

early draft of chap. I - needs corrections &
revisions - + footnotes checked out.

Some material to double check footnotes appended.

RmH

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I. CREATION OF THE AGENCY, ~~REVISIONS~~ 1940-1949

From the moment of the CIA's founding, Congress played an important but not entirely clearcut (?) role in the affairs of the Agency. ^{he} ~~The~~ CIA existed solely ^{by} by virtue of congressional action. At the same time, many of its most important features predated the legislation which officially gave ^{brings} ~~the~~ CIA ^{with existence,} its life, and its congressional sponsors in drawing up the National Security Act leaned heavily (?) on actions taken without congressional sanction by members of the executive branch. Thus, from the very beginning a relationship of ambiguity was established between an intelligence organization dependent upon Capitol Hill for its charter, its personnel, its funding, indeed its continued existence, and a Congress reluctant or unable to exercise substantive control over ^{the Agency,} ~~its creation,~~ and dependent (rep) upon ^{its creation,} ~~the Agency~~ for services of the most fundamental nature.

Of one thing everyone was certain: the ineffectual Central Intelligence Group (CIG) then attempting to meet the nation's ~~intelligence~~ needs for central intelligence required ~~massive~~ massive surgery if it were to fulfill the responsibilities for which it was created. Established by presidential directive on 22 January 1946, CIG ostensibly directed the ^{correlation,} ~~evaluation,~~ and dissemination of intelligence relating to ~~the~~ national security, as well as coordinating the activities of the various departmental intelligence organizations. ^① But in fact,

CIG was dependent upon the Departments of State, War, and Navy for its personnel, funds, and facilities, and this lack of independent authority ~~caused the CIG to be~~
~~undermined its legitimacy and hence its~~

~~effectiveness~~ effectiveness ~~in~~ among bureaucrats skilled in Truman's selection as ~~possessing political savvy~~ Admiral Sidney Souers, the appointed first Director of Central Intelligence, struggled with these deficiencies throughout his brief tenure in ~~xxxxxxx~~ office. In his farewell report of June 7, 1946, he strongly recommended that CIG and its parent body, the National Intelligence Authority (NIA), obtain a legislative charter and an independent budget as soon as possible.

Souers was not alone in recognizing these problems. In the House of Representatives ~~through much of 1946 [is this true?]~~ the Military Affairs Committee ~~of the House of Representatives~~ spent much of

1946 ~~to do this~~ investigating the state of the nation's ^{intelligence} system. In ~~the~~ report issued upon the completion of its labors, ~~it~~ ^{the committee} noted that intelligence was just as vital in peacetime as in wartime; indeed, it was the ~~nation's~~ ^{country's}

"first line of defense." The committee members found it difficult to imagine America's leadership taking "a single important step" in international affairs without "knowledge and understanding of the aims, capabilities, intentions, policies, and actions of other nations--in other words, . . . without intelligence." Calling for the creation of an effective intelligence service, the House report recommended legislative authorization for NIA, ~~and CIG~~ ^{with CIG}

And urged Congress

to grant CIG ^{AND} the latter receiving appropriations directly from Congress and having complete control over its personnel. But to the great dismay of CIG, the former G-2 officer who authored this ~~Senate, however, S. 2044, which would have among other things provided for a~~ report explicitly prohibited the DCI from engaging in collection ~~xxxxxx~~ activities, a prohibition which would have ~~vigorous intelligence organization, died of neglect in~~ made CIG utterly dependent upon the military intelligence ~~the committee.~~ agencies. ②

Soeurs left government service on 10 June 1946. ^{Only} mere three days later, his successor, Lt. General Hoyt Vandenberg, received the staggering news from Lawrence Houston (~~insert position~~) that he had taken command of an organization in dire ~~danger (cliche)~~ jeopardy of losing its authority to expend funds. Under the terms of ~~According to~~ the Independent Offices Appropriation Act of 1945, Houston explained, CIG would be without ²² unvouchered funds from the departments 1947. Moreover, after January ¹⁹⁴⁷ ~~while~~ it was questionable whether ^{legally} the departments could furnish personnel and supplies even from their vouchered funds. An upset Vandenberg directed Houston to prepare appropriate legislation for submission to Congress. A few weeks later, ^{ANNOUNCED} he ~~informed his superiors~~ ^{colleagues} (?) that CIG would shortly have ~~xxxxxx~~ to approach Congress for a legal charter. Admiral William Leahy, the President's personal representative, ^{promptly} then informed Vandenberg that Truman preferred that CIG ~~xxxx~~ delay action until the following year.

in response Houston in the meantime, ~~had responded~~ to the Director's order to draw ~~xxxxxx~~ up appropriate legislation, had turned to work he and John Warner had done earlier that

year in anticipation of precisely this type of situation. Within days a ~~full~~ draft bill ~~was~~ lay on Vandenberg's desk. Though destined to be temporarily shunted aside the initial during consideration of what came to be known as the National Security Act of 1947, Houston's handiwork would ultimately ~~be~~ provide for legislation, the nucleus of the ~~equal~~ ~~importance~~ ~~of~~ ~~central~~ ~~intelligence~~ ~~agency~~ ~~thereby~~ earning its principal author the title "legal architect" of the CIA.

Houston's draft envisioned an intelligence organization far more potent than the anemic CIG. It began by observing that the ~~had demonstrated the inadequacy of a dispersed system of national intelligence.~~ ^{experience} (edit) The lessons of the past generation ~~had~~ proved conclusively that "intelligence gathering and analysis must be centralized." Accordingly, a Central Intelligence Agency should be established, with a Director "who shall be the head thereof" (thereby reversing the current arrangement, where the President's 22 January directive had separated the duties of the Director from those of CIG). The Director ^s should be appointed ~~from~~ civilian or military life by the President, with the advice and consent of the Senate, for a term "of not more than seven years." The Agency was to operate under the supervision and direction of the NIA and would coordinate the operations of the various departmental intelligence organizations and to centralize the analysis, evaluation, and dissemination of foreign intelligence. ^{PP} In addition, ^{would in later years become} Houston assigned ~~to~~ the CIA, in phrases which ~~subsequently~~ ^{to us} be the center of great controversy, the responsibility for

for the benefit of the existing intelligence agencies, performing such "services of common concern" as the NIA might direct, and "such other functions and duties relating to intelligence affecting the national security" as the White House or the NIA might require. The Agency was to have no "police, subpoena or law enforcement powers or functions," while its Director was to be responsible "for fully protecting intelligence sources and methods." The individual departments were to retain their own intelligence services, but were to make their intelligence operations, and facilities freely available to the ~~CIA's Director~~ CIA. Other provisions gave the Agency necessary authority concerning procurement, finances, and similar administrative duties. Finally, in another important and subsequently controversial passage, the Agency was ~~authorized~~ empowered to expend monies "without regard to the provisions of law and regulations relating to the expenditure of Government funds." For "objects of a confidential nature," moreover, such expenditures were to be accounted for "solely on the certificate of the Director and every such certificate shall be deemed a sufficient voucher for the amount therein certified." ③

Such an ambitious proposal was destined to draw opposition, however. In a series of White House meetings between July 1946 and the following January, Houston's program was gradually whittled down into a considerably more innocuous document. The draft bill sent Congress by the President on February 26, 1947 bore only ^{MARGINAL} the slightest resemblance to Houston's bold concept. It called for the

creation under a National Security Council of a Central Intelligence Agency, headed by a Director to be appointed by the President. In the only section of ~~the brief draft~~ taken from Houston's proposal, it provided that any commissioned officer appointed Director should not have his "status, office, rank, or grade" nor any "emolument, perquisite, right, privilege, or benefit" he might be ^{Adversely} due affected by his appointment. The salary for the Director was set at \$14,000 per year. The NSC and CIA were to take over the functions, personnel, property, and records of the NIA and CIA ^G respectively. No mention was made of the duties or responsibilities of the new CIA or its Director, nor of the existing departmental intelligence services. The presidential draft was similarly silent concerning the methods by which the new agency was to be financed. ^A (4)

The White House's reticence on these matters is perhaps best explained by its desire to ^{avoid} ~~stir up as little~~ controversy ^{whenever} as possible. The provisions creating the CIA were represented only a ~~xx~~ minor portion of a ^{much} more complex and controversial bill calling for the unification of the three armed services into a single Department of Defense. Vigorously ^{ly} opposed by many high-ranking officers, especially in the Navy, the proposal faced an uncertain future at the hands of the legislators, ^{The Senate Committee on Naval Affairs} ~~a similar plan the year before~~ had already buried a ~~xxxx~~ similar plan the year before, ~~had been smothered in the Senate Committee on Naval Affairs,~~ and since then the Republicans had ^{recaptured} control in ^{since 1932.} both House of Congress for the first time ~~xxxxxxxxxxxxxxxx~~ Public criticism of a vigorous central intelligence organization ~~Administration strategists thus decided that political wisdom~~ zation from G-2 and military officers with powerful allies

on the Hill complicated matters further. Administration ~~Public criticism of~~
~~dictated only the barest mention of the CIA. Opposition~~
~~strategists thus decided that political wisdom dictated~~
~~to a vigorous central intelligence organization from C-2~~
 only the barest mention of the CIA. Opposition from the
~~and military officers with powerful allies on the Hill~~
^{this} military also
 reinforced ~~the~~ caution and explains the White House refusal
 to accept Vandenberg's recommendation that the DCI be
 named a non-voting member of the NSC.

As had been anticipated, congressional ^{consideration of} ~~attention~~
 the President's bill
 centered upon the proposed merger of the armed forces,
 with the provisions establishing a Central Intelligence
 Agency ~~receiving~~ drawing much less attention. In large
 measure this reflected the consensus than an agency like
 the CIA was essential to protect the nation's security.
 During
 In the ensuing hearings and debates, recollections of
 Pearl Harbor predominated, it being the ~~dominant~~
 accepted belief that a more effective process of collating
 and disseminating ^{the information} intelligence ~~information~~ might have
 prevented that disaster. ^{Members of} ~~The report issued by the Senate~~
 Armed Services Committee concluded that Congress, in order to
 "meet the future with confidence," must establish a CIA
 to collect and analyze "that mass of information without
 which the Government cannot either maintain peace or wage
 war successfully." Even critics of the CIA provisions of
 the bill did not ^{reject} ~~oppose~~ the concept. "I am not opposed
 to a central intelligence agency," Representative Fred E.
 Busbey, one of the Agency's harshest critics, emphasized.
 "You remember Pearl Harbor. They had intelligence, but
 it was not correlated and evaluated correctly." Indiana's
 Forest Harness spoke for virtually all his colleagues

when he confessed to fears and doubts ^{upon} ~~when~~ he first reading the CIA provisions of the bill. "Please bear in mind that this is a bold departure from American tradition," he told the House. "This country has never before officially resorted to the collection of secret and strategic information in time of peace as an announced and fixed policy." ~~Now,~~ ^{But further.} ~~however,~~ ^{reflection,} he added, ^{And convinced him "that"} "I am convinced ~~that~~ such an Agency as we are now considering is essential to our national security."⁵

With little need to convince ^{win} ~~doubters~~ ^{skeptics} ~~anyone~~ ^{to} of the necessity for creating CIA, congressional debate revolved instead around two broad questions: the relationship between the new Agency and the military establishment; and the specific functions assigned to and limitations placed on the CIA. Often the discussion was poorly focused or based upon misinformation; occasionally it was simply silly. But in the end, advocates of a strong centralized intelligence organization achieved by far the greater part of their desires, and the United States Congress begot a legislative charter ~~a law~~ which remains, three and one-half decades later, ^{document} the bedrock ~~charter~~ for the nations's intelligence community.

The matter of Agency-military relations raised two corollary issues. One concerned the ~~new~~ CIA's position in the government structure. Was it created to serve the armed services and the Joint Chiefs of Staff, or ^{should} ~~was~~ it be ^{placed} on equal terms with them? Should the DCI report to the Secretary of Defense, and thus become part of the military establishment? Or should ~~should~~ the State Department's

interest in intelligence be acknowledged by having the CIA report to the NSC? On purely theoretical grounds, it might be preferable for the CIA to report to one individual rather than to a group such as the NSC, which Representative Walter Judd contemptuously labeled a "hydra-headed agency." William Donovan, the legendary head of the OSS, argued along these lines, for instance. Another possibility was for the DCI to report directly to the President, but the service intelligence officers, fearful of granting the CIA ready access to the White House, lobbied energetically against that proposal.

The second issue touching on Agency-military relations produced the most heated moments of the entire CIA debate. Vandenberg returned to active duty on May 1, 1947, and ^{AS} ~~for~~ his replacement Truman tapped Admiral Roscoe Hillenkoetter, ^K ~~the third military man to hold the position~~ ^{Served as DCI} in sixteen months. Many congressmen saw in this a dangerous pattern. Such frequent changes in the Agency's leadership could not ^{as ambitious officers used the position of DCI as stepping help but undermine the organization's effectiveness,} ~~stones~~ ^{stones} in their careers. Moreover, a civilian DCI would lessen the danger of excessive military influence over the ~~CIA~~ Agency. The CIA, Senator Edward Robertson warned, had "all the potentialities of an American Gestapo; and such an organization, controlled by a military man, would be in possession of untold power which we could not properly place in the hands of ~~the~~ our military."⁷ There were ^e continual references to J. Edgar Hoover, who had made a career of heading the FBI, and

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calls that the DCI do the same. Accepting the position, OSS veteran Allen Dulles ~~and the House~~ counseled, should be akin to going into a monastery. Many worried that the President's bill, by devoting so large a portion of its safeguards for brief space to insuring that a military ~~DCI~~ DCI, implied that all future Directors were likely to be officers from the armed services. On the other hand, requiring that the DCI come from civilian ranks might preclude the most qualified individuals from the position, especially during in the early years of the Agency's history, when there might not be a civilian sufficiently experienced in intelligence matters. Simply requiring a military officer to retire from active duty before accepting the post did not offer a way out of this impasse, ^{solution either,} unless he were also ~~to be~~ ^{lengthy tenure} assured a set term ~~in office~~ as DCI, a prospect no one found particularly appealing, few career military officers would be willing to risk premature dismissal due to electoral politics. ^{sacrifice} their careers for a post from which they could be dismissed at a moment's notice.

enumerate

The failure of the President's bill to assign specific duties or responsibilities to the CIA also provoked ~~considerable~~ ^{CONGRESSIONAL} congressional comment. The White House proposal stipulated only that the CIA and DCI should inherit the functions of their predecessors. These functions, however, could be ascertained only by referring to Truman's January 22, 1946 directive establishing CIG, and many legislators doubted the propriety of having to go to a presidential order to interpret a congressional action. "It seems to me there is a void in the bill that ought to be eliminated,"

Senator Millard Tydings complained. The "real question," Representative ~~CHARLES~~ J. Brown added, came down to whether Congress should "define the functions and the activities in which [CIA] should engage, rather than depend upon a rather nebulous thing called an Executive Order, which is here today, but may be gone in three minutes, if the President decides to sign some other paper."⁸

Given later disputes, it is instructive to note that this debate revolved around whether Congress should explicitly mention the duties CIA was to assume, not the nature of ~~its~~ the functions it was to be assigned. On this latter point, there was general consent. In spite of an unwillingness to refer to such activities in open sources, and over the protests of a vocal minority, most congressmen even agreed that the new agency should engage in overseas espionage as well as more open (rep) forms of collection. Similarly, widespread consensus existed that the Agency should be prohibited from any type of domestic operations, ~~sentiment~~ ^{sentiment with which CIG concurred.} a ~~desire~~ which exactly matched CIG's ~~desires~~ desires. The Truman bill, in the interests of brevity, had deleted all such prohibitions, fostering repeated charges that the CIA threatened to become another "gestapo." Congress needed to write "a lot of safeguards" into the bill, Representative Brown insisted, explaining that he wished to insure that the activities and functions of the CIA were "carefully confined to international matters and to military matters and national security." "We have enough people now running around the country looking into other people's business," he gratuitously added. (rep)⁹

The President's draft went first to the Senate, where the Armed Services Committee held hearings for ten weeks and then reported out an amended version on 5 June 1947. The committee report accompanying the revised bill devoted only three terse paragraphs to the CIA, an explicit acknowledgment that the intelligence provisions were of relatively minor concern to most congressmen in comparison with other portions of the bill. Indeed, the Senate debate hardly touched on the CIA, with the one exception of Senator

Robertson's demand that the DCI be a civilian.

