantities, shall be stockpiled and directing the procurement, storage and disposal of such items by the General Services Administration. In addition, ODM is a certifying agency for tax concessions--the fast writeoff program, for example--and for loans which are designed to effect various results in the dispersion of industry and the development and expansion of the mobilization base.

The planning and coordinating responsibilities of ODM, which are its principal reasons for being, are most extensive as you will have noted. Yet, the total staff of the agency amounts to only about 250 people.

ODM manages to operate with this small staff by following the policy and practice of accomplishing its planning and coordinating mission in great part by the delegation of mobilization readiness activities to other Government agencies.

This process of delegation is a central item in arriving at an understanding of ODM operations. You will hear a great deal about it in the future.

In order to clarify this delegation process, I think it might be helpful if I show you a condensed version of one of the ODM delegation orders on the board (chart 4, page 12). This is the essence of the delegation, dated 20 May 1954, to the Department of Labor. Don't read this in detail. Just look it over quickly to get the general drift. These are the responsibilities ODM has delegated to the Labor Department to work up into a program.

I think it is quite evident that these ODM delegations to Labor are most comprehensive, embracing practically the entire field of manpower readiness responsibility. These items include the assignment of both new tasks for the Labor Department and a restatement of responsibilities already inherent in the normal kinds of work that are done by the

CHART 4

Excerpts fromOFFICE OF DEFENSE MOBILIZATION
(Defense Mobilization Order I-10)ASSIGNMENT OF DEFENSE MOBILIZATION RESPONSIBILITIES
TO THE U. S. DEPARTMENT OF LABOR

* * * * *

SEC. 2. The specific measures for which the Secretary of Labor is responsible are as follows:

(a) Assemble and analyze information on and make a continuing appraisal of manpower requirements and resources in event of mobilization or attack on the United States, identifying present or potential manpower shortages which should be relieved in the interest of national security.

(b) Develop plans and programs for meeting defense-supporting and essential civilian labor requirements.

(c) Develop, in cooperation with the Department of Commerce, the Department of Defense, the National Labor Relations Board, the Federal Mediation and Conciliation Service and the National Mediation Board, measures for the maintenance of effective labor-management relations during a national emergency.

(d) Appraise the effect on manpower resources of projected production and procurement programs and of proposed armed forces strength levels.

(e) Provide other departments and agencies with the manpower information required by them for the proper discharge of their responsibilities for mobilization preparedness.

(f) Consult with and advise other delegate agencies concerning:

(1) The effect of their contemplated programs and actions on labor supply and utilization,

(2) The impact of labor supply on materials and facilities requirements and utilization, and

(3) The establishment of production programs and priority and allocations functions consistent with effective utilization and distribution of labor.

(g) Assist the Office of Defense Mobilization in the development of manpower policies suitable in the event of mobilization or attack on the United States.

(h) Develop and maintain plans to insure the continuity of the essential functions of the Department in the event of attack on the United States.

SEC. 3. The work program to be undertaken by the Department of Labor shall indicate the priority and scope of the work to be carried on in the assigned areas. Periodic reports of progress shall be submitted as requested.

* * * * *

various agencies of Labor, such as the Bureau of Labor Statistics and the Bureau of Employment Security.

Other delegations of a nature similar to this have been made to the Department of Defense, the Housing and Home Finance Administration, the Interstate Commerce Commission, the Federal Civil Defense Administration, and the Departments of Interior, Commerce, and Agriculture.

You'll find all of these in your room reference sets.

There are two important facts about this delegation that did not appear on the chart. First, ODM does not provide any funds to Labor to meet the cost of this delegation of responsibilities. It deems it a part of the agency's normal management responsibility to present its case to the Bureau of the Budget and the Congress for such funds if it needs them, with ODM standing by ready to help, if necessary, in the presentation.

Next, ODM is not in line authority over these delegate agencies. It is a part of the Executive Office of the President and is in a staff relation to him. The Director of the Office of Defense Mobilization is not the boss of the Secretary of Labor.

These delegations assigning responsibilities were worked up with the Labor Department and agreed upon by the recipients before they were formalized. They did not descend on the Labor Department as a directive from on high "like a bolt from the blue."

