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For Mr. Lyon
State Department

TO: _____
X FROM: _____ CIA
X BY: _____
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SECRET INTELLIGENCE BRANCH, OSS

1. FUNCTIONS

The functions of SI/OSS are defined in General Order Number 9, effective January 4, 1943, issued by General Donovan, January 3, 1943, and conforming to the directive issued to OSS designating OSS as an agency of the J.C.S.

The functions are defined as follows:

a. The organization and operation of espionage and counterespionage in enemy-occupied or -controlled territories. Bases therefor may be established in neutral countries best suited for the purpose.

b. The maintenance of contact with underground groups in enemy-occupied or -controlled territory.

c. The collection, evaluation and dissemination of such information of enemy intentions and potentialities, including economic, psychological, sociological and political conditions, as may be required for psychological warfare.

d. The collection abroad and dissemination of such information as may assist in the appraisal of results being obtained by psychological warfare conducted by the United Nations and the enemy.

e. The dissemination to appropriate agencies of the armed forces of information of military or naval significance which may have been collected incidental to the primary activities of the branch.

Comment: (a) In actuality not much first class information is obtained regarding Germany proper or Italy. Information regarding France, Norway, Finland and the Protectorate is likewise somewhat spotty and frequently out of date. There is good coverage of Spain, Portugal, and Spanish Morocco, with fair coverage for the rest of Africa. The Middle East,

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especially Iran, is well covered; the Far East hardly at all; the Balkans are covered through Cairo with some inevitable delay. (b) Underground groups are contacted largely through neutral countries, notably Sweden, Switzerland and Spain. There is also considerable contact through England (London Office of OSS), Cairo, Algiers, and with groups in the United States. The most active groups are the Poles, Free French, Czech, Norwegian and Dutch. Information is also obtained from France and the Balkans through the English. (c), (d) and (e) have been affected by the official transfer of Psychological Warfare to OWI. Actually OSS continues to be interested in Psychological Warfare but the SI Branch has always emphasized the collection and dissemination of military, economic and political information.

2. CHAIN OF COMMAND

- a. Joint Chiefs of Staff
- b. General William J. Donovan, Director of OSS
- c. Colonel Edward G. Buxton, Assistant Director of OSS
- d. General John Magruder, Deputy Director Intelligence Service
- e. Mr. Whitney Shepardson, Director of Secret Intelligence Branch
- f. The various chiefs of the Geographic Sections
- g. Geographic Desks

Comment: At present, at least, there is a tendency on the part of the Chiefs of the SI Geographic Sections to take their problems to Mr. Shepardson and, with his permission, to General Donovan direct.

3. ORGANIZATION

No formal table of organization of SI/OSS has ever been drawn up, therefore, it is extremely difficult to give a clear picture of the whole. Directives are issued with great frequency by the Director of OSS and the

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Director of SI. These directives are more in the form of suggestions than orders and each Section (equivalent to a Branch in MIS) is largely a law unto itself. Changes take place continually and no one person seems to have all the information at his finger tips. In general, however, the following holds:

a. Administrative Section

Director SI

Personnel, SI

Personnel, Civil Service

(Equipment)

(Finance)

The last two are actually under a separate Division of Services and not purely SI.

b. African Section

North African Theater Officer

Central African Desk

Algiers Desk

c. British Empire Section

Middle East Theater Officer

Cairo Desk

London Desk

Eire Desk

India, Afghanistan and Union of South Africa Desk

d. Far Eastern Section

Far East Theater Officer

Netherlands East Indies Desk

China Desk

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Burma, Thailand, Indo-China and Malaya Desk

- e. Italian Section
- f. Near East Section (Iraq, Iran, Syria, Palestine and Turkey)
- g. North Central European Section
 - German Desk
 - Scandanavian Desk (Norway, Sweden, Denmark and Finland)
- h. Southeastern European Section
 - Greek Desk
 - Roumanian Desk
 - Yugoslav Desk
 - Bulgarian Desk
 - Hungarian and Czechslovak Desk
 - Topographic Desk
- i. Western European Section
 - Spanish Desk
 - Portuguese Desk
 - French Desk
 - Low Countries Desk
 - Swiss Desk
- j. Labor Section
- k. Counter Intelligence Section
- l. Reporting Board
 - Research Assistants
 - Press Survey
- m. Registry
 - Index Room
 - Cable Desk