CA 7 July
 In the end, the upper House passed the bill by voice vote. The only changes in the CIA sections from Truman's draft involved an explicit (rep) statement that the Director could be either a civilian or a military man, and the added requirement that he receive Senate consent before assuming his duties. One important change in the provisions establishing the National Security Council also affected the CIA. By stipulating that the President serve as chairman of the NSC, this meant that the DCI would report directly to the President, a provision (rep) which gave the Agency ^{insured} important access to the very highest levels of policy making.

The lack of controversy which attended the CIA portions of the bill's passage through the Senate attested not only to the preoccupations of the ~~many~~ legislators, but also to the skill Agency officers had exercised in anticipating and ~~moving to head~~ ^{heading} off (wordy) potential problem areas. Vandenberg sought out Senator Chan Gurney, chairman of the Armed Services Committee, to discuss how ~~the~~ CIG might

best present its case for a vigorous CIA, secured the solicited comments on senator's ~~agreement to read~~ the DCI's ^{perspective} statement prior to testifying before the full committee, and secured a promise from Gurney to "shut off any embarrassing questions" which might be raised ~~during the hearings~~ from the floor.¹⁰

At a lower level, Representatives from CIG's legislative liaison branch monitored ~~the~~ all hearings and debates daily, kept in close and touch with key committee staffers, ^{and} alerted the DCI as to which congressmen required special stroking. *And on one other*

^{careful groundwork} Such attention to congressional sensibilities paid ^{as well} dividends (cliche) in the House, which scrutinized the ~~CIA~~ intelligence portions of the bill in considerably greater detail. Ohio's Clarence Brown insisted that Congress, not some presidential directive, should determine the jurisdiction and ~~functions~~ ^{functions} of the Agency and held out for an explicit enumeration of these matters. ^{extensively} Borrowing from General Counsel Houston's 1946 draft bill, which in turn had drawn from the President's directive of 22 January 1946, the House assigned five distinct functions to the CIA:

(1) "to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate ~~of the departments and agencies~~ to the national security;

(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities . . . ;

(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

memorable occasion, Walter L. Pforzheimer, CIG's legislative
liaison officer, even succeeded in parlaying his ^{USING} ~~cultivation~~ ^{contacts with}
of a key congressional aide to obtain the single existing
~~secret~~
copy of [^]G-2 testimony disparaging the concept of a strong
centralized service, thereby enabling CIG better to ~~make~~
present its counter-arguments.

(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

~~Even Brown, however, expressed no qualms about having the Agency engage in clandestine collection activities.~~

despite
 But ~~the~~ ^{circumscribe} the ~~the~~ ^{limit} fears voiced by Brown and others, the House made no effort to define the ^{vague} imprecise phrases "services of common concern" and "other functions and duties related to ~~intelligence~~ ^{intelligence} in- telligence," phrases which came verbatim from the Presi- dent's 22 January directive. Although Houston was later to write that a literal reading of these two ~~sections~~ sections "could bear almost unlimited interpretation," it was generally ^{understood} ~~agreed~~ at the time that ~~such~~ ^{the} congressional authors of this intended to sanction ~~the~~ clandestine collection activities without having to admit publicly that the United States ^{was engaged in} government had indeed entered this type of business. As such, this represented a triumph for CIG over ~~the~~ ^{its} G-2 rivals, who had energetically ~~lobbied~~ ^{lobbied} ~~officers who energetically~~ sought to restrict the CIA from any collection function at all, ^{Such} a stipulation which would have rendered the new organization ~~as~~ ~~as~~ as powerless as the one it was designed to replace. In light of subse- quent developments, perhaps it ~~is~~ should be noted that no one ~~mentioned~~ during ~~the~~ congressional consideration of these matters envisioned these clauses as legal justification for other types of covert operations; but neither did the Congress, with its elastic phrasing, explicitly forbid such activities.¹¹

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Some members of the House also raised the question of the internal police powers the new organization might exercise. CIG representatives, rather than shying away from the word "gestapo," prominently used it to emphasize that the proposed CIA could and would be no such thing. Such assurances failed to satisfy fully ~~and~~ all the doubters, however. So at the suggestion of CIG, the House Committee on Expenditures in the Executive Departments, which had designated been delegated to mark up the bill, reinserted the prohibitions on internal security functions which ~~had been in (law)~~ ~~that~~ Truman's January 22 directive and Houston's bill, had ~~originally~~ originally contained.

The familiar ~~problem of~~ ^{wield} controversy over the influence the military was to have in the new agency also resurfaced during the House's consideration of the bill. The Director^A of Central Intelligence should not stand "with one foot in the civilian trough and one foot in the military trough," Representative ¹²WALTER Judd counseled. ¹²Apparently ~~swayed by such arguments,~~ and determined to maintain the tradition of civilian control over the armed forces, ~~the~~ the House accepted an amendment from the ~~bill~~ floor barring anyone on active duty from becoming DCI. ^AAs for his term ~~Seeking to stave off (cliche) criticism fears that military officers might~~ about a lack of continuity in the office of the DCI occasioned by military officers being rotated in and out of the position, CIG ~~drew up~~ ^{toyed with the idea} a proposal appointing Hillenkoetter for a term of fourteen years, though agency officers eventually decided not to submit it. ^{But}

of office, further reflection ultimately persuaded most congressmen that the DCI should ~~remain~~ hold his position subject to the President's discretion.

Having thus disposed of the most troublesome issues, ^{then} the House dispatched several other matters almost routinely.

At the request of CIG's legislative liaison officer, the House granted the DCI the authority to terminate the employment of any Agency official at any time. ^{Another provision,} Language ^{lifted} ~~was borrowed~~ from the January 22 Directive, ^{made} making the DCI responsible for protecting intelligence sources and methods from unauthorized disclosure. Following a bit of a tussle the House decided upon a salary for the DCI of \$14,000 ~~per~~ yearly, a figure CIG found more in keeping with the relative importance of the position than the \$12,000 the Senate had ~~designated~~ ^{instigation} designated. Finally, at the insistence of Representative Judd, the House added a provision protecting the operations of the FBI from inspection by the DCI. Then on 19 July, wearied from months of acrimony, the House approved the entire merger bill, with its CIA provisions, by voice vote.

But their labors were not yet completed, ~~th~~ for the ~~bill~~ House version of the bill still had to be reconciled with the Senate version. In the ensuing conference committee, the Senate representatives deferred to the greater scrutiny given the CIA provisions by their House colleagues and, with two exceptions, agreed to the House bill. But these two exceptions were not unimportant. The conferees first

cut back on the CIA's authority to inspect the intelligence operations of the other departments and agencies, ~~directed~~ gave the FBI additional autonomy by directing and ~~gave the FBI additional protection against~~ that the FBI make its intelligence relating to national security available to the DCI only upon written request. Secondly, in a development which greatly pleased the CIG, the Senate ~~insisted~~ insisted that the House prohibition against a military Director be removed. The new language provided for ~~w~~ either a civilian or a military DCI, ~~and if the latter were chosen~~ ^{in the event the latter were appointed,} ~~appointe,~~ included explicit provisions safeguarding him from control by his superiors in the services, and denying him authority over those of lower ranks. Its work finished, the conference committee returned the compromise measure to the two Houses on 24 July. The Senate registered its acceptance by voice vote the ~~very~~ same day, ^{while} ~~and~~ ^{added its concurrence} and the House quickly followed suit on the following day. With the President's signature attached to the bill on 26 July, the ~~the~~ measure became law, ~~and~~ The Central Intelligence Agency was in business.

As finally passed, ^{section 102 of} the National Security Act provided for an independent and centralized intelligence service under the direction of the National Security Council, ~~the~~ which was to be chaired by the President. ~~A Director of the Central Intelligence was to head the new CIA~~ ^{the} Heading ~~this~~ new CIA ^{work} was to be a Director of Central Intelligence, appointed by the President and confirmed by the Senate. The DCI could come from either civilian or military life, ~~and~~ would serve at the pleasure of the President, and would

earn \$14,000 a year, considered a healthy sum in 1947.

Should the President appoint

~~Were~~ a military man ~~appointed~~ Director, he would have no
nor
more authority over ~~or~~ responsibilities to the armed services
than had he been a civilian.

The National Security Act explicitly spelled out the
of,
duties and limitations upon the Agency, including the
ambiguous duties of performing "services of common concern" and
"such other functions and duties" as the NSC might direct.
The Director was made responsible for protecting ^{intelligence} sources
and methods and was empowered to separate any employed
~~personnel~~ at any time. On the other hand, the Agency was
proscribed from exercising "police, subpoena, law-enforce-
ment powers, or internal-security functions." Other
departments and agencies of the government could continue
to collect, ^{produce,} ~~evaluate,~~ and disseminate departmental intelli-
gence, though their intelligence (but not their operations)
should be open to inspection by the DCI to the extent
recommended by the NSC, and subject to the further safe-
guards erected around Hoover's FBI. Finally, the NIA
was to disappear, and ^{CIG} ~~the~~ personnel, property, and records
~~was~~ were to revert to the CIA, ^{with CIG then} thereby dissolving CIG as
well. Any unexpended CIG funds should in like manner ^{pass to}
become available for the CIA. ²²⁸

In one sense, passage of the National Security Act
changed surprisingly little for CIG. Hillenkoetter easily
moved from heading CIG to a similar ^{responsibilities} position with the CIA,
as did most of his subordinates. The functions of and
restrictions upon the new organization remained for the
most part those first enumerated in the President's January

in
 for CIG, their day-to-day
 22, 1946 directive, and ~~these~~ day-to-day operations,
~~the~~ CIA officers behaved little differently than they had
 under CIG aegis. So in this respect, one can find the
 origins of the Central Intelligence Agency in its prede-
 cessor organizations, reaching back through CIG to the
 wartime OSS.

In a more fundamental manner, however, the National
 Security Act represented landmark legislation. (awk)
 In giving the CIA a solid foundation in law, it assured
 the Agency a permanence CIG never enjoyed; no longer did
 the nation's intelligence chiefs have to consider the
 instant disbandment. abolition.
 possibility of ~~instant disbandment~~. ~~However, the measure~~
 unlike CIG,
 gave the CIA sufficient power to operate without having
 continually to seek specific approval from the NSC for
 each action. Similarly, the DCI possessed considerably
 more freedom of action than under the NIA, with direct
 access to the President and no advisory boards or jealous
 intelligence services through which he had to operate.
 With the CIA now established as primus inter pares among
 the nation's intelligence agencies, the DCI possessed a
 stature within high-level Washington circles which he had
 never attained under the President's 1946 directive. Fi-
 nally, and perhaps most fundamentally, the National Security
 Act gave legal recognition both to the importance of in-
 telligence for the nation's security, and to the concept

More to the point, it gave the Agency that statutory standing
 it needed to avoid the liabilities ^{penalties} threatened by the In-
 dependent Offices Appropriation Act. Moreover, the measure

of an independent and centralized organization for the collection, production, and dissemination of that intelligence.

In ^Rretrospect, of course, one can find a number of omissions or ambiguities in the CIA provisions of the legislation. As with Truman's January 22 letter, the act still left ~~the~~ ^{precise} unclear the division of responsibilities between ~~the~~ CIA and the other intelligence agencies of the government. ^{How,} ~~What,~~ for instance, ~~was the relationship~~ ^{did} ~~between~~ CIA's responsibility to coordinate the intelligence activities of the government, ^{separate with,} and the continuation of departmental intelligence? What was to be the DCI's role in managing the entire community? Nor did the act specify what it meant by "national security," ^{an understandable} ~~a~~ failure which, ~~though understandable,~~ nonetheless, left the Agency vulnerable to congressional attack in subsequent years. ~~Another~~ omission which would bedevil Hillenkoetter's successors lay in the measure's delegation of responsibility to the DCI to protect intelligence sources and methods without ^{for the protection of} at the same time granting him the authority to do so. ^{sufficient} ~~Finally,~~ Lastly, ^{silent} ~~in~~ ~~xxxx~~ the act was strangely quiet about financing ~~how the Agency,~~ ~~maintain~~ a situation which necessitated a ~~ix~~ system of jerryrigged financing (rep) ~~until further legislation could be obtained,~~ and an immediate ~~further~~ request for further legislation.

Yet these defects notwithstanding, it is difficult to escape the conclusion that the National Security Act of

in large measure
 1947 served the intelligence needs of the nation admirably. Certainly CIG/CIA officers of the day believed they had succeeded in securing highly favorable treatment from the Congress.¹³ In the rosy afterglow of the bill's passage, it seemed that a promising partnership between Capitol Hill and the country's intelligence community had been born.

And from the perspective of another generation, one can look back on the passage of the 1947 act and point out broad themes (?) which would repeatedly return to shape this partnership. One such theme (?) has to do with ~~the~~ ^{the} respective ~~mutual~~ responsibilities of the Congress and the executive branch in supervising the CIA. Congressman Brown explicitly touched ~~■~~ upon this matter when he lectured General Vandenberg that it was "just a question of how much control Congress wants to keep as the representatives of the people." In calling for an explicit enumeration of CIA functions, he observed: "Your ideas, or the ideas of the Security Council, might ~~■~~ be entirely different from the ideas of the men and women who are elected to represent the people."¹⁴

enduring rivalry between the CIA and the armed forces intelligence agencies. Just as G-2 officers rather consistently sought to thwart the creation of a strong centralized organization in 1947, so this bureaucratiaic competition would continue to ~~affect~~ influence the Agency's dealings on Capitol Hill again and again in years to come. Another theme (?) surfacing during the 1947 proceedings which would form a recurring strand refrain in CIA-congressional

The continually perplexing matter of security within a legislature not known for its reticence also found its first expression in 1947. Representative Carter Manasco, speaking on the floor of the ~~House~~ House ~~about~~ ~~about~~ ~~and referring to~~ testimony given ~~during~~ in executive session, plaintatively pointed out (rep) a basic dilemma perceived by the lawmakers when he remarked:

We were sworn to secrecy, and I hesitate to even discuss this section because I am afraid I might say ~~something~~ something . . . and divulge some information here that we received ~~in that committee~~ that would give aid and comfort to any potential enemy we have. For that reason I am even reluctant to mention the testimony.

Such scrupulousness antagonized some congressmen. It had been his experience, Clarence Brown indignantly replied, "that on important matters, as far as patriotism is concerned, that you can trust the patriotism of members of Congress just about as far, and perhaps a little ~~farther~~ further, than you can those in the departments of the Government. 15 But Brown represented the minority view. By and large, the legislators were every bit as conscious as the professional intelligence officers of the ~~desirability of~~ desirability of ~~security~~ security and ~~or embarrassing~~ or embarrassing. This commendable ~~public~~ public caution prevent ~~damaging disclosures~~ damaging disclosures. ~~And in the case of references to espionage, Congress~~ encouraged an unfortunate tendency, however: a reluctance

Finally, congressional enactment of the National Security Act demonstrated the critical importance of being able to rely upon strong CIA supporters within the ranks of Congress itself. In the Senate, chairman Gurney of the Armed Services Committee carefully shielded the CIA

on the part of many of the law makers, both in 1947 and afterwards,

provisions of the bill from hostile action. And because the House gave the intelligence portions of the act a more thorough perusal, CIA backers in the lower house--Clare Hoffman, chairman of the Committee on Expenditures in the Executive Departments, Alabama's Manasco, James Wadsworth of New York, and perhaps most crucially, John McCormack of Massachusetts--played an even more critical role. In both chambers legislative supporters (rep) led the fight for a strong system of centralized intelligence, a tactic far more effective than requiring CIG or any other outsider to defend itself. From the very beginning, then, CIA learned the value of favorably disposed legislators and of friendly relations with well-placed congressional aides. This would be a lesson honored in the practice for the better part of two decades, with the most salutary of results. And then this same lesson was gradually allowed to slip away forgotten--with repercussions devastating in their impact upon the Agency.