These comments I have made on the Labor Department delegations apply pretty uniformly to all other delegations. I think from all this you will realize that ODM then is not--as its small size indicates it could not be--in its present day responsibility a superplanning agency, preparing blueprints in detail for an emergency and developing and managing readiness programs. It is, rather, as of now, primarily doing a coordinating job for the President which he could not conceivably do on a day-to-day basis for himself. In his behalf it works to see that the necessary planning and programs for nonmilitary defense are proceeding in an orderly fashion in the Executive Branch.

I have been describing the Office of Defense Mobilization as it stands today. In addition to its present responsibilities, ODM is an important part of the National Security Organization because of the

postattack responsibilities envisaged for it. This material is drawn from public testimony by the Director before the Holifield Committee of the House of Representatives and is consequently unclassified.

Under postattack conditions, the Office of Defense Mobilization would become primarily an operating agency. It is visualized that DOD, ODM, and FCDA would in combination make up the essential postattack team. DOD would naturally act as the claimant for all resource requirements necessary to carry on the defense of the United States and the conduct of military operations. The Federal Civil Defense Administration would take the lead in all civil defense and relief and rehabilitation matters and would act as the claimant for civilian needs. Both agencies' claims for resources would be made on the Office of Defense Mobilization, which would be responsible for the logistical support of both.

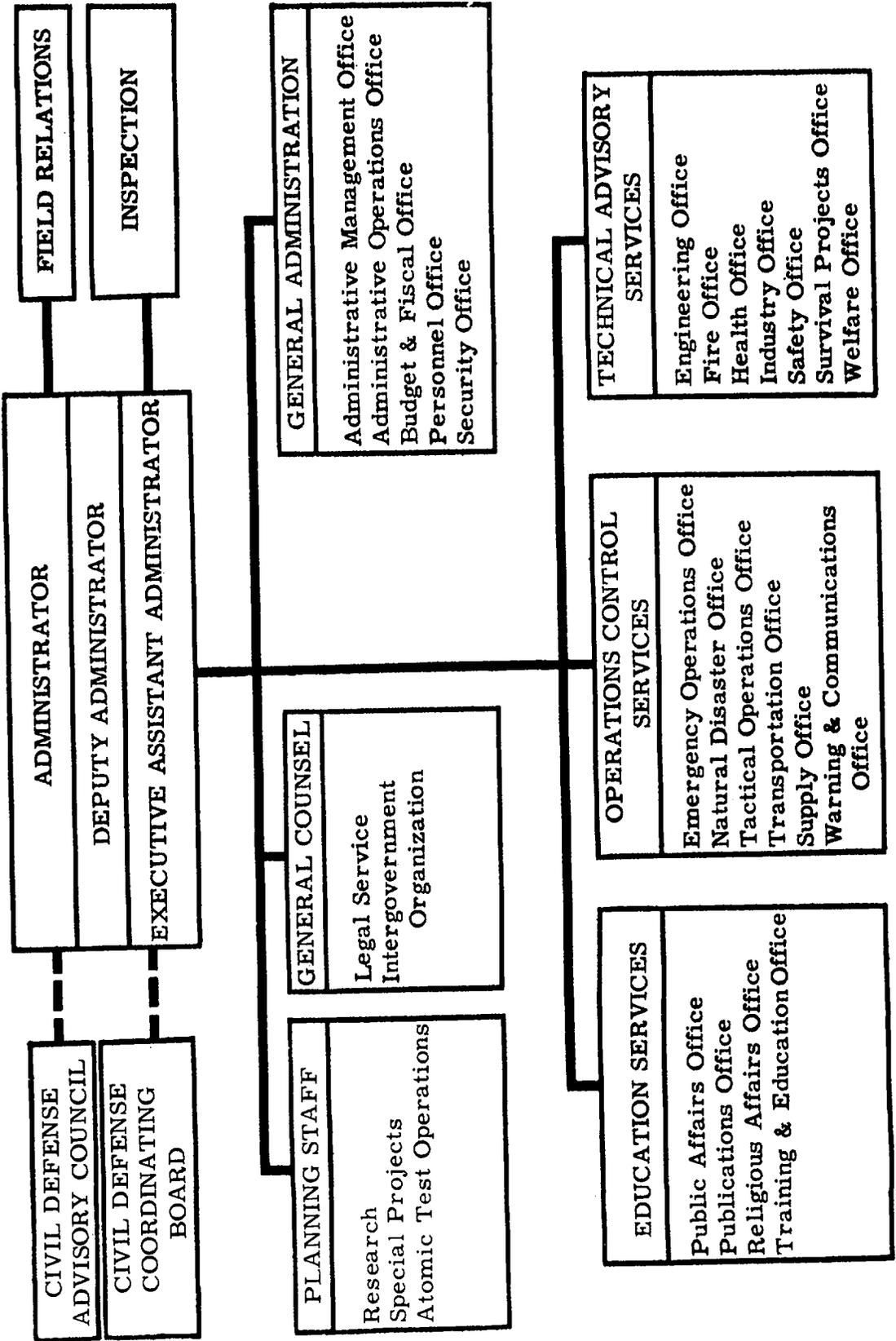
ODM would have, under the heading "Logistical Support," the responsibility of mobilizing resources, and for directing production and economic stabilization, including the adjudication of conflicting claims for manpower, energy, fuel, and transportation, and so on, by the two claimant agencies. In a sense it is a referee.