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Accession Desk

Registry Control (Mail Room)

Special Documents

SI Applications

Comment: As noted under a., Equipment and Finances, together with Medical Services, Special Funds, Communications, Civilian Personnel and Administrative Services, are under a Services Branch, Commander Vanderbilt, Deputy Director. Under b, c, and d, it will be noted that there is a North African, Middle East and Far East Theater Officer. These men are under the direction of and report to Colonel Buxton, Assistant Director, OSS. They will be responsible for larger units set up, or to be set up, in the theaters designated. The North African unit is already functioning and the Middle East is getting under way. The Far East is largely on paper.

4. FUNCTIONS OF THE DESKS

The desks are responsible for:

- a. The recruiting of agents.
- b. Their indoctrination in the special problems involved in the areas to which they are to be assigned.
- c. The developing of "projects," i.e., planning the missions which the agents are to accomplish. The projects are made out in triplicate and are approved by (1) Mr. Shepardson, (2) the Secretariat, (3) the Coordinating Office, (4) the Planning Group. (2), (3) and (4) iron out difficulties as to personnel, finance, papers, etc. The project is then passed to General Donovan and the J.C.S. for final approval. Requests for projects may, however, originate in the Planning Group and be passed down to the

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Desks. (2), (3), and (4) are on a higher echelon outside of SI and are not directly connected with it.

d. The collection of reports from the agents in the field. These reports may come in by cable or diplomatic pouch.

e. The dissemination of reports. Reports are edited so as to eliminate administrative material, agents names, etc., and are then sent to the Reporting Board which further edits or translates the material, checks it for gross errors and transmits it to the proper agencies. The original reports are deposited with the Registry.

5. SCHOOLS

The training schools are not under SI but form a separate unit. They are under the direction of Lt. Colonel Kenneth Baker. For SI men the course lasts about four weeks and covers codes and cyphers, cover, special problems, etc. There is no fixed curriculum and each agent is given a large amount of individual treatment. The whole emphasis is on training chief agents who will develop a net of sub-agents in the field rather than agents as such.

6. FIELD AGENTS

The number of field agents varies considerably from time to time but in general it may be stated that there are now men active in Portugal, Spain, Sweden, North Africa, including Spanish Morocco, Central and West Africa, Turkey, Switzerland, Egypt, Iraq, Iran and Afghanistan. The numbers active are hard to determine and vary from month to month as does their location, but, in general, save for Egypt and North Africa, there are not more than half a dozen OSS men in any given country and usually

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only two or three. A large group (about 360) is being built up in Algiers, a second (about 100) in London and a third (about 20 to date) in Cairo. Some of the men in these three larger groups are connected with SO, some with R & A, so that again it is hard to determine just how many are SI. In the Washington office of SI, there were 142 persons, including clerical help, as of May 1, 1943.

7. PERSONALITIES

a. Administrative Section

(1) Director SI, Whiteny Shepardson, Rhodes Scholar, Harvard Law, Lieutenant Field Artillery 1918, Assistant to Colonel House, Paris, 1919, businessman, Vice President International Railways of Central America since 1931.

(2) Assistant to the Director. Lt. Colonel J. G. O'Connor, Ordnance.

(3) Liaison with training schools, J. O. Murdock.

(4) Personnel, SI, Francis Barker. Mr. Barker also handles budget problems related to equipment, travel and supplies, room allocations and other details. A good hardworking individual, somewhat short tempered.

(5) Personnel, Civil Service, Mrs. L. Farrington; very efficient.

(6) Equipment, Watts Hill. Tobacco family from Winston-Salem; very pleasing personality, efficient.