~~Senate Expeditions Committee~~

Senate Armed Services Committee
Vol. III, p. 53

News Bill
HR 4214

What is the Senate Bill
Senate Report

Sample citation	
U.S. Congress. House. Select Committee on Intelligence.	
<u>Title of Committee</u>	
(House Report No. _____). Government Printing Office, 1976.	Washington:
<u>check unification Bill</u>	5758

Chapter I

note 4
X
X
X
X
note 12
p. 12
p. 13
X

1. note 1--get proper citation from Federal Register or Public Papers of the Presidents, HST, 1946.

2. get citation for this Feb. 26 draft bill. Public Papers may tell you where to go.

3. p. 6--did HST's Feb 26 draft call for a Dept of Defense?

4. p. 7--full name for Harness--maybe Cong Record, or ask at reference desk *Forest Arthur* *Who's Who in America 1944-1945*

5. note 5--verify quotes and p. nos.
Senate report 239, 5 June 1947--in HIC?
- Busbey--Cong Rec, 19 July, p. 9569
- Harness--ditto, p. 9412 (vol. 93), or p. 9576

6. note 6--House hearings, June 24--get p. no. in HIC??

7. note 8--chk. Tydings' name, quote, and p. no. Try Senate hearings, p. 176--in HIC??

8. House hearings, June 12--get p. no. and chk quotes

9. p. 12--re Senate change re Pres as chairman of NSC: compare Pres draft (#2 above) w/ Senate bill (Location?--try Cong. Quarterly Almanac, 1947) w/ final act (see #12below).

10. full name of Robertson

11. is Houston (Lawrence) General Counsel in mid-1946?

12. chk. sec. 101 (?) of Nat. Security Act of 1947 to make sure Pres is to chair NSC. Get proper citation for citing law [61 Statues-at-Large 497-499 in OGC Lib?]
61 Stat. 497 (1947)

13. p 23 - is John M'Connell minority whip in summer '47?

House Com. on
Expenditures in the
Exec Dept.
on Nat Sec
Act of 1947
AK Sec
Com.

Paranoid
Richard H.
Janadele
OGC

- * 1. Have copy of paper, need citation from Federal Register, or Public Papers of the Presidents, HST, 1946
- 2. Have copy of 26 February draft bill, need citation
- 3. Yes, but called the National Defense Establishment, headed by the Secretary of National Defense.
- 4. Forest Arthur Harness. Sources: Memo for the Record, 12 June 1947, Walter Forzheimer & Whos's Who in America, 1944-1945.
- 5. Senate report 239--

Busbey--not exactly. The quote reads as follows:

"You remember what happened at Pearl Harbor. They had intelligence, but it was not correlated and evaluated correctly."
Congressional Record, 19 July 47,
page 9569

Harness--exact quote but small a in "Agency." Found on page 9576

- * I located a copy of the the Presidential Directive of January 22, 1946 in the Guide to Central Intelligence Agency Statutes and Law, Sept. 1970, published by OGC. It is located in footnote 22, page 19 and is given the citation:
(3 C.F.R., 1943-1948 Comp., p. 1080)

(I don't know whether or not you have seen this publication, it was in with some material that Charlie had in his safe!)

6. House of Representatives, Committee on Expenditures
in the Executive Departments, June 24, 1947, page 554

Quotation:

"As far as I can understand the bill, it will not be a central agency but a joint agency, hydra-headed, which would weaken our intelligence rather than strengthen it."

8. page 438

12. Sec. 101 (a) "The President of the United States shall preside over meetings of the Council:
Provided, That in his absence he may designate a member of the Council to preside in his place.

Proper citing: 61 Stat. 497 (1947)

13. Yes. House Minority Whip, 80th Congress.
page xvii, Congressional Quarterly, Vol. III, 1947.

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THE WHITE HOUSE
WASHINGTON

January 22, 1946

To The Secretary of State,
The Secretary of War, and
The Secretary of the Navy.

1. It is my desire, and I hereby direct, that all Federal foreign intelligence activities be planned, developed and coordinated so as to assure the most effective accomplishment of the intelligence mission related to the national security. I hereby designate you, together with another person to be named by me as my personal representative, as the National Intelligence Authority to accomplish this purpose.
2. Within the limits of available appropriations, you shall each from time to time assign persons and facilities from your respective Departments, which persons shall collectively form a Central Intelligence Group and shall, under the direction of a Director of Central Intelligence, assist the National Intelligence Authority. The Director of Central Intelligence shall be designated by me, shall be responsible to the National Intelligence Authority, and shall sit as a nonvoting member thereof.
3. Subject to the existing law, and to the direction and control of the National Intelligence Authority, the Director of Central Intelligence shall:
 - a. Accomplish the correlation and evaluation of intelligence relating to the national security, and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence. In so doing, full use shall be made of the staff and facilities of the intelligence agencies of your Departments.
 - b. Plan for the coordination of such of the activities of the intelligence agencies of your Departments as relate to the national security and recommend to the National Intelligence Authority the establishment of such over-all policies and objectives as will assure the most effective accomplishment of the national intelligence mission.
 - c. Perform, for the benefit of said intelligence agencies, such services of common concern as the National Intelligence Authority determines can be more efficiently accomplished centrally.
 - d. Perform such other functions and duties related to intelligence affecting the national security as the President and the National Intelligence Authority may from time to time direct.
4. No police, law enforcement or internal security functions shall be exercised under this directive.
5. Such intelligence received by the intelligence agencies of your Departments as may be designated by the National Intelligence Authority shall be freely available to the Director of Central Intelligence for correlation, evaluation or dissemination. To the extent approved by the National Intelligence Authority, the operations of said intelligence agencies shall be open to inspection by the Director of Central Intelligence in connection with planning functions.
6. The existing intelligence agencies of your Departments shall continue to collect, evaluate, correlate and disseminate departmental intelligence.

- 2 -

7. The Director of Central Intelligence shall be advised by an Intelligence Advisory Board consisting of the heads (or their representatives) of the principal military and civilian intelligence agencies of the Government having functions related to national security, as determined by the National Intelligence Authority.

8. Within the scope of existing law and Presidential directives, other departments and agencies of the executive branch of the Federal Government shall furnish such intelligence information relating to the national security as is in their possession, and as the Director of Central Intelligence may from time to time request pursuant to regulations of the National Intelligence Authority.

9. Nothing herein shall be construed to authorize the making of investigations inside the continental limits of the United States and its possessions, except as provided by law and Presidential directives.

10. In the conduct of their activities the National Intelligence Authority and the Director of Central Intelligence shall be responsible for fully protecting intelligence sources and methods.

Sincerely yours,

HARRY TRUMAN

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[PUBLIC LAW 253—80TH CONGRESS]

[CHAPTER 343—1ST SESSION]

[S. 758]

pp. 3-5

AN ACT

To promote the national security by providing for a Secretary of Defense; for a National Military Establishment; for a Department of the Army, a Department of the Navy, and a Department of the Air Force; and for the coordination of the activities of the National Military Establishment with other departments and agencies of the Government concerned with the national security.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

That this Act may be cited as the "National Security Act of 1947".

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- Sec. 205. Department of the Army.
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- Sec. 311. Succession to the Presidency.

DECLARATION OF POLICY

Sec. 2. In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and

departments, agencies, and functions of the Government; to provide three military departments and administration of the Army, the Navy, and the United States Marine Corps), and with their assigned combat and service components; to provide their authoritative coordination and unified direction but not to merge them; to provide for the effective operation of the armed forces and for their operation under their respective command for their integration into an efficient team of land, naval, and air forces.

TITLE I—COORDINATION FOR NATIONAL SECURITY

NATIONAL SECURITY COUNCIL

Sec. 101. (a) There is hereby established a council to be known as the National Security Council (hereinafter in this section referred to as the "Council").

The President of the United States shall preside over meetings of the Council: *Provided*, that in his absence he may designate a member of the Council to preside in his place.

The function of the Council shall be to advise the President with respect to the integration of domestic, foreign, and military policies relating to the national security so as to enable the military services and the other departments and agencies of the Government to cooperate more effectively in matters involving the national security.

The Council shall be composed of the President; the Secretary of State; the Secretary of Defense, appointed under section 202; the Secretary of the Army, referred to in section 205; the Secretary of the Navy; the Secretary of the Air Force, appointed under section 207; the Chairman of the National Security Resources Board, appointed under section 103; and such of the following named officers as the President may designate from time to time: The Secretaries of the executive departments, the Chairman of the Munitions Board appointed under section 213, and the Chairman of the Research and Development Board appointed under section 214; but no such additional member shall be designated until the advice and consent of the Senate has been given to his appointment to the office the holding of which authorizes his designation as a member of the Council.

(b) In addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies and functions of the departments and agencies of the Government relating to the national security, it shall, subject to the direction of the President, be the duty of the Council—

(1) to assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interest of national security, for the purpose of making recommendations to the President in connection therewith; and

(2) to consider policies on matters of common interest to the departments and agencies of the Government concerned with the national security, and to make recommendations to the President in connection therewith.

(c) The Council shall have a staff to be headed by a civilian executive secretary who shall be appointed by the President, and who shall receive compensation at the rate of \$10,000 a year. The executive secretary, subject to the direction of the Council, is hereby authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such personnel as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions.

(d) The Council shall, from time to time, make such recommendations, and such other reports to the President as it deems appropriate or as the President may require.

CENTRAL INTELLIGENCE AGENCY

Sec. 102. (a) There is hereby established under the National Security Council a Central Intelligence Agency with a Director of Central Intelligence, who shall be the head thereof. The Director shall be appointed by the President, by and with the advice and consent of the Senate, from among the commissioned officers of the armed services or from among individuals in civilian life. The Director shall receive compensation at the rate of \$14,000 a year.

(b) (1) If a commissioned officer of the armed services is appointed as Director then—

(A) in the performance of his duties as Director, he shall be subject to no supervision, control, restriction, or prohibition (military or otherwise) other than would be operative with respect to him if he were a civilian in no way connected with the Department of the Army, the Department of the Navy, the Department of the Air Force, or the armed services or any component thereof; and

(B) he shall not possess or exercise any supervision, control, powers, or functions (other than such as he possesses, or is authorized or directed to exercise, as Director) with respect to the armed services or any component thereof, the Department of the Army, the Department of the Navy, or the Department of the Air Force, or any branch, bureau, unit or division thereof, or with respect to any of the personnel (military or civilian) of any of the foregoing.

(2) Except as provided in paragraph (1), the appointment to the office of Director of a commissioned officer of the armed services, and his acceptance of and service in such office, shall in no way affect any status, office, rank, or grade he may occupy or hold in the armed services, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. Any such commissioned officer shall, while serving in the office of Director, receive the military pay and allowances (active or retired, as the case may be) payable to a commissioned officer of his grade and length of service and shall be paid, from any funds available to defray the expenses of the Agency, annual compensation at a rate equal to the amount by which \$14,000 exceeds the amount of his annual military pay and allowances.

(c) Notwithstanding the provisions of section 6 of the Act of August 24, 1912 (37 Stat. 555), or the provisions of any other law, the Director of Central Intelligence may, in his discretion, terminate the employment of any officer or employee of the Agency whenever

he shall deem such termination necessary or advisable in the interests of the United States, but such termination shall not affect the right of such officer or employee to seek or accept employment in any other department or agency of the Government if declared eligible for such employment by the United States Civil Service Commission.

(d) For the purpose of coordinating the intelligence activities of the several Government departments and agencies in the interest of national security, it shall be the duty of the Agency, under the direction of the National Security Council—

(1) to advise the National Security Council in matters concerning such intelligence activities of the Government departments and agencies as relate to national security;

(2) to make recommendations to the National Security Council for the coordination of such intelligence activities of the departments and agencies of the Government as relate to the national security;

(3) to correlate and evaluate intelligence relating to the national security, and provide for the appropriate dissemination of such intelligence within the Government using where appropriate existing agencies and facilities: *Provided*, That the Agency shall have no police, subpoena, law-enforcement powers, or internal-security functions: *Provided further*, That the departments and other agencies of the Government shall continue to collect, evaluate, correlate, and disseminate departmental intelligence: *And provided further*, That the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure;

(4) to perform, for the benefit of the existing intelligence agencies, such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally;

(5) to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct.

(e) To the extent recommended by the National Security Council and approved by the President, such intelligence of the departments and agencies of the Government, except as hereinafter provided, relating to the national security shall be open to the inspection of the Director of Central Intelligence, and such intelligence as relates to the national security and is possessed by such departments and other agencies of the Government, except as hereinafter provided, shall be made available to the Director of Central Intelligence for correlation, evaluation, and dissemination: *Provided, however*, That upon the written request of the Director of Central Intelligence, the Director of the Federal Bureau of Investigation shall make available to the Director of Central Intelligence such information for correlation, evaluation, and dissemination as may be essential to the national security.

(f) Effective when the Director first appointed under subsection (a) has taken office—

(1) the National Intelligence Authority (11 Fed. Reg. 1337, 1339, February 5, 1946) shall cease to exist; and

(2) the personnel, property, and records of the Central Intelligence Group are transferred to the Central Intelligence Agency, and such Group shall cease to exist. Any unexpended balances of appropriations, allocations, or other funds available or authorized to be made available for such Group shall be available and shall be authorized to be made available in like manner for expenditure by the Agency.

NATIONAL SECURITY RESOURCES BOARD

Sec. 103. (a) There is hereby established a National Security Resources Board (hereinafter in this section referred to as the "Board") to be composed of the Chairman of the Board and such heads or representatives of the various executive departments and independent agencies as may from time to time be designated by the President to be members of the Board. The Chairman of the Board shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$14,000 a year.

(b) The Chairman of the Board, subject to the direction of the President, is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such personnel as may be necessary to assist the Board in carrying out its functions.

(c) It shall be the function of the Board to advise the President concerning the coordination of military, industrial, and civilian mobilization, including—

(1) policies concerning industrial and civilian mobilization in order to assure the most effective mobilization and maximum utilization of the Nation's manpower in the event of war;

(2) programs for the effective use in time of war of the Nation's natural and industrial resources for military and civilian needs, for the maintenance and stabilization of the civilian economy in time of war, and for the adjustment of such economy to war needs and conditions;

(3) policies for unifying, in time of war, the activities of Federal agencies and departments engaged in or concerned with production, procurement, distribution, or transportation of military or civilian supplies, materials, and products;

(4) the relationship between potential supplies of, and potential requirements for, manpower, resources, and productive facilities in time of war;

(5) policies for establishing adequate reserves of strategic and critical material, and for the conservation of these reserves;

(6) the strategic relocation of industries, services, government, and economic activities, the continuous operation of which is essential to the Nation's security.

(d) In performing its functions, the Board shall utilize to the maximum extent the facilities and resources of the departments and agencies of the Government.

TITLE II—THE NATIONAL MILITARY ESTABLISHMENT**ESTABLISHMENT OF THE NATIONAL MILITARY ESTABLISHMENT**

SEC. 201. (a) There is hereby established the National Military Establishment, and the Secretary of Defense shall be the head thereof.

(b) The National Military Establishment shall consist of the Department of the Army, the Department of the Navy, and the Department of the Air Force, together with all other agencies created under title II of this Act.

SECRETARY OF DEFENSE

SEC. 202. (a) There shall be a Secretary of Defense, who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate: *Provided*, That a person who has within ten years been on active duty as a commissioned officer in a Regular component of the armed services shall not be eligible for appointment as Secretary of Defense. The Secretary of Defense shall be the principal assistant to the President in all matters relating to the national security. Under the direction of the President and subject to the provisions of this Act he shall perform the following duties:

(1) Establish general policies and programs for the National Military Establishment and for all of the departments and agencies therein;

(2) Exercise general direction, authority, and control over such departments and agencies;

(3) Take appropriate steps to eliminate unnecessary duplication or overlapping in the fields of procurement, supply, transportation, storage, health, and research;

(4) Supervise and coordinate the preparation of the budget estimates of the departments and agencies comprising the National Military Establishment; formulate and determine the budget estimates for submittal to the Bureau of the Budget; and supervise the budget programs of such departments and agencies under the applicable appropriation Act:

Provided, That nothing herein contained shall prevent the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force from presenting to the President or to the Director of the Budget, after first so informing the Secretary of Defense, any report or recommendation relating to his department which he may deem necessary: *And provided further*, That the Department of the Army, the Department of the Navy, and the Department of the Air Force shall be administered as individual executive departments by their respective Secretaries and all powers and duties relating to such departments not specifically conferred upon the Secretary of Defense by this Act shall be retained by each of their respective Secretaries.