Both its present responsibilities and its potential future responsibilities combine to give ODM a central position in the present organization for national security.

I will move on now to the Federal Civil Defense Administration (chart 5, page 15). This organization chart is placed before you to give you a picture of the organization as a whole, not to be examined in detail. The number of employees involved in this organization chart is between 1,000 and 1,100--not a very large agency. The agency will operate this year with an appropriation of approximately 95 million dollars. This compares with the Department of Defense appropriation in the neighborhood of 35 billion dollars. FCDA's position in the Federal Government is that of an independent agency. It is not part of any Cabinet-status department, nor is it a part of the President's Executive Office. It has a status similar to that of such agencies as the Atomic Energy Commission, the Federal Reserve System, and Veteran's Administration.

Over the past several years the feeling has grown in both governmental and nongovernmental circles that, because the nonmilitary

CHART 5
FEDERAL CIVIL DEFENSE ADMINISTRATION



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defense element is the least completely developed part of the national security program and because of the presumed rapid advances in weapons and delivery systems in the hands of the Soviets, this nonmilitary defense area is one of urgent importance. So, in spite of the fact that FCDA is a relatively small agency, and although its programs are not too far advanced, I include it today as one of the principal components of the Organization for National Security.

FCDA, like the Office of Defense Mobilization, has both planning responsibilities and operating responsibilities. It differs from ODM, however, in that its operating responsibilities are an important part of its workload before an attack, instead of coming into the picture in a major way only after an attack.

Before attack, FCDA has the responsibility for preparing plans and programs for the civil defense of the United States; for delegating civil defense responsibilities to departments and agencies of Government and for coordinating their actions; for making provision for civil defense communications; and for the dissemination of civilian attack warnings; for conducting studies for treatments of injuries, of shelters, and of protective construction and needed civil defense equipment; for conducting and developing training of civil defense officials; for dissemination of information to the public; for assisting and encouraging state and local programs, including interstate compacts; for procurement and stockpiling of needed materials; and for making grants in aid of funds to the states for civil defense programs. Also by delegation from the Office of Defense Mobilization, FCDA is responsible for a program of reduction in urban vulnerability. You can see that this intermingles both planning and operating responsibilities.

In establishing the Federal Civil Defense Administration in 1950, Congress set a definite pattern of development on the agency by declaring it to be the policy and intent of Congress that the responsibility for civil defense shall be vested primarily in the states and their subdivisions, with the Federal Government providing coordination, guidance, and assistance. This is why FCDA has about the same number of personnel today as does a battalion of infantry. In the light of this philosophy, which to be fair to Congress, neither the present administration nor its predecessor have attacked frontally, the relatively small appropriations for FCDA are logical. That does not necessarily mean they are sensible.

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To complete the picture, I should tell you that states and municipalities have at present about 2,000 paid full-time civil defense employees throughout the country, who could be fairly added to the total of 1,000 Federal employees. State and local expenditures last year for civil defense added 28 million dollars to the 80 million dollars expended by the Federal Government.

After an attack, the entire nature of FCDA changes.