(7) Finance, Lt. Lucas.

Comment: Actually, nearly all of the more important problems concerning SI are handled by Mr. Shepardson in person, with a result that he is considerably overworked and a bottleneck is formed. Staff meetings are held once a week, attended by the heads of the Geographic Desks. No minutes are kept, which results in a considerable duplication of effort and lack of

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clearly defined responsibility for the carrying out of decisions taken.

b. African Section

(1) North African Theater Officer, I. D. Shapiro. An Annapolis graduate; wide European and African experience in oil; a trained under-cover operator; somewhat excitable but one of the best men in SI. He is directly responsible for the Experimental Detachment, G3, now in Algiers. This detachment, while directly under the Army control in North Africa, is recruited and managed here. At full strength it will number about 360 officers and men.

(2) Assistant to Chief NATO, Captain H. M. Chapin.

(3) Chief African Desk, R. Boulton. Since 1937 Curator, Field Museum of Natural History; has made 9 extensive expeditions to Africa and Central America; knows Central Africa thoroughly; fairly good administrator; no military experience.

(4) Assistants to Chief African Desk

(a) Capt. H. W. Schmidt, no African experience.

(b) C. E. Ford, considerable African experience.

(c) J. Okie, considerable African experience.

(d) W. Lord, considerable African experience.

(e) E. P. Querau, considerable African experience.

(f) H. L. Staples.

(5) Chief Algiers Desk, A. V. du Pont. Does not know much about North Africa; not particularly efficient or effective.

(6) Assistant to Chief Algiers Desk.

(a) R. J. Moore

(b) J. J. Lafia; eager and means well, knows North Africa.

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c. British Empire Section.

1. Middle East Theater Officer Lt. (s.g.) W. T. Beale, who is also Chief British Empire Section. Lt. Beale; son of a clergyman; worked for Tariff Commission; knows Lt. Colonel Sidney Morgan; very up and coming; hard working; no European experience.

2. London Desk, Major Alan Scaife, Pittsburg steel family.

3. Eire Desk, R. C. Nicholas. Recently discharged from the Navy (Lt. J.G.) for reasons of health.

4. India, Afghanistan and Union of South Africa Desk, Major A. D. Hutcheson. Princeton, 1920; overseas service in last war; Army of occupation; knows the Far East and Africa; a good man.

5. London Personnel, Francis P. Miller. Formerly chief of the Section; a close friend of Mr. Shepardson; a Rhodes Scholar; Lt. 58th CAC AEF; active in YMCA and International affairs; author, politician; able and astute.

d. Far Eastern Section.

1. Chief and F.E.T.O., U. S. Harkson, recently entered into SI.

2. Netherland East Indies Desk, S. D. Ripley. An ornithologist with wide experience in New Guinea.

3. Assistant to N.E.I. Desk, W. Nyland.

4. Burma, Thailand, Indo-China, Malaya Desk, E. L. McClure. Most of adult life spent in Southeastern Asia.

5. China Desk, R. A. Henningson.

Comment: The Far Eastern Section has until recently been under a man who had great knowledge but no organizing ability. This situation has now changed. It has also been hampered by the lack of cooperation on the part of the Theater Commander in the Pacific Area.

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e. Italian Section.

1. Chief, Earl Brennan. Has a good knowledge of Italy and is a fairly good administrator.

2. Assistants to the Chief.

(a) F. W. Jones

(b) Ensign Orlando

Comment: The Italian Desk is partly SI, partly SO, mostly the latter. So far they have produced relatively little but may be expected to do more in the near future. They appear to have made numerous enemies in SI, because of their haphazard methods.

f. Near East Section.

1. Chief, Gordon Loud. Taught at Roberts College, Constantinople, knows the Near East; easy going and not too effective.

2. Assistant to the Chief, S. B. Penrose, Jr., taught at Roberts College; knows the Near East; plenty of drive given the opportunity.

3. Assistants:

(a) L. Leary

(b) W. L. Campbell

These two are new men.

g. North Central European Section.