(b) The Secretary of Defense shall submit annual written reports to the President and the Congress covering expenditures, work, and accomplishments of the National Military Establishment, together with such recommendations as he shall deem appropriate.

(c) The Secretary of Defense shall cause a seal of office to be made for the National Military Establishment, of such design as the President shall approve, and judicial notice shall be taken thereof.

MILITARY ASSISTANTS TO THE SECRETARY

SEC. 203. Officers of the armed services may be detailed to duty as assistants and personal aides to the Secretary of Defense, but he shall not establish a military staff.

CIVILIAN PERSONNEL

SEC. 204. (a) The Secretary of Defense is authorized to appoint from civilian life not to exceed three special assistants to advise and assist him in the performance of his duties. Each such special assistant shall receive compensation at the rate of \$10,000 a year.

(b) The Secretary of Defense is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such other civilian personnel as may be necessary for the performance of the functions of the National Military Establishment other than those of the Departments of the Army, Navy, and Air Force.

DEPARTMENT OF THE ARMY

SEC. 205. (a) The Department of War shall hereafter be designated the Department of the Army, and the title of the Secretary of War shall be changed to Secretary of the Army. Changes shall be made in the titles of other officers and activities of the Department of the Army as the Secretary of the Army may determine.

(b) All laws, orders, regulations, and other actions relating to the Department of War or to any officer or activity whose title is changed under this section shall, insofar as they are not inconsistent with the provisions of this Act, be deemed to relate to the Department of the Army within the National Military Establishment or to such officer or activity designated by his or its new title.

(c) The term "Department of the Army" as used in this Act shall be construed to mean the Department of the Army at the seat of government and all field headquarters, forces, reserve components, installations, activities, and functions under the control or supervision of the Department of the Army.

(d) The Secretary of the Army shall cause a seal of office to be made for the Department of the Army, of such design as the President may approve, and judicial notice shall be taken thereof.

(e) In general the United States Army, within the Department of the Army, shall include land combat and service forces and such aviation and water transport as may be organic therein. It shall be organized, trained, and equipped primarily for prompt and sustained combat incident to operations on land. It shall be responsible for the preparation of land forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated joint mobilization plans, for the expansion of peacetime components of the Army to meet the needs of war.

DEPARTMENT OF THE NAVY

Sec. 206. (a) The term "Department of the Navy" as used in this Act shall be construed to mean the Department of the Navy at the seat of government; the headquarters, United States Marine Corps; the entire operating forces of the United States Navy, including naval aviation, and of the United States Marine Corps, including the reserve components of such forces; all field activities, headquarters, forces, bases, installations, activities, and functions under the control or supervision of the Department of the Navy; and the United States Coast Guard when operating as a part of the Navy pursuant to law.

(b) In general the United States Navy, within the Department of the Navy, shall include naval combat and services forces and such aviation as may be organic therein. It shall be organized, trained, and equipped primarily for prompt and sustained combat incident to operations at sea. It shall be responsible for the preparation of naval forces necessary for the effective prosecution of war except as otherwise assigned, and, in accordance with integrated joint mobilization plans, for the expansion of the peacetime components of the Navy to meet the needs of war.

All naval aviation shall be integrated with the naval service as part thereof within the Department of the Navy. Naval aviation shall consist of combat and service and training forces, and shall include land-based naval aviation, air transport essential for naval operations, all air weapons and air techniques involved in the operations and activities of the United States Navy, and the entire remainder of the aeronautical organization of the United States Navy, together with the personnel necessary therefor.

The Navy shall be generally responsible for naval reconnaissance, antisubmarine warfare, and protection of shipping.

The Navy shall develop aircraft, weapons, tactics, technique, organization and equipment of naval combat and service elements; matters of joint concern as to these functions shall be coordinated between the Army, the Air Force, and the Navy.

(c) The United States Marine Corps, within the Department of the Navy, shall include land combat and service forces and such aviation as may be organic therein. The Marine Corps shall be organized, trained, and equipped to provide fleet marine forces of combined arms, together with supporting air components, for service with the fleet in the seizure or defense of advanced naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign. It shall be the duty of the Marine Corps to develop, in coordination with the Army and the Air Force, those phases of amphibious operations which pertain to the tactics, technique, and equipment employed by landing forces. In addition, the Marine Corps shall provide detachments and organizations for service on armed vessels of the Navy, shall provide security detachments for the protection of naval property at naval stations and bases, and shall perform such other duties as the President may direct: *Provided*, That such additional duties shall not detract from or interfere with the operations for which the Marine Corps is primarily organized. The Marine Corps shall be responsible, in accordance with integrated joint mobilization plans, for the expansion of peacetime components of the Marine Corps to meet the needs of war.

DEPARTMENT OF THE AIR FORCE

Sec. 207. (a) Within the National Military Establishment there is hereby established an executive department to be known as the Department of the Air Force, and a Secretary of the Air Force, who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

(b) Section 158 of the Revised Statutes is amended to include the Department of the Air Force and the provisions of so much of title IV of the Revised Statutes as now or hereafter amended as is not inconsistent with this Act shall be applicable to the Department of the Air Force.

(c) The term "Department of the Air Force" as used in this Act shall be construed to mean the Department of the Air Force at the seat of government and all field headquarters, forces, reserve components, installations, activities, and functions under the control or supervision of the Department of the Air Force.

(d) There shall be in the Department of the Air Force an Under Secretary of the Air Force and two Assistant Secretaries of the Air Force, who shall be appointed from civilian life by the President by and with the advice and consent of the Senate.

(e) The several officers of the Department of the Air Force shall perform such functions as the Secretary of the Air Force may prescribe.

(f) So much of the functions of the Secretary of the Army and of the Department of the Army, including those of any officer of such Department, as are assigned to or under the control of the Commanding General, Army Air Forces, or as are deemed by the Secretary of Defense to be necessary or desirable for the operations of the Department of the Air Force or the United States Air Force, shall be transferred to and vested in the Secretary of the Air Force and the Department of the Air Force: *Provided*, That the National Guard Bureau shall, in addition to the functions and duties performed by it for the Department of the Army, be charged with similar functions and duties for the Department of the Air Force, and shall be the channel of communication between the Department of the Air Force and the several States on all matters pertaining to the Air National Guard: *And provided further*, That, in order to permit an orderly transfer, the Secretary of Defense may, during the transfer period hereinafter prescribed, direct that the Department of the Army shall continue for appropriate periods to exercise any of such functions, insofar as they relate to the Department of the Air Force, or the United States Air Force or their property and personnel. Such of the property, personnel, and records of the Department of the Army used in the exercise of functions transferred under this subsection as the Secretary of Defense shall determine shall be transferred or assigned to the Department of the Air Force.

(g) The Secretary of the Air Force shall cause a seal of office to be made for the Department of the Air Force, of such device as the President shall approve, and judicial notice shall be taken thereof.

UNITED STATES AIR FORCE

Sec. 206. (a) The United States Air Force is hereby established under the Department of the Air Force. The Army Air Forces, the Air Corps, United States Army, and the General Headquarters Air Force (Air Force Combat Command), shall be transferred to the United States Air Force.

(b) There shall be a Chief of Staff, United States Air Force, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years from among the officers of general rank who are assigned to or commissioned in the United States Air Force. Under the direction of the Secretary of the Air Force, the Chief of Staff, United States Air Force, shall exercise command over the United States Air Force and shall be charged with the duty of carrying into execution all lawful orders and directions which may be transmitted to him. The functions of the Commanding General, General Headquarters Air Force (Air Force Combat Command), and of the Chief of the Air Corps and of the Commanding General, Army Air Forces, shall be transferred to the Chief of Staff, United States Air Force. When such transfer becomes effective, the offices of the Chief of the Air Corps, United States Army, and Assistants to the Chief of the Air Corps, United States Army, provided for by the Act of June 4, 1920, as amended (41 Stat. 768), and Commanding General, General Headquarters Air Force, provided for by section 5 of the Act of June 16, 1936 (49 Stat. 1525), shall cease to exist. While holding office as Chief of Staff, United States Air Force, the incumbent shall hold a grade and receive allowances equivalent to those prescribed by law for the Chief of Staff, United States Army. The Chief of Staff, United States Army, the Chief of Naval Operations, and the Chief of Staff, United States Air Force, shall take rank among themselves according to their relative dates of appointment as such, and shall each take rank above all other officers on the active list of the Army, Navy, and Air Force: *Provided*, That nothing in this Act shall have the effect of changing the relative rank of the present Chief of Staff, United States Army, and the present Chief of Naval Operations.

(c) All commissioned officers, warrant officers, and enlisted men, commissioned, holding warrants, or enlisted, in the Air Corps, United States Army, or the Army Air Forces, shall be transferred in branch to the United States Air Force. All other commissioned officers, warrant officers, and enlisted men, who are commissioned, hold warrants, or are enlisted, in any component of the Army of the United States and who are under the authority or command of the Commanding General, Army Air Forces, shall be continued under the authority or command of the Chief of Staff, United States Air Force, and under the jurisdiction of the Department of the Air Force. Personnel whose status is affected by this subsection shall retain their existing commissions, warrants, or enlisted status in existing components of the armed forces unless otherwise altered or terminated in accordance with existing law; and they shall not be deemed to have been appointed to a new or different office or grade, or to have vacated their permanent or temporary appointments in an existing component of the armed forces, solely by virtue of any change in status under this subsection.

No such change in status shall alter or prejudice the status of any individual so assigned, so as to deprive him of any right, benefit, or privilege to which he may be entitled under existing law.

(d) Except as otherwise directed by the Secretary of the Air Force, all property, records, installations, agencies, activities, projects, and civilian personnel under the jurisdiction, control, authority, or command of the Commanding General, Army Air Forces, shall be continued to the same extent under the jurisdiction, control, authority, or command, respectively, of the Chief of Staff, United States Air Force, in the Department of the Air Force.

(e) For a period of two years from the date of enactment of this Act, personnel (both military and civilian), property, records, installations, agencies, activities, and projects may be transferred between the Department of the Army and the Department of the Air Force by direction of the Secretary of Defense.

(f) In general the United States Air Force shall include aviation forces both combat and service not otherwise assigned. It shall be organized, trained, and equipped primarily for prompt and sustained offensive and defensive air operations. The Air Force shall be responsible for the preparation of the air forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated joint mobilization plans, for the expansion of the peacetime components of the Air Force to meet the needs of war.

EFFECTIVE DATE OF TRANSFERS

Sec. 209. Each transfer, assignment, or change in status under section 207 or section 208 shall take effect upon such date or dates as may be prescribed by the Secretary of Defense.

WAR COUNCIL

Sec. 210. There shall be within the National Military Establishment a War Council composed of the Secretary of Defense, as Chairman, who shall have power of decision; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The War Council shall advise the Secretary of Defense on matters of broad policy relating to the armed forces, and shall consider and report on such other matters as the Secretary of Defense may direct.

JOINT CHIEFS OF STAFF

Sec. 211. (a) There is hereby established within the National Military Establishment the Joint Chiefs of Staff, which shall consist of the Chief of Staff, United States Army; the Chief of Naval Operations; the Chief of Staff, United States Air Force; and the Chief of Staff to the Commander in Chief, if there be one.

(b) Subject to the authority and direction of the President and the Secretary of Defense, it shall be the duty of the Joint Chiefs of Staff—

- (1) to prepare strategic plans and to provide for the strategic direction of the military forces;
- (2) to prepare joint logistic plans and to assign to the military services logistic responsibilities in accordance with such plans;

- (3) to establish unified commands in strategic areas when such unified commands are in the interest of national security;
- (4) to formulate policies for joint training of the military forces;
- (5) to formulate policies for coordinating the education of members of the military forces;
- (6) to review major material and personnel requirements of the military forces, in accordance with strategic and logistic plans; and
- (7) to provide United States representation on the Military Staff Committee of the United Nations in accordance with the provisions of the Charter of the United Nations.

(c) The Joint Chiefs of Staff shall act as the principal military advisers to the President and the Secretary of Defense and shall perform such other duties as the President and the Secretary of Defense may direct or as may be prescribed by law.

JOINT STAFF

Sec. 212. There shall be, under the Joint Chiefs of Staff, a Joint Staff to consist of not to exceed one hundred officers and to be composed of approximately equal numbers of officers from each of the three armed services. The Joint Staff, operating under a Director thereof appointed by the Joint Chiefs of Staff, shall perform such duties as may be directed by the Joint Chiefs of Staff. The Director shall be an officer junior in grade to all members of the Joint Chiefs of Staff.

MUNITIONS BOARD

Sec. 213. (a) There is hereby established in the National Military Establishment a Munitions Board (hereinafter in this section referred to as the "Board").

(b) The Board shall be composed of a Chairman, who shall be the head thereof, and an Under Secretary or Assistant Secretary from each of the three military departments, to be designated in each case by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$14,000 a year.

(c) It shall be the duty of the Board under the direction of the Secretary of Defense and in support of strategic and logistic plans prepared by the Joint Chiefs of Staff—

(1) to coordinate the appropriate activities within the National Military Establishment with regard to industrial matters, including the procurement, production, and distribution plans of the departments and agencies comprising the Establishment;

(2) to plan for the military aspects of industrial mobilization;

(3) to recommend assignment of procurement responsibilities among the several military services and to plan for standardization of specifications and for the greatest practicable allocation of purchase authority of technical equipment and common use items on the basis of single procurement;

(4) to prepare estimates of potential production, procurement, and personnel for use in evaluation of the logistic feasibility of strategic operations;

(5) to determine relative priorities of the various segments of the military procurement programs;

(6) to supervise such subordinate agencies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;

(7) to make recommendations to regroup, combine, or dissolve existing interservice agencies operating in the fields of procurement, production, and distribution in such manner as to promote efficiency and economy;

(8) to maintain liaison with other departments and agencies for the proper correlation of military requirements with the civilian economy, particularly in regard to the procurement or disposition of strategic and critical material and the maintenance of adequate reserves of such material, and to make recommendations as to policies in connection therewith;

(9) to assemble and review material and personnel requirements presented by the Joint Chiefs of Staff and those presented by the production, procurement, and distribution agencies assigned to meet military needs, and to make recommendations thereon to the Secretary of Defense; and

(10) to perform such other duties as the Secretary of Defense may direct.

(d) When the Chairman of the Board first appointed has taken office, the Joint Army and Navy Munitions Board shall cease to exist and all its records and personnel shall be transferred to the Munitions Board.

(e) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.

RESEARCH AND DEVELOPMENT BOARD

Sec. 214. (a) There is hereby established in the National Military Establishment a Research and Development Board (hereinafter in this section referred to as the "Board"). The Board shall be composed of a Chairman, who shall be the head thereof, and two representatives from each of the Departments of the Army, Navy, and Air Force, to be designated by the Secretaries of their respective Departments. The Chairman shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$14,000 a year. The purpose of the Board shall be to advise the Secretary of Defense as to the status of scientific research relative to the national security, and to assist him in assuring adequate provision for research and development on scientific problems relating to the national security.

(b) It shall be the duty of the Board, under the direction of the Secretary of Defense—

(1) to prepare a complete and integrated program of research and development for military purposes;

(2) to advise with regard to trends in scientific research relating to national security and the measures necessary to assure continued and increasing progress;

(3) to recommend measures of coordination of research and development among the military departments, and allocation among them of responsibilities for specific programs of joint interest;

(4) to formulate policy for the National Military Establishment in connection with research and development matters involving agencies outside the National Military Establishment;

(5) to consider the interaction of research and development and strategy, and to advise the Joint Chiefs of Staff in connection therewith; and

(6) to perform such other duties as the Secretary of Defense may direct.

(c) When the Chairman of the Board first appointed has taken office, the Joint Research and Development Board shall cease to exist and all its records and personnel shall be transferred to the Research and Development Board.

(d) The Secretary of Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.

TITLE III—MISCELLANEOUS

COMPENSATION OF SECRETARIES

Sec. 301. (a) The Secretary of Defense shall receive the compensation prescribed by law for heads of executive departments.

(b) The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall each receive the compensation prescribed by law for heads of executive departments.