I referred earlier in discussing ODM to an agreed upon division of basic responsibilities between DOD, ODM, and FCDA. The statement on FCDA's postattack responsibilities, as recorded in the Holifield Committee's hearings, visualize the FCDA Administrator directing all efforts in providing and distributing emergency food, clothing, and shelter, medical care and cash allowances, in maintaining order, sanitary safeguards, in providing fire protection, the clearance of debris and the restoration of public utilities, and facilities basic to commerce and industry, and for the establishment of programs that would result in the distribution of goods needed to meet essential civilian requirements. These are extensive powers and responsibilities. In fact, they are in extensiveness and complication comparable to responsibilities to be discharged by the Department of Defense in the event of an attack. The big difference is that the DOD has three million trained and organized men on active duty to call on to do its job while FCDA would be using anyone it could lay its hands on. The agency is perfectly well aware of the consequent personnel problems it would face, and its means of providing for meeting them are currently fourfold.

First, it has its own staff located here, at its operating center in Battle Creek, and in regional offices, and they would act as a cadre, supplemented by the full-time state and municipal civil defense employees.

Second, it, too, has used the delegation system and has delegated many civil defense responsibilities and authorities to other Federal agencies so it could, under authority from the President, which would probably be forthcoming, augment its strength from this source to some degree with people prepared in the field.

As the third source of augmentation, FCDA would doubtless requisition or commandeer the emergency services of people throughout the country--firemen, policemen, doctors, construction workers, and

endlessly on down the line. Ideally, FCDA feels that to get effective performance, it would need 150,000 trained leaders to assume command and control functions, and 10 to 15 million somewhat trained workers. Since neither group is in existence in significant numbers at the present time, FCDA would have to use the normal skills of individuals as best it could, despite their lack of training in the application of these skills to the disaster situation envisaged.

The fourth augmentation to the FCDA strength is the military. DOD, ODM, and FCDA's agreement on basic responsibilities after attack included the proviso that all Department of Defense personnel, materiel, and facilities not required for military operations and their support, would be used to render all possible support and assistance to FCDA. How much assistance would be forthcoming is not clear as yet, and how well trained and prepared it would be is also not clear. However, the policy is established. Within the Department of Defense the most recent implementation appears in a DOD directive dated 14 July 1956. The primary responsibility for coordinating the planning and rendering of such assistance is assigned to the Department of the Army.

In a recent study the National Planning Association set forth the premise that a program for nonmilitary defense should include five tasks: Reduction of urban vulnerability; the provision of emergency services at the time of attack; the provision of economic and financial stability; provision for continuity of industrial production; and provision for the continuity of Government. I think this is a fair statement of the nonmilitary defense area. FCDA is involved to some degree in all of these principal nonmilitary defense tasks, each with endless ramifications so that you can see I am only scratching the surface of its present or potential concerns this morning.

I think we can sum it up by saying that FCDA, prior to an emergency, is a staff agency responsible for the development of plans and policies and with some operating responsibilities for preattack action. After an attack, it is to become an operating and directing agency with colossal powers and responsibilities. In evaluating its work and its adequacy, you have to look at it from both angles.

I have two agencies left to discuss, the State Department and the Department of Defense.

I think the work of the State Department with its responsibility for being Chief Adviser to the President in the field of foreign policy, and having primary responsibility for initiating and implementing foreign policies is generally understood. The significant fact for us this morning is that, through the mechanism of the National Security Council, the activities of the State Department are brought into a closer correlation with the other agencies concerned with the principal elements of national security than ever before. You will hear in considerable detail about the State Department throughout the year, particularly from visitors and in combined lectures with the National War College.

The Department of Defense is probably the best known and best understood part of the organization for national security. Certainly that would be true for this audience. Therefore, we can here, too, limit our discussion to the upper levels and deal only with broad aspects.

In this instance, a quick review of the history of the Department is a good means of describing the present setup and perspective. The National Security Act of 1947 established, as you know, the three military departments, the Army, the Navy, and the Air Force, and loosely combined them into the National Military Establishment (NME), to be headed by a Secretary of Defense. The Secretary of Defense was charged by the act with general direction, authority, and control over the military department, and was furnished with three statutory staff agencies. These were the Munitions Board operating in the field of procurement, production, and supply; the Research and Development Board, operating in the area implied by its title; and the Joint Chiefs of Staff, operating as the military planning board for the President and Secretary of Defense. Within the National Military Establishment, the independence of the three Secretaries of the military departments was to a great extent maintained by the 1947 Act, giving them the right of direct appeal to the President and the Director of the Bureau of the Budget. I think you can see that this is a pretty loose and from a Secretary of Defense's view, a rather ineffective organization.