1. Chief, Calvin Hoover. Professor of Economics and Dean of the Graduate School, Duke University; private AEF; knows Germany and Northern Europe well; an excellent administrator but lacks drive on occasion.

2. Scandanavian Desk, T. R. Huber.

3. Assistants:

(a) R. T. Cole

(b) Lt. W. T. Carlson. This is a new man.

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h. South Eastern European Section

1. Acting Chief, Lt. Colonel F. D. Duke. For 18 months AMA in Cairo. Knows the Army and the Near East. Sometimes appears to lack drive, perhaps because he does not care too much for this job.
2. Assistant to the Chief, Major H. J. Regan. Mexican border and overseas service; a New York lawyer; good hardboiled man.
3. Greek Desk, Sterling Dow. Greek scholar; Harvard man; 8 years in Greece.
4. Assistant to the Greek Desk, Gerald Else. Classics professor at Harvard.
5. Yugoslav Desk, A. S. Vucinich. One of three Yugoslav brothers now in Washington; biased.
6. Bulgarian Desk, L. L. Beeler. Studied at the University of Sofia; excellent linguist; recommended to OSS by Lt. Colonel Bakeless.
7. Hungarian and Czech Desk, Charles Katek. Born in U. S. of Czech parentage; a big man physically with not enough to do.
8. Topographic Desk, D. G. Stampados. A Greek, educated in England; aviator; G-2 Officer in Greek Army; fought against Italy and Germany, wounded. A good man though a little too cocky at times; knows his job.

1. Western European Section.

1. Chief, F. L. Mayer. A career diplomat with wide European experience; good organizer and administrator; well liked and easy to get on with; despite some handicaps, runs his section very well.
2. Spanish Desk, W. L. Mellon. One of The Mellons; knows Spain; hard working and effective.
3. Assistants to the Spanish Desk;

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(a) E. W. Andrews

(b) F. G. Dyas

Both of these are new men.

4. Portuguese Desk, J. L. Hyde. An interior decorator with wide European and Far Eastern experience.

5. French Desk, J. O'Brien. Considerable European experience; not too effective.

6. Assistant to French Desk, E. W. Barnes; a new man.

7. Low Countries Desk, Capt. G. E. Borst. Has an intimate knowledge of Holland, less so of Belgium.

8. Swiss Desk, R. L. Brittenham. Was a private in the U. S. Army; young educated abroad, a bit on the romantic side.

9. Assistant to Swiss Desk, J. Hayes; a new man.

j. Labor Desk.

1. Chief, A. Goldberg. A good tough man; efficient and effective.

2. Assistant to Chief, Isiah Dorfman.

Comment: The Labor Desk is hard to evaluate because they are planning considerable expansion and because their men are in Washington for only brief visits.

k. Counter Intelligence.

1. Chief, James Murphy. A lawyer; General Donovan's right hand man; has a phenomenal memory and great ability.

2. Assistant to Chief, E. M. Delaney.

3. Far East Desk, Judge N. F. Allman. For many years Judge of the Mixed Court, Shanghai. Well known throughout the Far East.

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1. Reporting Board.

1. F. L. Belin. Career diplomat with wide European experience.
2. Richard Southgate. Career diplomat with wide European experience.
3. Harold Coolidge. Harvard professor; zoologist with African experience, especially West Coast.

4. Research Assistants:

- (a) E. M. Carroll
- (b) J. W. Lane
- (c) Walter Brown
- (d) J. Ornstein
- (e) C. Houck

5. Press Survey, Mrs. Alice Clifford. This group works for information SI only.

m. Registry, Mrs. Margaret Griggs. The rest of the personnel of this section is purely clerical.