UNDER SECRETARIES AND ASSISTANT SECRETARIES

Sec. 302. The Under Secretaries and Assistant Secretaries of the Army, the Navy, and the Air Force shall each receive compensation at the rate of \$10,000 a year and shall perform such duties as the Secretaries of their respective departments may prescribe.

ADVISORY COMMITTEES AND PERSONNEL

Sec. 303. (a) The Secretary of Defense, the Chairman of the National Security Resources Board, and the Director of Central Intelligence are authorized to appoint such advisory committees and to employ, consistent with other provisions of this Act, such part-time advisory personnel as they may deem necessary in carrying out their respective functions and the functions of agencies under their control. Persons holding other offices or positions under the United States for which they receive compensation while serving as members of such committees shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed \$35 for each day of service, as determined by the appointing authority.

Service of an individual as a member of any such advisory committee, or in any other part-time capacity for a department or agency hereunder, shall not be considered as service bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203), or section 19 (e) of the Contract Settlement Act of 1944, unless the act of such individual, which by such section is made unlawful when performed by an individual referred to in such section, is with respect to any particular matter which directly involves a department or agency in which such person is advising or in which such department or agency is directly interested.

STATUS OF TRANSFERRED CIVILIAN PERSONNEL

Sec. 304. All transfers of civilian personnel under this Act shall be without change in classification or compensation, but the head of any department or agency to which such a transfer is made is authorized to make such changes in the titles and designations and prescribe such changes in the duties of such personnel commensurate with their classification as he may deem necessary and appropriate.

SAVING PROVISIONS

Sec. 305. (a) All laws, orders, regulations, and other actions applicable with respect to any function, activity, personnel, property, records, or other thing transferred under this Act, or with respect to any officer, department, or agency, from which such transfer is made, shall, except to the extent rescinded, modified, superseded, terminated, or made inapplicable by or under authority of law, have the same effect as if such transfer had not been made; but, after any such transfer, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or agency from which such transfer was made shall, insofar as applicable with respect to the function, activity, personnel, property, records or other thing transferred and to the extent not inconsistent with other provisions of this Act, be deemed to have vested such function in or relate to the officer, department, or agency to which the transfer was made.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of the taking effect of any transfer or change in title under the provisions of this Act; and, in the case of any such transfer, such suit, action, or other proceeding may be maintained by or against the successor of such head or other officer under the transfer, but only if the court shall allow the same to be maintained on motion or supplemental petition filed within twelve months after such transfer takes effect, showing a necessity for the survival of such suit, action, or other proceeding to obtain settlement of the questions involved.

(c) Notwithstanding the provisions of the second paragraph of section 5 of title I of the First War Powers Act, 1941, the existing organization of the War Department under the provisions of Executive Order Numbered 9082 of February 28, 1942, as modified by Executive Order Numbered 9722 of May 13, 1946, and the existing organization of the Department of the Navy under the provisions of Executive

Order Numbered 9635 of September 29, 1945, including the assignment of functions to organizational units within the War and Navy Departments, may, to the extent determined by the Secretary of Defense, continue in force for two years following the date of enactment of this Act except to the extent modified by the provisions of this Act or under the authority of law.

TRANSFER OF FUNDS

Sec. 306. All unexpended balances of appropriations, allocations, nonappropriated funds, or other funds available or hereafter made available for use by or on behalf of the Army Air Forces or officers thereof, shall be transferred to the Department of the Air Force for use in connection with the exercise of its functions. Such other unexpended balances of appropriations, allocations, nonappropriated funds, or other funds available or hereafter made available for use by the Department of War or the Department of the Army in exercise of functions transferred to the Department of the Air Force under this Act, as the Secretary of Defense shall determine, shall be transferred to the Department of the Air Force for use in connection with the exercise of its functions. Unexpended balances transferred under this section may be used for the purposes for which the appropriations, allocations, or other funds were originally made available, or for new expenditures occasioned by the enactment of this Act. The transfers herein authorized may be made with or without warrant action as may be appropriate from time to time from any appropriation covered by this section to any other such appropriation or to such new accounts established on the books of the Treasury as may be determined to be necessary to carry into effect provisions of this Act.

AUTHORIZATION FOR APPROPRIATIONS

Sec. 307. There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act.

DEFINITIONS

Sec. 308. (a) As used in this Act, the term "function" includes functions, powers, and duties.

(b) As used in this Act, the term "budget program" refers to recommendations as to the apportionment, to the allocation and to the review of allotments of appropriated funds.

SEPARABILITY

Sec. 309. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

EFFECTIVE DATE

Sec. 310. (a) The first sentence of section 202 (a) and sections 1, 2, 307, 308, 309, and 310 shall take effect immediately upon the enactment of this Act.

(b) Except as provided in subsection (a), the provisions of this Act shall take effect on whichever of the following days is the earlier:

The day after the day upon which the Secretary of Defense first appointed takes office, or the sixtieth day after the date of the enactment of this Act.

SUCCESSION TO THE PRESIDENCY

Sec. 311. Paragraph (1) of subsection (d) of section 1 of the Act entitled "An Act to provide for the performance of the duties of the office of President in case of the removal, resignation, death, or inability both of the President and Vice President", approved July 18, 1947, is amended by striking out "Secretary of War" and inserting in lieu thereof "Secretary of Defense", and by striking out "Secretary of the Navy,"

Approved July 26, 1947.

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Harness comment

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Congress, on the House Committee on Military Affairs. I went that period with the committee were preparing for the late while we were fighting. I saw the breaking of the heart-breaking waste, extravagance resulting from the inadequacy or total absence of the armed services. As one among hundreds of examples of duplication and waste, we have had all during and since the war two air transport organizations, in many instances paralleling each other, the Army Air Transport Command running all over the world, and the Naval Air Transport Service, as I said, in many instances paralleling the Army Air Transport Command. That is a senseless waste of equipment, manpower, and taxpayers' money.

This proposed unification will put an end to such things as happened in the Pacific, where the Army had control of one side of an island and the Navy the other side, and neither service could borrow or use equipment and supplies of the other. This plan will bring about a better relationship between the Army, the Navy, and the Air Forces. It will end the unthinkable procurement methods under which each service designs its ordnance and ammunition so that it can rarely, if ever, be used interchangeably by the other.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. HARNES of Indiana. I yield.

Mr. SHORT. And we will not have the Army on Okinawa with surplus of supplies shipping them to China instead of letting the Navy have them to fill their needs.

Mr. HARNES of Indiana. That is right. I understand there were numerous instances in which one or the other service transported supplies long distances from rear areas when the other service had ample reserves of the same or equivalent supplies in the immediate area, or conveniently near by. That sort of dangerous waste and delay need not and will not happen with the coordination proposed here.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HARNES of Indiana. I yield.

Mr. MILLER of Nebraska. I wonder why we could not go further and put them all in the same uniform, have the same ranks, grades, and standards? Why could we not standardize that phase of Army life as well as their equipment?

Mr. HARNES of Indiana. There are some who would like to do that but that would be a mistake at the moment.

Mr. MILLER of Nebraska. Why?

Mr. HARNES of Indiana. Because that is an unnecessary departure from the traditions of our defense forces. As we get into this thing perhaps eventually we will come to that but I think the first step must be toward basic efficiency and economy through coordination.

Mr. MILLER of Nebraska. I agree that it is a step in the right direction, but they are all engaged in the same purpose. If standardization is going to help one phase of our defense why should it not help all phases?

Mr. HARNES of Indiana. I do not think we ought to take the Army, the Navy, and the Air Forces bump their heads together and say "You are going to wear the same uniform whether you like it or not." If we accomplish the important basic goals, the formal refinements you suggest may naturally follow.

Mr. MILLER of Nebraska. If we did that the bill would not be before us; the Army and Navy would object too strenuously.

Mr. HARNES of Indiana. I do not think we would get anywhere.

Mr. MILLER of Nebraska. But does not Congress have control over these defense powers? Unless this bill provides so much militarism that they are going to take over the country.

Mr. HARNES of Indiana. Congress still has that control; and I believe it will preserve it.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. HARNES of Indiana. I yield.

Mr. STEFAN. Where is the section regarding procurement?

Mr. HARNES of Indiana. I do not have the bill before me, but I think the gentleman from New York [Mr. WADSWORTH] sitting beside you, can point it out to you.

Some fears and apprehensions have been expressed by some members of the Navy and the Marine Corps about this legislation with particular reference to naval aviation. The committee spent a good deal of time in considering the objections raised to the original legislation by members of the Navy, especially the naval air force. It wrote into this bill provisions which should allay any fears that the sea-air force will suffer if this bill is enacted.

[Now, a word about the Central Intelligence Agency. When such an organization was first proposed I confess I had some fear and doubt about it. Along with other members of the committee, I insisted that the scope and authority of this agency be carefully defined and limited. Please bear in mind that this is a bold departure from American tradition. This country has never before officially resorted to the collection of secret and strategic information in time of peace as an announced and fixed policy. Now, however, I am convinced that such an agency as we are now considering is essential to our national security.]

There has been insistence that the director of this agency be a civilian. I believe we should eventually place such a restriction upon the authority we are proposing to create here, although I say frankly that I am not convinced of the wisdom of such a restriction at the outset.

Prolonged hearings and executive sessions of the committee behind closed doors lead me to wonder if we have any single career civilian available for this job as a few men who might be drafted from the services for it. Understand, please, that I want to protect this very influential post against the undue military influence which might make of this agency an American Gestapo. If we can find a well qualified civilian career man able and willing to handle this post, I

would readily accede to this limitation. Let me repeat, however, that this Nation is without extended experience in this field; and that we actually have comparatively few men qualified by experience to head this agency. Most of these few qualified men have gained their experience in the Army and Navy, and are still in service. Before we deny ourselves of the service such military men may be able to render the country in this capacity, let us be very sure that there are civilian candidates qualified by training and experience available to serve us equally well, or better.

Again let me say that I have no objection to a restriction in this measure which will require a civilian head in this agency. I merely want reasonable assurance that such a restriction will not deny us of the services now of the best available man if this plan becomes operative. It wrote into the bill provisions that should allay any of their suspicions or fears as to what might happen if this bill is enacted into law. I feel their apprehensions are without foundation.

Mr. BUSBEY. Mr. Chairman, will the gentleman yield?

Mr. HARNES of Indiana. I yield to the gentleman from Illinois.

Mr. BUSBEY. The present Director of the Central Intelligence Agency is Admiral Hillenkoetter; the former head of the agency was General Vandenberg. They are both very splendid men and have a wonderful record in their field. But was there any testimony anywhere as to their experience and qualification in intelligence work?

Mr. HARNES of Indiana. I doubt if you could pick out any individual, civilian or military, who has made a career of this work. There is no such available American, because we have never engaged in this type of activity before. In 150 years the United States has said, "We are going to keep out of other people's business. We are not going to engage in secret intelligence." Therefore, we have no experience in it, we have no single career man who knows all of the problems. We are approaching this thing more or less as an experiment in the present instance.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. HOFFMAN. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. BUSBEY. [I want to make the observation that we have had an intelligence service in our War Department and also in our Navy Department for a great many years.]

Mr. HARNES of Indiana. Yes, both military and naval intelligence have served proficiently within their limited scope.

Mr. BUSBEY. [We have had secret intelligence in the War Department that we have built up over the past 5 years also.]

Mr. HARNES of Indiana. True, but what is contemplated here different in scope and character?/

[There has been much objection to the establishment of an air force separate from and independent of the regular land and sea forces. Such objections spring, in my opinion, from the outmoded

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than the Senate bill. I am sure it is going to mean for us a more effective military establishment and, in the end, that it will mean economy.

Mr. HOFFMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. BUSBEY].

Mr. BUSBEY. Mr. Chairman, today we are being asked to take one of the most important steps that any Congress has undertaken. This bill provides for the most drastic departure in the history of our country from any previous position on national defense.

I do not think we should be under a wrong impression as to the purpose of this bill. Although it is called the unification bill, it reminds me somewhat of the time in the Seventy-eighth Congress when we had before us the Smith-Connally so-called antistrike bill. Everybody thought that just because it was called an antistrike bill it was going to stop strikes. If increased strikes over 400 percent. I think our majority leader, the gentleman from Indiana [Mr. HALLUCK] referred to it quite correctly the other day when he asked unanimous consent for this bill to come up today. On page 9225 of the CONGRESSIONAL RECORD of July 16 the gentleman from Indiana [Mr. HALLUCK] in response to a question from the gentleman from New York [Mr. COLE], as to the title of the bill replied:

This is the so-called unification or merger bill.

[This is neither a merger nor a unification bill. We already have a War Department and a Navy Department and if the Congress passes this bill we will still have the War Department and the Navy Department. In addition, we will have a new department known as the Department of the Air Force. How can there be a merger or unification of something by adding one additional department? True, under the Research and Development Board and the Munitions Board it is hoped we will accomplish a little economy, but under this superstructure of the National Security Council and the new Secretary of Defense, as he is called in this bill, we are going to add millions and millions of dollars of expense.]

Mr. HARNESSE of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. Just briefly.

Mr. HARNESSE of Indiana. The gentleman made the statement that this is going to add millions and millions of dollars to the cost of the defense establishment. I take issue with the gentleman on that and I would like to have him explain why he has arrived at such a conclusion.

Mr. BUSBEY. I will be happy to reply to the gentleman. Even though I am a member of the committee I have not had a chance to read the hearings. I did not receive a copy of the hearings until late yesterday afternoon. I think it is a shame that any bill should come to the floor of the House unless the Members have had an opportunity to read the hearings and the report. I am sure that the gentleman from Indiana [Mr. HAR-

NESS] some place in the hearings will find testimony to the effect that it is estimated something like \$800,000,000 will be required in appropriations for this new national security set-up. I am sorry I do not have the page reference before me. If I am in error I would like to have some one correct me.

Mr. Chairman, I am particularly interested in the Central Intelligence Agency feature of this bill. That is going to be a very, very important agency and I trust when certain amendments are offered under the 5-minute rule the committee will consider them deliberately.

On page 11 of the bill I especially call your attention to this language in line 16:

(e) To the extent recommended by the National Security Council and approved by the President, such intelligence operations of the departments and other agencies of the Government as relate to the national security shall be open to the inspection of the Director of Central Intelligence.

The Federal Bureau of Investigation, the FBI, is certainly an agency of our Government which relates to our national security. Inasmuch as the Central Intelligence Agency deals with intelligence outside the United States, I hope that particular section will be amended to eliminate the possibility of its going into the records and books of the FBI because the FBI does not go outside the United States. It is only concerned with internal intelligence and investigations in the United States.

Another feature I have been concerned about is the authority given the Central Intelligence Agency in this bill. In addition to evaluating, correlating and disseminating intelligence, it is given authority to collect intelligence. On May 21, 1947, there appeared an article in the New York Times entitled "Army's World Intelligence Ring Reported Halted By New Agency."

I have studied the directive of President Truman of February 5, 1946, under which the Central Intelligence Agency was set up and is now functioning, and I find no authority whatever for this agency to go out and collect intelligence. It has not only dissolved the Secret Intelligence Department of our War Department which was built up over the past 5 years, but it has assumed the authority to collect intelligence.

Under section 3 (a) of the Presidential Directive setting up the Central Intelligence Agency, there appears the following:

Accomplish the correlation and evaluation of intelligence relating to the national security, and the appropriate dissemination within the Government of the resulting strategic and national policy intelligence. In so doing, full use shall be made of the staff and facilities of the intelligence agencies of your departments.

Last year the Committee on Military Affairs went into the subject of whether the Central Intelligence Agency should collect intelligence. I will read you their conclusions from their report of December 17, 1946:

It is specifically understood that the Director of Central Intelligence shall not un-

dertake operations for the collection of intelligence.

I am fearful that if we permit this Central Intelligence Agency to go out and collect intelligence as well as evaluating intelligence, we will run into such situations as those which occurred during the war in Yugoslavia, when the War Department sent a commission into Yugoslavia with General Mihalovich's forces. They sent out reports, and because the reports went into another branch known as the OSS, and the men at the head of the OSS did not agree with the principles of Mihalovich but were favoring the principles of Tito, the Communist dictator of Yugoslavia today, the reports of the War Department Intelligence were disregarded entirely.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HOFFMAN. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. BUSBEY. That is what you run into, gentlemen, where you have an agency of intelligence—collecting intelligence and then evaluating its own conclusions. I might say I spent some time in intelligence myself, and can cite numerous and specific instances. It is the same situation we have had with the National Labor Relations Board, where they were prosecutor, jury, and judge.