The right of appeal of the military departments, the limitation of the Secretary of Defense's authority, the fact that he had no real team of his own since his staff boards were made up of appointees of the departments, all combined to put him in the responsibility without authority box.

In 1949, the first Secretary, Mr. Forrestal, sought and partially obtained major changes. The National Security Act amendment of 1949

clarified and strengthened the authority of the Secretary. It omitted the word "general" from the statement of his authority over the departments. The amendment substituted the Department of Defense for the National Military Establishment, and also it made the Secretary of Defense the principal assistant to the President in all Department of Defense affairs, depriving the Secretaries of the military departments of their rights of appeal to the President and the Bureau of the Budget. In addition, the Secretary of Defense was given a small team of his own, consisting of a Deputy Secretary, three assistants, and their staffs.

However, the statutory staff boards, Munitions and Research and Development, were continued still semiautonomous, and consisting of personnel not appointed by the Secretary of Defense and limited by statutory charters in their staff duties. A chairman, nonvoting, of the Joint Chiefs of Staff was also established, giving the Secretary of Defense a better contact with the JCS.

The next changes came from Reorganization Plan No. 6 of 1953, supplemented by certain Executive action. These changes created and brought to culmination the present organization of the Office of Secretary of Defense which is here on the screen (chart 6, page 21).

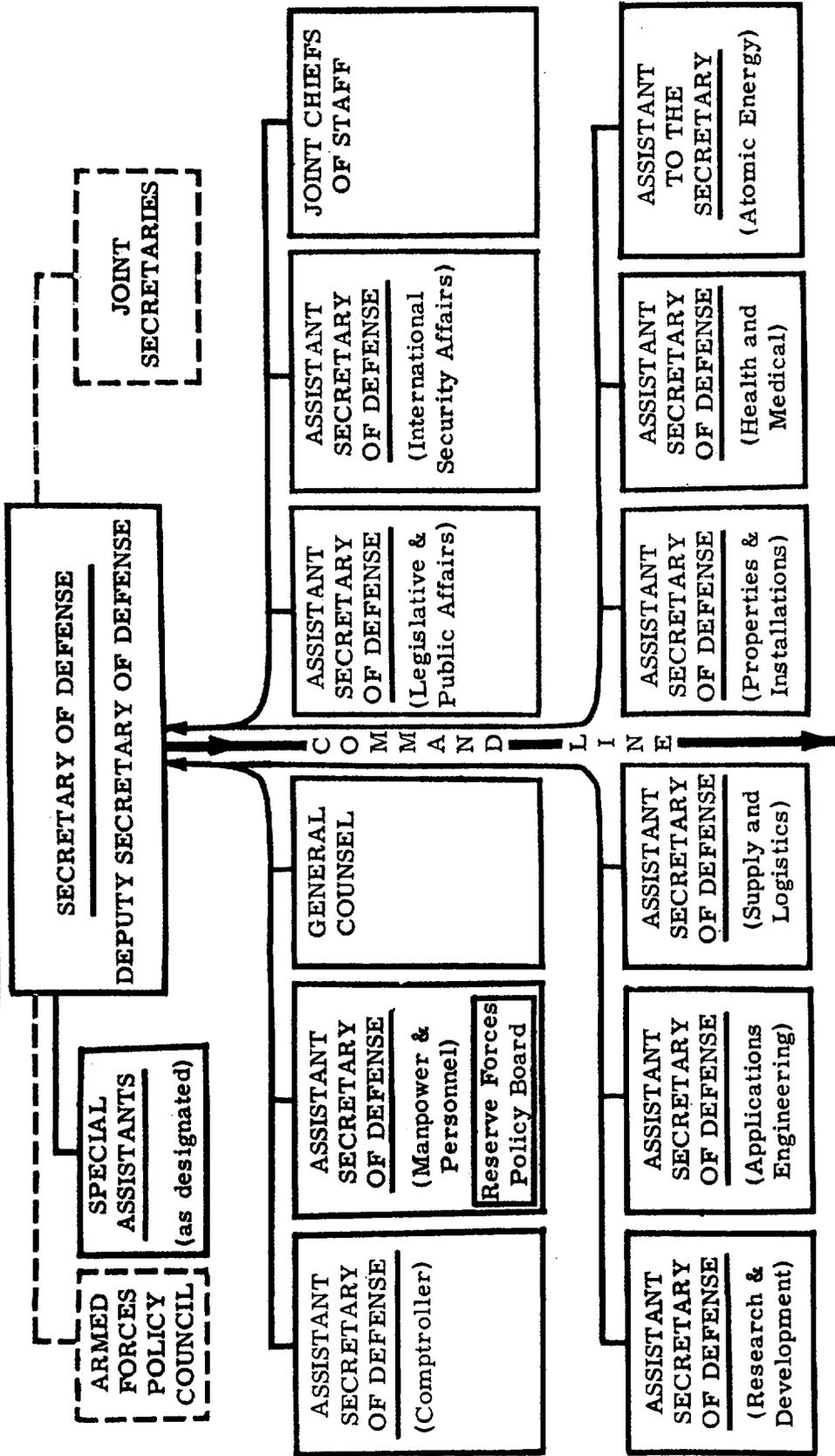
As you can see, the Munitions Board, and the Research and Development Board have disappeared. The Secretary of Defense has now six additional assistant secretaries, plus a General Counsel, in addition to the three assistant secretaries and under secretary created in 1949. It couldn't possibly be said now that he does not have a team of his own. This grouping fills out a complete civilian staff structure for the Secretary of Defense, all of it directly responsive to him. In addition, the line of command was cleaned up by clearer definition of the Secretary of Defense's authority over the military departments. The Chairman of the Joint Chiefs of Staff also was given the power to manage the Joint Staff.