8. GENERAL COMMENTS: In general SI/OSS suffers from much the same weakness as do other wartime agencies in Washington: (a) Lack of organization; (b) lack of direction. Its growth has been rapid without a clearly defined goal and without proper integration. Under the veil of secrecy, clarity has been sacrificed to such an extent that no one is at all sure what the real aims of SI are. Headed by an able and ambitious man, OSS has expanded into many fields and functions and SI, as part of the whole, has been dragged along with the parent organization. Its work has been badly hampered by (a) the above weakness, (b) jealousy and lack of cooperation on the part of the older agencies, (c) the impossibility of establishing an SI outfit in wartimes. Despite these difficulties its work has steadily improved because (a) most

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of the men in the organization are very able and have an excellent grasp of the regions assigned to them (b) through painful experience they have learned how to handle SI problems. It is a very great pity that they continue to function largely in a vacuum. Given a thorough reorganization, or rather organization, and a complete integration with MIS and ONI, much could still be accomplished.

What is needed:

1. A workable table of organization.
2. A strong executive officer to handle details.
3. Clear cut directives.
4. A clear cut method of procedure for the various functions of the Desks.
5. A record kept by each Desk of reports sent in by each agent. This is not done at present and there is no way of evaluating the individual agent's work.
6. More emphasis on speed of accomplishment. This need is felt throughout the entire organization from top to bottom. There is too much time wasted through faulty and slipshod procedure and lack of definite responsibility.
7. Closer integration between the School and the Desks.
8. Better knowledge on the part of the Desks of the needs and functions of MIS. The SI Desk Chiefs are anxious to improve this situation but MIS has not always been cordial.
9. Frank and constructive criticism on the part of MIS of the SI reports submitted.

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IMPLEMENTATION STUDY

FOR

BASIC) Plan for Psychological Warfare
SPECIAL) in _____

1. This study covers matters relating to requirements, procurements, training, supply and transportation, communications, organization, and operations in implementation of the Special Plan for Psychological Warfare in _____, approved by the Joint Chiefs of Staff, _____ (date), which are responsibilities of both OSS and the Theater Commander, _____ Theater.

2. Organization and Plan

This section should include a plan of organization and operations for each operating branch within the area and its connection with the theater base. If the area cannot now be penetrated, it should include a plan for penetration at some future date when such is desirable and opportunity offers.

3. Operations

(a) Intelligence

Prepare plans for the entire area by localities; surveys covering military, political, economic, psychological, social and other factors, including physical targets for SO and current information on which to fix objectives for propaganda, political, social, and economic pressures for MO.

Statement of information not presently available and therefore constituting intelligence objectives for SI and R&A.

Brief description of enemy espionage possibilities and general steps required to counter them.

(b) M. O. (Subversion)

Include outline of suggest subversive operations to include black propaganda, together with enemy vulnerabilities and targets.

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(c) S.O.

This should include a detailed study of targets for sabotage and guerrilla fighting together with suggestions as to methods and means.

4. Requirements

(a) Personnel (including replacements)

Army

Navy

Civilian

Covered by present allotments

Not covered by allotments

(b) Supplies and Equipment

Special equipment not covered by OSS Catalogue

5. Procurement

(a) Personnel

Army

Navy

Civilian

Additional requirements for military personnel to be covered by consolidated request by theaters for additional allotment.

Responsibility for procurement to be stated, whether OSS or theater commander.

Additional requirements for civilian personnel or for field personnel of proper nationality to be stated, as well as the responsibility for procurement.

(b) Supplies and Equipment

List additional requirements and responsibility for procurement.

Indicate transportation requirements to be obtained within theater.

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6. Training

Indicate plan for training, and whether a responsibility of OSS or theater commander. Attach a general outline of training to be given in each case. Indicate how replacements are to be trained and provided.

7. Supply and Transportation

Give general plan for supply and transportation (including naval or marine) of both personnel, equipment, funds, etc. determined for definite responsibility of OSS and theater commander.

This plan should cover requirements for introduction into the theater as well as for operations in the field.

Also include a carefully prepared check list for last minute check to insure nothing has been overlooked.

8. Communications

Give general plan for communications between base and field operators, between theater base and other OSS bases, and between theater base and OSS Washington.

Also include provision for a special communications or communication equipment which may be called for.