I hope that we will consider very seriously amending that particular section so that we will not permit collection in this superintelligence agency. I also hope we will protect the status of the FBI so that there will definitely be no authority for Central Intelligence to go into their records and books.

Mr. MARTIN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BUSBEY. I yield to the gentleman from Iowa.

Mr. MARTIN of Iowa. I had some part in writing the report that the gentleman just quoted from, and I would like to ask the gentleman whether he feels that the provisions for Central Intelligence in the bill now before the House needs amendment to bring it in line with that recommendation?

Mr. BUSBEY. I certainly do. I am not opposed to a central intelligence agency, for coordinating, disseminating, and evaluating intelligence from the various departments. You remember what happened at Pearl Harbor. They had intelligence, but it was not correlated and evaluated correctly. I hope consideration will be given to that provision when we consider the bill under the 5-minute rule.

Mr. MANASCO. Mr. Chairman, I yield 10 minutes to the gentleman from Virginia [Mr. HARDY].

(Mr. HARDY asked and was given permission to revise and extend his remarks.)

Mr. LATHAM. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-nine Members are present, not a quorum.

The Clerk will call the roll.

VI

MILITARY AND VETERANS

MAJOR ACTIONS, July-September 1947

Cash redemption of terminal leave bonds - passed House and Senate; approved.

Unification of the Armed Forces - passed Senate and House; approved.

CASH REDEMPTION OF TERMINAL LEAVE BONDS

When the Armed Forces Leave Act was passed by the House in 1946, it provided for cash payment for terminal leave for enlisted men as well as officers. In the Senate the bill was amended to provide for payment of all sums under \$50 in cash and larger sums in 5-year non-negotiable bonds. This provision was retained in the conference agreement, but various Senators and Representatives served notice that they would introduce cash-payment bills in the next session (Vol. III, pp. 514ff.).

The first bill introduced in the House in the Eightieth Congress was for tax reduction. HR 2 and 3 were for cash redemption of terminal leave bonds. About 30 other cash-payment bills were introduced in the House. The Armed Services Committee rewrote and reported HR 4017, by Representative William W. Blackney (R Mich.), which would allow holders of the bonds to redeem them for cash after September 1, 1947, would permit payment of all future claims in cash on request, and extend the time for applying for terminal leave to September 1, 1948.

There was no real debate in either House, since no one opposed the bill. There were, however, many speakers in both House and Senate who wished to endorse the measure and to declare that it would not be inflationary, as the Treasury had contended in hearings. It was estimated that about 8.5 million veterans held bonds valued at \$1,792,000,000. Tribute was paid in both houses to Representative Dwight L. Rogers (D Fla.) author of the 1946 act and spearhead of the fight to get action by the House committee on the many 1947 bills.

The House passed the bill July 7 on a roll call, 388 to 0 (see p. 474). The Senate voted for the bill, 85 to 0, on July 19 (see p. 473).

Ten days after cash redemption of bonds became possible, the Treasury announced that more than one-third of the \$1,800,000,000 bonds outstanding had been cashed.

UNIFICATION OF THE ARMED FORCES

Unification of the armed forces, which has been under study since 1944, was authorized by the Eightieth Congress in July 1947. In 1945 President Truman sent to Congress a plan for unification of the Army, Navy, and Air Force as coordinate sections of a single Department of Common Defense, and this plan was the basis of a bill reported favorably by the Senate Military Affairs Committee in April the following year. The Navy reiterated its objections to concentration of power in a single department and to having an Air Force coordinate with Army and Navy. It was also fearful that the Marine Corps and naval aviation might be jeopardized. The Military Affairs Committee revised the bill to meet some of these objections, but the Naval Affairs Com-

mittee, like some of the admirals, still opposed the plan and refused to report the bill (Vol. II, pp. 715-18).

In February 1947 the President sent to the Speaker of the House and the President pro tempore of the Senate the draft of a bill worked out during the winter by high-ranking Army and Navy officers. This bill was introduced in the House by Chairman Clare E. Hoffman (R Mich.) of the Committee on Expenditures in the Executive Departments, which handled unification in the House, and in the Senate by Chan Gurney (R S.D.), chairman of the Armed Services Committee, to which the bill was referred after the claims of the Senate Expenditures Committee had been overruled (Vol. III, p. 53).

At hearings before the two committees during the spring, the draft bill was supported by Secretary of the Navy James Forrestal and Secretary of War Robert P. Patterson. The Commandant of the Marine Corps, General A. A. Vandegrift, asked that the functions and status of the Corps be specified in the bill but said that he considered it otherwise a good measure. The American Legion also supported the unification plan. Opposition to specific provisions of the bill was voiced by certain officers. Senator Gurney summed up the testimony by saying that all civilian officials and officers in uniform who had broad responsibilities for coordinated use of our military services were for unification. None of the opposition, he said, came from persons who had duties outside their own branch or specialty.

PROVISIONS OF THE BILL

The unification bill as rewritten by the committee declared it to be the intent of Congress to set up three military departments -- Army, Navy (including Marine Corps and Naval Aviation), and Air Force -- and to provide for their "authoritative coordination and unified direction under civilian control but not to merge them." The three departments, each headed by a Secretary without Cabinet status, would be joined in a National Security Organization, with a civilian Secretary of National Security to establish general policy and programs, exercise general direction, authority and control over the three departments, and formulate budget estimates. Other parts of the National Security Organization would be:

1. Joint Chiefs of Staff (chiefs of staff from the three departments) to prepare strategic and logistic plans, formulate training policies, establish unified commands when desirable, and serve as chief military advisers to the President and the Secretary of National Security. Under them would be a Joint Staff of 100 officers from the three departments.
2. Munitions Board under a civilian chairman, with an Under or Assistant Secretary from each of the three departments, to coordinate military activities in industrial matters, such as procurement, production, distribution, and mobilization of industry in wartime. The board was charged with planning standardized specifications of common-use items and allocating purchase authority on the basis of single procurement.
3. Research and Development Board, made up of a civilian head and two representatives from each service, to prepare integrated plans for military research and development, allocate specific projects among the three services, and advise on coordinating Government military research with the work of outside agencies.
4. War Council, made up of the Secretaries of National Security, the Army, Navy, and Air Force and the three chiefs of staff, to give advice on broad policy to the Secretary of National Security, who would have the power of decision.

Outside the military organization but closely connected with it would be:

1. National Security Council, headed by the President and consisting of the Secretaries of State, National Security, Army, Navy, and Air Force, the chairman of the National Security Resources Board, and others whom the President might appoint. Their function would be to plan the coordination of the military, foreign, and domestic policies of the United States. Working under the National Security Council would be a Central Intelligence Agency.

2. National Security Resources Board, made up of a civilian chairman and such heads of Government departments or agencies as the President might appoint. The Board would plan for relating military and foreign policy to the general economy, and advise the President on the relationship between potential supplies of and requirements for manpower, resources, and productive facilities. It would also prepare plans for establishing reserves of strategic and critical materials and programs for wartime use of the Nation's resources for military and civilian needs.

ATTACK ON THE BILL

The unification bill, S 758, was reported by the Armed Services Committee on June 5, but not until July 7 did Chairman Gurney succeed in getting it to the floor. Gurney described its purpose as "to put into effect by legislation a security organization which is adequate, effective, and modern -- and yet economical." The proposed plan was, he said, unification of the armed forces but not a merger. At several points in the debate proponents urged the need for coordination of the services to prevent another Pearl Harbor, and also the possibility of considerable savings through unified budgetary and procurement practices.

Most of the speeches in the two-day debate were made by members of the Armed Services Committee, where there had been sharp conflict over the bill. Senators Henry Cabot Lodge, Jr. (R Mass.), Leverett Saltonstall (R Mass.), Raymond E. Baldwin (R Conn.) Wayne Morse (R Ore.), Millard E. Tydings (D Md.), Burnet R. Maybank (D S.C.), and Lister Hill (D Ala.) favored the bill. The opposition was led by high-ranking Republican Edward V. Robertson (R Wyo.), who said that the bill would concentrate too much power in the hands of one man, the Secretary of National Security; that it would accomplish no more coordination than was already in effect; and that, far from saving money, it would cost the country more.

Robertson, who had earlier introduced a bill for coordination rather than unification, had drawn up a series of amendments to the committee bill. His major proposal, designed to place the Secretary of National Security over both the military departments and the policy groups like the National Security Council and the National Security Resources Board, was defeated by voice vote, as were two amendments of narrower scope. Robertson then did not introduce his other amendments.

The one roll call vote was on an amendment offered by Senator Joseph R. McCarthy (R Wis.), a former member of the Marine Corps. McCarthy proposed to stipulate in the bill that the existing status of the Marine corps and of Naval Aviation should not be diminished or altered, and that their present functions and missions should not be transferred to other services. The amendment was vigorously opposed by Senator Lodge, who maintained that the present provisions satisfied General Vandegrift and that it was poor policy to legislate tactics into statute law. Other members of the committee said that Vandegrift had been present at executive sessions when this section of the bill was written. McCarthy modified his amendment to omit reference to missions, but pressed for a yea-and-nay vote. The amendment was defeated on a roll call, 52 to 19 (see p. 473), with the majority of both parties voting against it.

The only amendment to be adopted was one by Senator Robert A. Taft (R Ohio), which limited the sphere of the National Security Council more strictly to matters affecting national security. Otherwise the bill was passed as reported. Passage came on July 9 by voice vote.

PROPOSED AMENDMENTS

Amendments proposed in the Senate and their disposition July 9 were:

<u>Offered by</u>	<u>Proposal and disposition</u>
Edward V. Robertson (R Wyo.)	Place Secretary of National Security over the "National Military Establishment," National Security Council, and National Security Resources Board. Defeated by voice vote.
Robert A. Taft (R Ohio)	Limit National Security Council functions to matters relating to national security. Passed by voice vote.

Offered by	Proposal and disposition
Edward V. Robertson (R Wyo.)	Director of Joint Staff to be chosen in rotation from the three services; service as Director not to exceed four years; service as Director and member not to exceed eight years. Defeated by voice vote.
Edward V. Robertson (R Wyo.)	National Security Resources Board to be advised of military material and manpower requirements in order to integrate them in over-all plans for industrial mobilization. Defeated by voice vote.
Joseph R. McCarthy (R Wis.)	(As modified at suggestion of <u>Chapman Revercomb</u> , R W.Va.) Existing status of Marine Corps and Naval Aviation not to be altered or diminished; their existing functions not to be transferred to other services. Defeated by roll call vote, 52 to 19 (see p. 473).

HOUSE COMMITTEE CHANGES THE BILL

The House on July 19 considered HR 4214, the committee version of the President's draft bill as introduced by Representative Hoffman. The report was the result of a battle in the Committee on Expenditures in the Executive Department. Hearings which had been held at intervals since April were brought to an end by committee vote July 1, over Hoffman's protest that some 25 witnesses from the Navy and Marine Corps still wished to be heard. Hoffman, in a separate statement of views, said that he would not oppose the bill because it seemed inevitable. However, he could not approve the committee version because it seemed to him to delegate powers over military policy which the Constitution gives to the Congress, because it would not result in economy, and because it would make possible a military dictatorship. Furthermore, he said, it was an Army bill and the Navy had been "prevented by Executive gag from freely expressing their objections."

The House bill differed from that of the Senate chiefly in these particulars:

1. It called the three military departments and the joint boards the "National Military Establishment," to be headed by a "Secretary of Defense." The Secretary was given an additional function of eliminating unnecessary duplication and overlapping in the three military departments, and he was to have less power over budget making. New procedures for submission of budget estimates by the President were also specified.
2. The functions of the Army, Navy, Marine Corps, Air Force, and Central Intelligence Agency were spelled out, where the Senate had felt best not to "legislate tactics."
3. There were some differences in salaries specified for heads of various departments and boards, the chief one being that the Secretaries of Army, Navy, and Air Force would receive \$14,500 rather than the \$15,000 received by heads of departments with Cabinet status.

FLOOR FIGHT

The bill drew strong bipartisan support, including that of three high-ranking members of the Expenditures Committee -- Representatives James W. Wadsworth (R N.Y.), John W. McCormack (D Mass.), and Carter Manasco (D Ala.) -- and Chairman Walter G. Andrews (R N.Y.) of the Armed Services Committee. Opposition was headed by Representative W. Sterling Cole (R N.Y.) of the Armed Services Committee, ranking Republican on the old Naval Affairs Committee, who felt that the bill did not sufficiently protect the Navy. A similar point of view was expressed by Representative Harry R. Sheppard (D Calif.), former chairman of the Navy Appropriations subcommittee, and Chairman Edith Nourse Rogers (R Mass.) of the Veterans Affairs Committee. Chairman John Taber (R N.Y.) of the Appropriations Committee opposed the budgetary provisions.

Cole introduced a number of amendments to protect the status of the Navy and to restrict the power of the Secretary of Defense, several of which were passed in modified form (see p. 461). Representatives Walter H. Judd (R Minn.) and Clarence J. Brown (R Ohio) were successful in their efforts to require that the head of the Central Intelligence Agency be a civilian and to protect the operations of the Federal Bureau of Intelligence and the Atomic Energy Commission from inspection

by the CIA head. Among amendments rejected were: a proposal to study setting up permanent civilian war agencies under the National Security Resources Board; and the requirement that the National Security Council's reports to the President be made available to the Speaker of the House and the President of the Senate.

HR 4214 was passed July 19 by voice vote. The House then passed the Senate bill after substituting the provisions of its own measure.

HOUSE AMENDMENTS

Amendments offered from the floor and their disposition July 19 were as follows.

<u>Offered by</u>	<u>Proposal and disposition</u>
Walter H. Judd (R Minn.)	Central Intelligence Agency director, if a regular officer, must resign his commission or retire before becoming director. Passed by voice vote as modified by Brown substitute.
Clarence J. Brown (R Ohio)	(Substitute for Judd amendment) CIA director to be appointed from civilian life by President and confirmed by Senate. Passed by voice vote.
Walter H. Judd (R Minn.)	CIA director not to have power to inspect secret operations of the FBI and Atomic Energy Commission. Passed by voice vote.
John Taber (R N.Y.)	Strike out section on presentation of budget estimates. Passed by voice vote.
W. Sterling Cole (R N.Y.)	Substitute "naval aviation" for "naval air force." Passed by voice vote.
W. Sterling Cole (R N.Y.)	Secretary of Defense to have "general authority for the integration, coordination, and supervision" of Army, Navy, and Air Force, rather than to "exercise general direction, authority, and control" over them. Defeated on division, 190-36.
W. Sterling Cole (R N.Y.)	Secretary of Defense to exercise "general direction and general authority and control" over the three services. Passed by voice vote.
W. Sterling Cole (R N.Y.)	Secretary of Defense to appoint civilian personnel to perform the functions "of his office" rather than those of the National Military Establishment. Passed by voice vote.
W. Sterling Cole (R N.Y.)	Central Intelligence Agency director to give to agencies furnishing information to him his evaluation of such intelligence. Defeated by voice vote.
W. Sterling Cole (R N.Y.)	Naval aviation not to be designated hereafter as "naval air force." Passed by voice vote.
W. Sterling Cole (R N.Y.)	All naval aviation (land-based, ship-based, transport, fleet air forces, carrier forces, Marine Corps aviation) to be integrated with the naval service in the Navy Department. Passed by voice vote.
W. Sterling Cole (R N.Y.)	U.S. Air Force to include aviation forces not otherwise assigned "in act." Defeated by voice vote.
George MacKinnon (R Minn.)	(Substitute for Cole amendment) Air Force to include aviation not otherwise assigned, provided that it shall not include aviation otherwise assigned by this act. Defeated by voice vote.