This present organization that has arisen out of the process I have sketched, can, I think, be characterized best as presenting a picture of relatively centralized control with decentralized operation. The centralized control is also, as you can see, largely civilian in composition.

In the period 1945 to 1947, before the first National Security Act, there was considerable controversy over the proposed Department of

CHART 6

DEPARTMENT OF DEFENSE



Defense. On one side were those who advocated a centralized tightly knit DOD, including in some views a single Chief of Staff, and a combined general staff. The other point of view advocated a system of three separate services with the top structure limited to coordination and policy. The act of 1947 was a compromise, leaning largely, because Congress leaned that way, toward the latter point of view. It is clear that each step since 1947 has moved further toward the strong top structure point of view.

The present DOD organization can fairly be described as a typical organization for large diversified enterprises in modern American practice.

On Monday, Mr. Frank Pace spoke to you. He is a principal executive of General Dynamics Corporation. This corporation controls such diversified units as the Electric Boat Company, making submarines; Convair, making aircraft; and Stromberg Carlson, making electronic devices and appliances. Each of these subordinate groupings operates separately and with a separate executive structure, while control is centralized in General Dynamics Corporation. Most large corporations with diversified activities are operated under this type of organization. Centralized control and decentralized operation are an established feature of the American landscape in the field of large diversified enterprises. I think it could be expected that the growth of the military structure would be attended by the development of this sort of organization sooner or later. I am not advocating the development and I'm not criticizing it; just trying to describe it in perspective.

Here, again, is the chart of the top portion of the Organization for National Security.

During this year, you are going to examine into the workings of these agencies and of the many others, governmental and nongovernmental, through which and with which they work. You will see the strong points and the weaknesses of the Organization for National Security. You will come to conclusions as to how it should be strengthened. You will develop for yourselves, not a silhouette in black and white, but a full face, full length, full color portrait of the Organization for National Security. I hope that when you have done that you will find that this silhouette picture at the beginning of the year was a help to you as you started on your work.

QUESTION: I understand that in the last couple of years there has been some effort to give FCDA either a status in DOD or as a separate Cabinet member. Could you discuss a little bit the effect of such a move? I can imagine certain effects from the military standpoint, but not from the economic standpoint where you cited the ODM as an arbitrator between the factors of production between the two, DOD and FCDA.