<u>Offered by</u>	<u>Proposal and disposition</u>
Clifford P. Case (R N.J.)	Require appointment of Under or Assistant Secretary from Departments of Agriculture, Commerce, Interior, and Labor, chairmen of Munitions Board and Research and Development Board, to National Security Resources Board; Resources Board to direct execution of plans for military, industrial, and manpower mobilization. Also set up a Civilian War Agencies Planning Commission to recommend establishment under the Resources Board of civilian war agencies essential to national security. Defeated by voice vote.
E. A. Mitchell (R Ind.)	Director of Joint Staff to be chosen in rotation from three services for term not to exceed four years; service as member and director not to exceed eight years. Defeated on division, 117-37.
Charles R. Clason (R Mass.)	Secretaries of Army, Navy, and Air Force to receive same salary as Cabinet members (\$15,000). Defeated by voice vote.
Thomas L. Owens (R Ill.)	National Security Council reports to the President to be made available to the Speaker of the House and President of the Senate on confidential basis. Defeated by voice vote.

FINAL BILL

The bill that emerged from conference carried most of the provisions voted by the House. Compromises were effected on these points:

1. National Security Council. The President might appoint to it secretaries of the executive departments and chairmen of the Munitions Board and Research and Development Board, with the advice and consent of the Senate. Other members would be the Secretaries of State, Defense, Army, Navy, Air Force, and the chairman of the National Security Resources Board, who were named in both bills.
2. Central Intelligence Agency. The director need not be a civilian, as stipulated by the House, but if an officer were appointed he could not be subject to any control by his superiors in the service nor in turn have any authority over the service. To the extent recommended by the National Security Council, the intelligence operations of executive departments would be open to inspection by the CIA director. However, the FBI could be required only to furnish information, and that by written request.
3. Personnel of the National Security Resources Board. Must be hired in accordance with civil service laws, as stipulated by the Senate.
4. Secretary of Defense. Must be a civilian, but a man who had not been on active duty as a commissioned officer within 10 years would be eligible for appointment. The Senate provision that he should exercise "general direction, authority, and control" over the three services was retained. The Secretary was charged with formulating and determining budget estimates, as in the Senate bill.
5. Naval aviation. The final bill contained a modified version of the Cole amendment, placing all present naval aviation in the Navy permanently. It was further specified that the Navy shall have general responsibility for naval reconnaissance, antisubmarine warfare, and protection of shipping.
6. Marine Corps. Its functions were spelled out much as in the House bill.
7. The Secretaries of Army, Navy, and Air Force were to receive the salary of a Cabinet member, even though they would not have such status.

When the Senate considered the report on July 24, Senator Lodge objected to provisions which,

he said, would assign to the services their World War II functions and "compel them to accept these frozen concepts in dealing with wars in the future." However, he did not attempt to force a roll call, and the report was accepted by voice vote.

The House followed suit next day, although some Members regretted that House provisions for a civilian head of the Central Intelligence Agency had not been retained. Hoffman again warned that the bill opened the door to military dictatorship, but he said that this was the best bill that could be obtained.

REORGANIZATION EFFECTED

On September 17 James Forrestal, former Secretary of the Navy, became the new Secretary of Defense. On the following day, John L. Sullivan, former Under Secretary of the Navy, was sworn in as Secretary. Kenneth C. Royall, who had succeeded Robert P. Patterson as Secretary of War, now became Secretary of the Army. W. Stuart Symington, former Assistant Secretary of War, became Secretary of the Air Force.

In a press statement, Forrestal said that reorganization would be effected by "evolution, not revolution." It would take some time to put into practice the provisions of the bill, which represented divergent points of view, he warned, and large and immediate savings should not be expected by the public.

ARMY-NAVY PROMOTION SYSTEM

On June 25 the House passed HR 3830, a bill which would place promotion in the Army on the same basis as that which has obtained for some time in the Navy -- i.e., selection rather than seniority. The Navy's selection system would be extended to include admirals. The measure also abolished the wartime five-star rank except for those now holding it, and limited the number of four-star officers to 11 -- four in the Army, three in the Navy, three in the Air Force, and one in the Marine Corps (Vol. III, pp. 309-10).

The Senate Armed Forces Committee reported the bill July 18, but not until nine o'clock of the last night of the session did Senator Raymond E. Baldwin (R Conn.), in charge of the measure, succeed in getting it to the floor. He did so over repeated protests from Senator Tom Connally (D Tex.), who said that a bill 330 pages long should not be rammed down the throat of the Senate in the closing hours of the session. Connally, who had fought against establishment of the existing Army system and so was in sympathy with the aims of the bill, said that he did not want merely to substitute favoritism and politics for seniority as the basis of promotion. He could not vote intelligently, he declared, without some study of the bill.

Baldwin explained that 247 pages of the bill were mere codification of present Navy practices and the rest was simple in its broad outlines. Passage, he said, was earnestly requested by James Forrestal, shortly to become Secretary of Defense, in order to retain many of the efficient wartime officers who would not stay in the services if they saw no prospect of promotion except by the process of getting older. The new rapid-promotion system for men of special ability would make the military career more attractive to brilliant men, and the bill would also increase military efficiency by making it possible to get rid of unqualified officers.

Senator Spessard L. Holland (D Fla.) joined with Connally in trying to postpone consideration until Senators could familiarize themselves with the contents of the bill. However, Holland's motion to recommit was lost by voice vote, and the Senate refused a roll call.

The Senate then agreed to a long series of committee amendments, most of which were clarifications, some occasioned by the passage of the unification bill. Two important changes were made: The number of four-star officers in each service except the Marine Corps was increased by one, making 14 in all. The Army Engineers were assured continuation of the branch chiefs and assistant chiefs concerned with the Engineers' civil functions. The bill was passed on a division requested by Holland. Just before midnight, July 26, the House agreed to the Senate amendments and completed Congressional action on the bill.

180

80TH CONGRESS }
1st Session

HOUSE OF REPRESENTATIVES

DOCUMENT
No. 149

NATIONAL SECURITY ACT OF 1947

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

A DRAFT OF A PROPOSED BILL ENTITLED "NATIONAL SECURITY ACT OF 1947"

FEBRUARY 26, 1947.—Referred to the Committee on Expenditures in the Executive Departments and ordered to be printed

THE WHITE HOUSE,
Washington, February 26, 1947.

Hon. JOSEPH W. MARTIN, Jr.,
Speaker of the House of Representatives.

MY DEAR MR. SPEAKER: On January 17, 1947, I informed you that representatives of my office and of the armed services were engaged in drafting a bill to be submitted to the Congress for its consideration concerning a plan of unification. This draft, entitled "National Security Act of 1947," has now been completed and I am enclosing herewith a copy of it.

This proposed bill has the approval of the Secretary of War, the Secretary of the Navy, and the Joint Chiefs of Staff.

It is my belief that this suggested legislation accomplishes the desired unification of the services, and I heartily recommend its enactment by the Congress.

Very sincerely yours,

HARRY S. TRUMAN.

BILL To promote the national security by providing for a National Defense Establishment, which shall be administered by a Secretary of National Defense, and for a Department of the Army, a Department of the Navy, and a Department of the Air Force within the National Defense Establishment, and for the coordination of the activities of the National Defense Establishment with other departments and agencies of the Government concerned with the national security.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

That this Act may be cited as the "National Security Act of 1947".

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TITLE I—THE NATIONAL DEFENSE ESTABLISHMENT

ESTABLISHMENT OF THE NATIONAL DEFENSE ESTABLISHMENT

SECTION 101. (a) There is hereby established the National Defense Establishment, and a Secretary of National Defense, who shall be the head thereof.

(b) The National Defense Establishment shall consist of the Department of the Army, the Department of the Navy, and the Department of the Air Force, together with all other agencies created within the National Defense Establishment.

SEC. 102. (a) The Secretary of National Defense shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. Under the direction of the President he shall establish policies and programs for the National Defense Establishment, and for the departments and agencies therein; he shall exercise direction, authority, and control over such departments and agencies; he shall supervise and coordinate the preparation of budget estimates by the departments and agencies of the National Defense Establishment, which shall be submitted to him at such time and in such manner as he may direct; he shall formulate and finally determine the budget estimates of the National Defense Establishment for submittal to the Bureau of the Budget; and he shall supervise and control the budget program of the National Defense Establishment under the applicable appropriation Acts: *Provided*, That the Department of the Army, the Department of the Navy, and the Department of the Air Force, under the direction of the Secretary of National Defense, shall be administered as individual units by their respective Secretaries: *And provided further*, That nothing herein contained shall prevent the Secretary of any such department from presenting to the President, after first so informing the Secretary of National Defense, any report or recommendation relating to his department which he may deem necessary.

(b) The Secretary of National Defense shall submit annual written reports to the President and the Congress covering expenditures, work, and accomplishments of the National Defense Establishment, together with such recommendations as he shall deem appropriate.

(c) The Secretary of National Defense shall cause a seal of office to be made for the National Defense Establishment, of such design as may be necessary for the performance of the functions of the National Defense Establishment, of such design as the President shall approve, and judicial notice shall be taken thereof.

MILITARY ASSISTANTS TO THE SECRETARY

SEC. 103. Officers of the Army, Navy, and Air Force may be detailed to duty as assistants and personal aides to the Secretary of National Defense, but he shall not establish a military staff.

CIVILIAN PERSONNEL

SEC. 104. (a) The Secretary of National Defense is authorized to appoint from civilian life not to exceed four special assistants to advise and assist him in the performance of his duties. Each such special assistant shall receive compensation at the rate of \$12,000 a year.

(b) The Secretary of National Defense is authorized, subject to the civil-service laws and the Classification Act of 1923, as amended, to appoint and fix the compensation of such other civilian personnel as may be necessary for the performance of the functions of the National Defense Establishment.

DEPARTMENT OF THE ARMY

SEC. 105. (a) The Department of War shall hereafter be known as the Department of the Army, and the title of the Secretary of War shall be changed to Secretary of the Army. Changes shall be made in the titles of other officers and activities of the Department of the Army as the Secretary of the Army may determine.

(b) All laws, orders, regulations, and other actions relating to the Department of War or to any officer or activity whose title is changed under this section shall, insofar as they are not inconsistent with the provisions of this Act, be deemed to relate to the Department of the Army within the National Defense Establishment or to such officer or activity designated by his or its new title.

(c) The term "Department of the Army" as used in this Act shall be construed to mean the Department of the Army at the seat of Government and all field headquarters, forces, reserve components, installations, activities, and functions under the control or supervision of the Department of the Army.

(d) The Secretary of the Army shall cause a seal of office to be made for the Department of the Army, of such design as the President may approve, and judicial notice shall be taken thereof.

DEPARTMENT OF THE NAVY

SEC. 106. (a) The term "Department of the Navy" as used in this Act shall be construed to mean the Department of the Navy at the seat of Government; the Headquarters, United States Marine Corps; the entire operating forces of the United States Navy (including naval aviation) and of the United States Marine Corps, including the Reserve components of such forces; all field activities of the Department of the Navy; and the United States Coast Guard when operating as a part of the Navy pursuant to law.

DEPARTMENT OF THE AIR FORCE

SEC. 107. (a) Within the National Defense Establishment there is hereby established an executive department to be known as the Department of the Air Force, and a Secretary of the Air Force, who shall be the head thereof. The Secretary of the Air Force shall be appointed from civilian life by the President, by and with the advice and consent of the Senate.

(b) Section 158 of the Revised Statutes is amended to include the Department of the Air Force and the provisions of so much of title IV of the Revised Statutes as now or hereafter amended as is not inconsistent with this Act, shall be applicable to the Department of the Air Force.

(c) The term "Department of the Air Force" as used in this Act shall be construed to mean the Department of the Air Force at the seat of Government and all field headquarters, forces, Reserve components, installations, activities, and functions under the control or supervision of the Department of the Air Force.

(d) There shall be in the Department of the Air Force an Under Secretary of the Air Force and two Assistant Secretaries of the Air Force, who shall be appointed from civilian life by the President by and with the advice and consent of the Senate.

(e) The several officers of the Department of the Air Force shall perform such functions as the Secretary of the Air Force may prescribe.

(f) So much of the functions of the Secretary of the Army and of the Department of the Army, including those of any officer of such Department, as are assigned to or under the control of the Commanding General, Army Air Forces, or as are deemed by the Secretary of National Defense to be necessary or desirable for the operations of

the Department of the Air Force or the United States Air Force, shall be transferred to and vested in the Secretary of the Air Force and the Department of the Air Force: *Provided*, That in order to permit an orderly transfer, the Secretary of National Defense may direct that the Department of the Army shall continue for appropriate periods to exercise any of such functions, insofar as they relate to the Department of the Air Force, or the United States Air Force or their property and personnel. Such of the property, personnel, and records of the Department of the Army used in the exercise of functions transferred under this subsection as the Secretary of National Defense shall determine, shall be transferred or assigned to the Department of the Air Force.

(g) The Secretary of the Air Force shall cause a seal of office to be made for the Department of the Air Force, of such device as the President shall approve, and judicial notice shall be taken thereof.

UNITED STATES AIR FORCE

SEC. 108. (a) The United States Air Force is hereby established under the Department of the Air Force. The Army Air Forces, the Air Corps, United States Army, and the General Headquarters Air Force (Air Force Combat Command), shall be transferred to the United States Air Force.

(b) There shall be a Chief of Staff, United States Air Force, who shall be appointed by the President, by and with the advice and consent of the Senate, for a term of four years from among the officers of general rank who are assigned to or commissioned in the United States Air Force. Under the direction of the Secretary of the Air Force, the Chief of Staff, United States Air Force, shall exercise command over the United States Air Force and shall be charged with the duty of carrying into execution all lawful orders and directions which may be transmitted to him. The functions of the Commanding General, General Headquarters Air Force (Air Force Combat Command), and of the Chief of the Air Corps and of the Commanding General, Army Air Forces, shall be transferred to the Chief of Staff, United States Air Force. When such transfer becomes effective, the offices of the Chief of the Air Corps, United States Army, and Assistants to the Chief of the Air Corps, United States Army, provided for by the Act of June 4, 1920, as amended (41 Stat. 768), and Commanding General, General Headquarters Air Force, provided for by section 5 of the Act of June 16, 1936 (49 Stat. 1525), shall cease to exist. While holding office as Chief of Staff, United States Air Force, the incumbent shall hold a grade and receive allowances equivalent to those prescribed by law for the Chief of Staff, United States Army. The Chief of Staff, United States Army, the Chief of Naval Operations, and the Chief of Staff, United States Air Force, shall take rank between themselves according to their relative dates of appointment as such, and shall each take rank above all other officers on the active list of the Army, Navy, and Air Force: *Provided*, That nothing in this Act shall have the effect of changing the relative rank of the present Chief of Staff, United States Army, and the Chief of Naval Operations.

(c) All commissioned officers, warrant officers, and enlisted men, commissioned, holding warrants, or enlisted in the Air Corps, United States Army, or the Army Air Forces, shall be transferred in branch to the United States Air Force. All other commissioned officers,

warrant officers, and enlisted men, who are commissioned, hold warrants, or are enlisted in any component of the Army of the United States and who are under the authority or command of the Commanding General, Army Air Forces, shall be continued under the authority or command of the Chief of Staff, United States Air Force, and under the jurisdiction of the Department of the Air Force. Personnel whose status is affected by this subsection shall retain their existing commissions, warrants, or enlisted status in existing components of the armed forces unless otherwise altered or terminated in accordance with the existing law; and they shall not be deemed to have been appointed to a new or different office or grade, or to have vacated their permanent or temporary appointments in an existing component of the armed forces, solely by virtue of any change in status under this subsection. No such change in status shall alter or prejudice the status of any individual so assigned, so as to deprive him of any right, benefit, or privilege to which he may be entitled under existing law.

(d) Except as otherwise directed by the Secretary of the Air Force, all property, records, installations, agencies, activities, projects, and civilian personnel under the jurisdiction, control, authority, or command of the Commanding General, Army Air Forces, shall be continued to the same extent under the jurisdiction, control, authority, or command, respectively, of the Chief of Staff, United States Air Force, in the Department of the Air Force.

(e) For a period of two years from the date of enactment of this Act, personnel (both military and civilian), property, records, installations, agencies, activities, and projects may be transferred between the Department of the Army and the Department of the Air Force by direction of the Secretary of National Defense.

EFFECTIVE DATE OF TRANSFERS

SEC. 109. Each transfer, assignment, or change in status under section 107 or section 108 shall take effect upon such date or dates as may be prescribed by the Secretary of National Defense.

WAR COUNCIL

SEC. 110. There shall be within the National Defense Establishment a War Council composed of the Secretary of National Defense, as Chairman, who shall have power of decision; the Secretary of the Army; the Secretary of the Navy; the Secretary of the Air Force; the Chief of Staff, United States Army; the Chief of Naval Operations; and the Chief of Staff, United States Air Force. The War Council shall advise the Secretary of National Defense on matters of broad policy relating to the armed forces, and shall consider and report on such other matters as the Secretary of National Defense may direct.

JOINT CHIEFS OF STAFF

SEC. 111. (a) There is hereby established within the National Defense Establishment the Joint Chiefs of Staff, which shall consist of the Chief of Staff, United States Army; the Chief of Naval Operations; the Chief of Staff, United States Air Force; and the Chief of Staff to the Commander in Chief, if there be one.

(b) Subject to the authority and direction of the President and the Secretary of National Defense, it shall be the duty of the Joint Chiefs of Staff—

(1) To prepare strategic plans and to provide for the strategic direction of the military forces;

(2) To prepare joint logistic plans and to assign to the military services logistic responsibilities in accordance with such plans;

(3) To establish unified commands in strategic areas when such unified commands are in the interest of national security;

(4) To formulate policies for joint training of the military forces;

(5) To review major material and personnel requirements of the military forces, in accordance with strategic and logistic plans;

(6) To provide United States representation on the Military Staff Committee of the United Nations, in accordance with the provisions of the Charter of the United Nations.

(c) The Joint Chiefs of Staff shall act as the principal military advisers to the President and the Secretary of National Defense, and shall perform such other duties as they may direct or may be prescribed by law.

JOINT STAFF

SEC. 112. There shall be, under the Joint Chiefs of Staff, a Joint Staff to consist of not to exceed one hundred officers and to be composed of approximately equal numbers of officers of the United States Army, the United States Navy, and the United States Air Force. The Joint Staff, operating under a Director thereof appointed by the Joint Chiefs of Staff, shall perform such duties as may be directed by the Joint Chiefs of Staff. The Director shall be an officer junior in grade to all members of the Joint Chiefs of Staff.

MUNITIONS BOARD

SEC. 113. (a) There is hereby established in the National Defense Establishment a Munitions Board, hereinafter in this section referred to as the "Board."

(b) The Board shall be composed of a Chairman, who shall be the head thereof, and an Under Secretary or Assistant Secretary from each of the three military departments, to be designated in each case by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the Secretary of National Defense and shall receive compensation at the rate of \$14,000 a year or at the rate of \$50 a day but not to exceed \$14,000 in any one year.

(c) It shall be the duty of the Board under the direction of the Secretary of National Defense and in support of strategic and logistic plans prepared by the Joint Chiefs of Staff—

(1) to coordinate the appropriate activities within the National Defense Establishment with regard to industrial matters including the procurement, production, and distribution plans of the Establishment;

(2) to plan for the military aspects of industrial mobilization;

(3) to recommend assignment of procurement responsibilities among the several military services and to plan for standardization of specifications and for the greatest practicable allocation

of purchase authority of technical equipment and common use items on the basis of single procurement;

(4) to prepare estimates of potential production, procurement, and personnel for use in evaluation of the logistic feasibility of strategic operations;

(5) to determine relative priorities of the various segments of the military procurement programs;

(6) to supervise such subordinate agencies as are or may be created to consider the subjects falling within the scope of the Board's responsibilities;

(7) to make recommendations to regroup, combine, or dissolve existing interservice agencies operating in the fields of procurement, production, and distribution in such manner as to promote efficiency and economy;

(8) to maintain liaison with other agencies for the proper correlation of military requirements with the civilian economy, particularly in regard to the procurement or disposition of strategic and critical material and the maintenance of adequate reserves of such material, and to make recommendations as to policies in connection therewith;

(9) to assemble and review material and personnel requirements presented by the Joint Chiefs of Staff and those presented by the production, procurement, and distribution agencies assigned to meet military needs, and to make recommendations thereon to the Secretary of National Defense;

(10) to perform such other duties as the Secretary of National Defense may direct.

(d) When the Chairman of the Board first appointed has taken office, the Joint Army and Navy Munitions Board shall cease to exist and all its functions, records, and personnel shall be transferred to the Munitions Board.

(e) The Secretary of National Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.

RESEARCH AND DEVELOPMENT BOARD

SEC. 114. (a) There is hereby established in the National Defense Establishment a Research and Development Board, hereinafter in this section referred to as the "Board". The Board shall be composed of a Chairman, who shall be the head thereof, and two representatives each from the Departments of the Army, Navy, and Air Force, to be designated by the Secretaries of their respective departments. The Chairman shall be appointed from civilian life by the Secretary of National Defense and shall receive compensation at the rate of \$14,000 a year or at the rate of \$50 a day but not to exceed \$14,000 in any one year. The purpose of the Board shall be to advise the Secretary of National Defense as to the status of scientific research relative to the national security, and to assist him in assuring adequate provision for research and development on scientific problems relating to the national security.

(b) It shall be the duty of the Board, under the direction of the Secretary of National Defense—

(1) To prepare a complete and integrated program of research and development for military purposes;

(2) To advise with regard to funds in scientific research relating to national security and the measures necessary to assure continued and increasing progress.

(3) To recommend measures of coordination of research and development among the military departments, and allocation among them of responsibilities for specific programs of joint interest;

(4) To formulate policy for the National Defense Establishment in connection with research and development matters involving agencies outside the National Defense Establishment;

(5) To consider the interaction of research and development and strategy, and to advise the Joint Chiefs of Staff in connection therewith;

(6) To perform such other duties as the Secretary of National Defense may direct.

(c) When the Chairman of the Board first appointed has taken office, the Joint Research and Development Board shall cease to exist and all its records and personnel shall be transferred to the Research and Development Board.

(d) The Secretary of National Defense shall provide the Board with such personnel and facilities as the Secretary may determine to be required by the Board for the performance of its functions.

TITLE II—COORDINATION FOR NATIONAL SECURITY

NATIONAL SECURITY COUNCIL

SECTION 201. (a) There is hereby established a council to be known as the National Security Council (hereinafter in this section referred to as the "Council"). The function of the Council shall be to advise the President with respect to the integration of foreign and military policies and to enable the military services and other agencies of the Government to cooperate more effectively in matters involving national security. The Council shall be composed of the Secretary of State, the Secretary of National Defense, the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, the Chairman of the National Security Resources Board, and such other members as the President may designate from time to time.

(b) In addition to performing such other functions as the President may direct, for the purpose of more effectively coordinating the policies of the departments and agencies of the Government and their functions relating to the national security, it shall, subject to the direction of the President, be the duty of the Council—

(1) To assess and appraise the objectives, commitments, and risks of the United States in relation to our actual and potential military power, in the interests of national security, for the purpose of making recommendations to the President in connection therewith; and

(2) To consider policies on matters of common interest to the Department of State, the National Defense Establishment, and the National Security Resources Board, and to make recommendations to the President in connection therewith.

(c) The Council shall have a staff to be headed by an executive secretary, who shall be appointed by the President and who shall receive compensation at the rate of \$12,000 a year. The executive

secretary, subject to the direction of the Council, is authorized to appoint and fix the compensation of such personnel as may be necessary to perform such duties as may be prescribed by the Council in connection with the performance of its functions.

(d) The Council shall, from time to time, make such recommendations and such other reports to the President as it deems appropriate or as the President may require.

CENTRAL INTELLIGENCE AGENCY

SEC. 202. (a) There is hereby established under the National Security Council a Central Intelligence Agency, with a Director of Central Intelligence, who shall be the head thereof, to be appointed by the President. The Director shall receive compensation at the rate of \$14,000 a year.

(b) Any commissioned officer of the United States Army, the United States Navy, or the United States Air Force may be appointed to the office of Director; and his appointment to, acceptance of, and service in, such office shall in no way affect any status, office, rank, or grade he may occupy or hold in the United States Army, the United States Navy, or the United States Air Force, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. Any such commissioned officer on the active list shall, while serving in the office of Director, receive the military pay and allowances payable to a commissioned officer of his grade and length of service and shall be paid, from any funds available to defray the expenses of the Agency, annual compensation at a rate equal to the amount by which \$14,000 exceeds the amount of his annual military pay and allowances.

(c) Effective when the Director first appointed under subsection (a) has taken office—

(1) The functions of the National Intelligence Authority (11 Fed. Reg. 1337, 1339, February 5, 1946) are transferred to the National Security Council, and such Authority shall cease to exist.

(2) The functions of the Director of Central Intelligence and the functions, personnel, property, and records of the Central Intelligence Group are transferred to the Director of Central Intelligence appointed under this Act and to the Central Intelligence Agency, respectively, and such Group shall cease to exist. Any unexpended balances of appropriations, allocations, or other funds available or authorized to be made available for such Group shall be available and shall be authorized to be made available in like manner for expenditure by the Agency.

NATIONAL SECURITY RESOURCES BOARD

SEC. 203. (a) There is hereby established a National Security Resources Board, hereinafter in this section referred to as the "Board", to be composed of the Chairman of the Board and such heads or representatives of the various executive departments and independent agencies as may from time to time be designated by the President to be members of the Board. The Chairman of the Board shall be appointed from civilian life by the President and shall receive compensation at the rate of \$15,000 a year or at the rate of \$50 a day but not to exceed \$15,000 in any one year.

(b) The Chairman of the Board, subject to the direction of the President, is authorized to appoint and fix the compensation of such personnel as may be necessary to assist the Board in carrying out its functions.

(c) It shall be the function of the Board to advise the President concerning the coordination of military, industrial, and civilian mobilization, including—

(1) Policies concerning industrial and civilian mobilization in order to assure the most effective mobilization and maximum utilization of the Nation's manpower in the event of war;

(2) Programs for the effective use in time of war of the Nation's natural and industrial resources for military and civilian needs, for the maintenance and stabilization of the civilian economy in time of war, and for the adjustment of such economy to war needs and conditions;

(3) Policies for unifying, in time of war, the activities of Federal agencies and departments engaged in or concerned with production, procurement, distribution, or transportation of military or civilian supplies, materials, and products;

(4) The relationship between potential supplies of and potential requirements for manpower, resources, and productive facilities in time of war;

(5) Policies for establishing adequate reserves of strategic and critical material, and for the conservation of these reserves;

(6) The strategic relocation of industries, services, government, and economic activities, whose continuous operation is essential to the Nation's security.

(d) The Board shall perform such other functions, not inconsistent with law, concerning the coordination of military, industrial, and civilian mobilization as the President may direct.

(e) In performing its functions, the Board shall utilize to the maximum extent the facilities and resources of the departments and agencies of the Government.

TITLE III—MISCELLANEOUS

SUCCESSION TO THE PRESIDENCY

SECTION 301. The first section of the Act entitled "An Act to provide for the performance of the duties of the Office of President in case of the removal, death, resignation, or inability both of the President and of the Vice-President", approved January 19, 1886 (24 Stat. 1), is amended (1) by striking out "Secretary of War" and inserting in lieu thereof "Secretary of National Defense", and (2) by striking out "or if there be none, or in case of his removal, death, resignation, or inability, then the Secretary of the Navy."

COMPENSATION OF SECRETARIES

SEC. 302. (a) The Secretary of National Defense shall receive the compensation prescribed by law for heads of executive departments.

(b) The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force shall each receive the compensation prescribed for the Secretary of National Defense.

UNDER SECRETARIES AND ASSISTANT SECRETARIES

Sec. 303. The Under Secretaries and Assistant Secretaries of the Army, the Navy, and the Air Force shall each receive compensation at the rate of \$12,000 a year, and shall perform such duties as the Secretaries of their respective departments may prescribe.

ADVISORY COMMITTEES AND PERSONNEL

Sec. 304. (a) The Secretary of National Defense, the Chairman of the National Security Resources Board, and the Director of Central Intelligence are authorized to appoint such advisory committees and to employ, consistent with other provisions of this Act, such part-time advisory personnel as they may deem necessary in carrying out their respective functions and the functions of agencies under their control. Persons holding other offices or positions under the United States for which they receive compensation while serving as members of such committees shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed \$50 for each day of service, as determined by the appointing authority.

(b) Service of an individual as a member of any such advisory committee, or in any other part-time capacity for a department or agency hereunder, shall not be considered as service bringing such individual within the provisions of section 109 or 113 of the Criminal Code (U. S. C., 1940 edition, title 18, secs. 198 and 203) or section 19 (c) of the Contract Settlement Act of 1944, unless the act of such individual, which by such section is made unlawful when performed by an individual referred to in such section, is with respect to any particular matter which directly involves a department or agency which such person is advising or in which such department or agency is directly interested.

STATUS OF TRANSFERRED CIVILIAN PERSONNEL

Sec. 305. All transfers of civilian personnel under this Act shall be without change in classification or compensation, but the head of any department or agency to which such a transfer is made is authorized to make such changes in the titles and designations and prescribe such changes in the duties of such personnel commensurate with their classification as he may deem necessary and appropriate.

SAVING PROVISIONS

Sec. 306. (a) All laws, orders, regulations, and other actions applicable with respect to any function, activity, personnel, property, records, or other thing transferred under this Act, or with respect to any officer, department, or agency from which such transfer is made, shall, except to the extent rescinded, modified, superseded, terminated, or made inapplicable by or under authority of law, have the same effect as if such transfer had not been made; but, after any such transfer, any such law, order, regulation, or other action which vested functions in or otherwise related to any officer, department, or agency from which such transfer was made, shall, insofar as applicable with

respect to the function, activity, personnel, property, records, or other thing transferred and to the extent not inconsistent with other provisions of this Act, be deemed to have vested such function in or relate to the officer, department, or agency to which the transfer was made.

(b) No suit, action, or other proceeding lawfully commenced by or against the head of any department or agency or other officer of the United States, in his official capacity or in relation to the discharge of his official duties, shall abate by reason of the taking effect of any transfer or change in title under the provisions of this Act; and, in the case of any such transfer, such suit, action, or other proceeding may be maintained by or against the successor of such head or other officer under the transfer, but only if the court shall allow the same to be maintained on motion or supplemental petition filed within twelve months after such transfer takes effect, showing a necessity for the survival of such suit, action, or other proceeding to obtain settlement of the questions involved.

(c) Notwithstanding the provisions of the second paragraph of section 5 of title I of the First War Powers Act, 1941, the existing organization of the War Department under the provisions of Executive Order numbered 9082 of February 28, 1942, as modified by Executive Order numbered 9722 of May 13, 1946, and the existing organization of the Department of the Navy under the provisions of Executive Order numbered 9635 of September 29, 1945, including the assignment of functions to organizational units within the War and Navy Departments, may, to the extent determined by the Secretary of National Defense, continue in force except to the extent modified by the provisions of this Act or under the authority of law.

TRANSFER OF FUNDS

Sec. 307. All unexpended balances of appropriations, allocations, nonappropriated funds, or other funds available or hereafter made available for use by or on behalf of the Army Air Forces or officers thereof, shall be transferred to the Department of the Air Force for use in connection with the exercise of its functions. Such other unexpended balances of appropriations, allocations, nonappropriated funds, or other funds available or hereafter made available for use by the Department of War or the Department of the Army in exercise of functions transferred to the Department of the Air Force under this Act, as the Secretary of National Defense shall determine, shall be transferred to the Department of the Air Force for use in connection with the exercise of its functions. Unexpended balances transferred under this section may be used for the purposes for which the appropriations, allocations, or other funds were originally made available, or for new expenditures occasioned by the enactment of this Act. The transfers herein authorized may be made with or without warrant action as may be appropriate from time to time from any appropriation covered by this section to any other such appropriation or to such new accounts established on the books of the Treasury as may be determined to be necessary to carry into effect the provisions of this Act.

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NATIONAL SECURITY ACT OF 1949

AUTHORIZATION FOR APPROPRIATIONS

SEC. 308. There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this Act.

DEFINITION

SEC. 309. As used in this Act, the term "function" includes functions, powers, and duties.

SEPARABILITY

SEC. 310. If any provision of this Act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the Act and of the application of such provision to other persons and circumstances shall not be affected thereby.

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