COLONEL BARRETT: You remember I am giving you today the picture of the status as is. I have drawn largely on the agencies' own concepts. That particular one bears on the adjudication of conflicting claims by ODM. That's a concept of ODM. There have been a series of recommendations about FCDA. It has been suggested that it be established as a Cabinet department; it has been suggested that it be made a statutory member of the National Security Council. It has also been suggested that FCDA responsibility be assigned to the DOD, as you mentioned. And then there has been a suggestion that it be combined with ODM and that it take over all of the nonmilitary defense responsibility. That suggestion is contained in a paper developed within FCDA, which is in the public domain.

The suggestion that it be made a Cabinet department has been made by the Holifield Committee in its findings resulting from its hearings last spring. I don't know offhand just where the suggestion that it be part of DOD came from, but it is rather widespread.

I would like to read an excerpt that bears a little bit on this from a letter which the President wrote to Val Peterson, the FCDA Administrator, this year, dated 17 July 1956. This is President Eisenhower's outline of the type of action that he will recommend to the 85th Congress, provided he is reelected.

He implies strongly that FCDA must be strengthened. Its status within the Federal Government must be reorganized, and he will propose changes in the fundamental act of 1950 to the incoming Congress. He also makes the statement: "From now on I request that you participate in Cabinet meetings to help insure that the Civil Defense Program is fully integrated into our national planning."

I don't know fully what you mean by "discussing the economic aspects." I think what you are touching on is that if you only had one claimant--if you put FCDA and DOD together, you would only have one claimant--would you need an outside judge in the process? Under

these conditions you might as well put the judging responsibility in the claimant agency, it would seem.

There are many other angles to a DOD-FCDA combination. Many people in DOD feel they have a big enough job right now without taking over this terrific civil defense responsibility. It has the same disadvantages that people see in a single monolithic military service. They say it becomes too large to control operationally. If you had one agency responsible for these two tremendous problems, it would probably be more than you could control operationally. That is the opposing point of view on it. I don't think I can discuss it further to any profit.

QUESTION: In discussing the economic postattack effects on ODM and Civil Defense, you used the word "requisition" in connection with manpower. It occurs to me that these powers could not be carried out unless the civilian population accepts the idea of being drafted across the country. Would you comment on that?

COLONEL BARRETT: I think you are implying, shouldn't we have standby legislation providing for this?

QUESTION: Yes.

COLONEL BARRETT: Many people think we should have. On the other hand, that's a most difficult thing to put across in time of peace. People think they would be potentially surrendering their freedom to an individual who might not be as careful with their freedom as he should be.

I think the plan is to rely upon the President's emergency powers to provide for such authority in time of catastrophe. Of course, that raises the point that, if you don't advise people that this is going to be done, how much acceptance will you get when it is done. If you just put out a Presidential order that FCDA can use anyone's services anywhere, how will the word get down to where people will accept this? That's an area that you will probably want to explore, particularly in the Manpower Course that is about to come up.

QUESTION: Could you explain what has happened to the functions that were formerly carried on by the old Munitions Board?

COLONEL BARRETT: They are lodged with two or three of the Assistant Secretaries of Defense for the most part, although ODM took over some of them.

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QUESTION: Primarily, with the Secretary of Supply?

COLONEL BARRETT: Primarily, with the Assistant Secretary for Supply and Logistics.

QUESTION: In case of an all-out emergency, you imply that the regional director of ODM would be the man who would control the activities within the region, calling upon the resources of FCDA and the military. If that goes on into the case of martial law or the case of extreme probability of attack, does the regional director of ODM still control the assets of the military and does he become the commander in chief under martial law?

COLONEL BARRETT: You remember Abbott and Costello used to have a gag where they put on a baseball game and they would say, "Who's on first?" Well, it isn't clear. Would the military commander under martial law take over or would he be providing assistance to the civilian authority. Then you raise the question: What civilian authority? Is it the regional director of FCDA or is it the regional director of ODM? ODM, too, has a regional structure and it has concepts within itself, accepted or partially accepted outside, but the details not yet worked out--these things are most complex--that its regional director will be the coordinator for all Federal activities within the area.

This interrelationship between the military and the civilian authorities in time of a major strike on the country and the consequent damage has been in the forefront in Operation Alert, 1955, when the President, unexpectedly for the people working on the operation, declared martial law throughout the country, and in 1956 when that was not done but a directive was issued to afford maximum assistance to the civil authorities. This is an area that I think you will wish to examine into further on during the year. I can only say to you that it is a problem area, a very key one, with responsibilities not as yet resolved.

QUESTION: Is it functioning today in the final stages in the regional area? Have regional ODM people already been appointed in that area?

COLONEL BARRETT: Yes. Acting regional ODM directors are already appointed. The concept of the ODM regional man is that he shall be a man of such stature in the region that everybody would recognize his authority. He would be known by governors and mayors

and the general public, and would be a natural leader. Of course, you can see it's pretty hard to get such a person in a standby capacity during relative peace. So the present structure is set up with an acting regional director who is normally a civil servant--quite a few from the Labor Department by the way--who has responsibility for coordinating and acting in this capacity in the war gaming.

QUESTION: Where does the Selective Service agency fit into this overall security structure?

COLONEL BARRETT: It is the claimant for the military manpower. I mean, the military states what it requires and Selective Service goes about to get it. In this process you might have conflicting claims for manpower from civil and military. ODM supposedly would adjudicate it.

QUESTION: My question is directed to clarification. One of the individuals listed under the ad hoc group to attend the National Security Council meetings is the Special Assistant for Foreign Policy. Who is that?

COLONEL BARRETT: That is Mr. Dodge, the Special Assistant to the President.

QUESTION: You talked about the organization that we have available for doing something in case an attack comes. What physically have we done to reduce our vulnerability to attack up to now?

COLONEL BARRETT: There has been some action on dispersal. It hasn't been extensive. Nonmilitary defense responsibilities do not lie entirely in FCDA or ODM, or the agencies to which they delegate. The Department of Defense also has many nonmilitary responsibilities in, for example, dispersal contracts. There has been some fast write-off of depreciation to encourage people to build new plants in localities away from present concentrations. Also, some people feel that industry is being dispersed at the rate of maybe two or three percent a year through the workings of natural economic factors and the desire to move out into undeveloped areas.

As far as a planned, organized, and directed dispersal program is concerned, no; we don't have it. The question arises: Can we have it? We live in a civilization and in an economic structure that rests on urban complexes. We can't disperse ourselves all over the countryside

in little individual packages without radically changing the whole structure, perhaps at economic costs that would be insupportable.

I can only say to you that there has been a program for dispersal worked out--in cooperation with industry, by the way--so that you get some decisions, for instance, like Standard Oil of Indiana--I believe it was--which, instead of building up another refinery in Indiana, went out to South Dakota. But as far as a major change in the American scene is concerned, we haven't done a great deal. You have observed it yourself.

QUESTION: In the Department of Defense, as I understood it, you explained that the objective was centralized control and decentralized operations. My question relates to: How do we achieve this? It seems to me there are several ways it can be achieved. First, in the "how to do it" or "what you are going to do," the planning stage, there can be the controls of the strings which are put out on operations. Or there can be the review stage which reviews what has been done and tries to crank in the lessons of that into the planning stage. Could you explain the structure for that a little bit, the procedure?

COLONEL BARRETT: Well, here you are asking essentially where do you draw the line. I think you are expressing some skepticism that we have maintained decentralized operations with centralized control.

QUESTION: No, not at all.

COLONEL BARRETT: Essentially, the process is this making of decisions, which is the toughest thing to do. You know when you count the little and the big potatoes, people get a little tired. It isn't counting the potatoes; it is making the decisions between the little ones and the big ones. It's a process of deciding what is an operating responsibility and what must be kept in control here. I don't think there is any mechanism that can be set up that will assure sound decisions. You have such mechanisms as keeping the military departments distinguished from the OSD--the Office of the Secretary of Defense. That will bring some assurance. This is a matter of opinion also. The Defense establishment as presently constituted believes firmly that it has maintained the virtues of decentralized operations with the benefits of centralized control. It isn't fully accepted by everyone. I think you will have to form and develop your own opinions in the area. I don't think there is any organization gimmick that you can develop that will assure it.

Thank you very much, gentlemen.