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Extracts from 19th ANCICC - 28 August 1945.

Combination of Army-Navy Intercept, Cryptographic, and Cryptanalytic Activities (Reference paragraph 1(a) of subject memorandum)

Captain Smedberg opened the discussion by stating that he favors a physical merger of the central Army-Navy crypt-analytic activity. General Corderman and Captain Wenger indicated that all discussion should be based on the proposition that there will be as complete a merger of all Army and Navy elements in the operation of central technical activities as possible; that administrative control will necessarily be conducted separately by the Army and Navy, but that such control will be on a joint basis. All members of the committee concurred with these propositions. It was understood:

- (1) That Army and Navy cryptanalytic activities will be completely merged.
- (2) That the central merged activity will be located on one reservation.
- (3) That intercept units will maintain their service integrity, but will operate under missions assigned by the merged unit.
- (4) That specific Army and Navy cryptanalytic problems should normally be handled by their respective personnel.*

*The specific wording of subparagraphs (1) through (4) was subsequently approved by the members of ANCICC present at the regular meeting held on 12 September 1945. Captain W. R. Smedberg who was not present for the meeting on 12 September qualifies subparagraph (1) as indicated in his memorandum to the Secretariat dated 21 September 1945 (see Inclosure C).

Captain Smedberg stated that it is prerequisite to any merged Army-Navy activity that there should be a joint Army-Navy ULTRA intelligence information and dissemination center.

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Extracts from 19th ANCICC - 28 August 1945 (Cont'd.).

There followed a discussion as to the selection and nature of the most appropriate location for the central Army-Navy activity. ANCICC directed that the selection of a location should bear highest priority among actions taken to effect the merger, and that a list should be prepared immediately of suitable locations in the order of their desirability. If the sites selected are outside of the Washington area, preference should also be indicated as to which of the two possible sites--Arlington Hall Station or the Naval Communications Annex--within the Washington area is preferable. General Clarke indicated that an existing Army or Navy reservation, possibly located in the Allegheny Mountains, so situated as to afford maximum protection and security and to provide adequate facilities for communication and the collection and dissemination of intelligence and collateral information would be best.

Upon the recommendation of General Clarke, ANCICC directed that an ANCICC Subcommittee on Merger Planning be established to be composed of four members (two from each service) and to be granted authority for travel and authority to utilize all regular ANCICC subcommittees in the study and preparation of recommendations relative to merger planning. This committee will serve as a stearing committee to obtain, evaluate, consolidate, and forward the recommendations of the various regular ANCICC subcommittees concerning merger planning. It was further directed that this subcommittee should consider as its primary responsibility the selection of an appropriate The Secretariat was directed to inform the new Subcommittee on Merger Planning of its functions and authority, and to inform all regular ANCICC subcommittees as to (1) the decision of General Marshall and Admiral King to combine Army and Navy communications intelligence activities, and (2) the establishment of the Subcommittee on Merger Planning.

There ensued some discussion as to whether, at this time, the regular ANCICC subcommittees should be required to submit detailed studies concerning the merging of Army-Navy communications intelligence activities in their respective fields. Captain Wenger stated his feeling that such studies should be initiated immediately by the various subcommittees in order to lay an adequate basis for future technical and administrative decisions on a higher level. General Corderman indicated that he considered such detailed planning by the subcommittees to be premature at this time. It was generally agreed by all members that specific studies should not be required of the ANCICC subcommittees as yet, but that, in accordance with the above directive of ANCICC, subcommittee anticipation of the problems of merger planning should be encouraged and that any recommendations or studies initiated by the subcommittees should be forwarded to the Subcommittee on Merger Planning.

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Extracts from 19th ANCICC - 28 August 1945 (Cont'd.).

In consideration of the many problems to be faced and the various procedures to be adjusted, Captain Wenger raised the question as to whether the merger should be effected gradually or by immediate complete action. General Clarke and General Corderman recommended that since time is of the essence, the merger should be effected by immediate complete action. They felt that, next to the primary consideration of selecting a site, secondary consideration should be given to the selection of the individual who will be responsible for directing the merged organization. Captain Wenger contended that gradual consolidation would be preferable.

INCLOSURE C

Extract from memorandum from Captain W. R. Smedberg, III to the ANCICC Secretariat, dated 21 September 1945.

"I am not convinced that we have ever agreed in an ANCICC meeting that the Army and Navy Crypt-analytic activities should be completely merged, even though I know that during my absence on leave you put out a change in the Minutes of the 19th Meeting which indicates that we agreed that they would be completely merged. It has always been my thought that even though on one reservation - as I recommended and still consider advisable - the Navy Crypt-analytic unit and the Army Cryptanalytic Unit would be separate, even though administered by one director or by joint direction. The Navy unit should retain its identity and the Army unit should keep its identity, whether on two reservations, in two buildings on one reservation, or in the same building."

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EXTRACTS FROM 20th ANCICC - 12 September 1945

Consideration of all Matters Relative to Merging of Army-Navy Intercept, Cryptographic, and Cryptanalytic Activities (Section I, Part A. Item 14; Section II, Item 5; Section III, Item 1; Section III, Item 3):

Captain Wenger stated that he had been directed by higher authority within the Navy Department to present the following statement of policy to this meeting of ANCICC:

"The Navy members of ANCICC, after consultation with higher authority, desire to set forth the Navy's position in order that there will be no misunderstanding concerning the degree of combination or merger of communication intelligence activities which can be agreed to by the Navy. A full physical merger of Army and Navy communication intelligence activities does not seem desirable to the Navy, for the following reasons:

- "(a) Since the last meeting of ANCICC, the recommendation of merger, as advanced in the ANCIB memorandum of 22 August 1945, has been under further study by higher naval authorities with respect to its scope and its relation to the question of an over-all consolidation of the armed services.
- "(b) The Navy must retain complete control over all elements of naval command, so that the Navy will be free to meet its interests, solve its special problems, and discharge its basic responsibilities in matters of the national defense. The Navy must, therefore, have complete control over its operational intelligence.
- "(c) For these reasons, the Navy considers it inadvisable to effect any actual physical consolidation of the technical facilities or activities of OP-20-G and the Army Security Agency.
- "(d) It is considered, however, that coordination on the intelligence level can be improved, and in that area merger may be desirable at this time.
- "(e) Subject to the foregoing, the Navy desires to continue the arrangements for collaboration and coordination now in effect, and to extend and improve these as may be possible in connection with all matters of joint interest.

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"In view of the foregoing, ANCICC should proceed to consider and recommend procedures that continue coordination and complete integration, as recommended as an alternative in General Marshall's memorandum of 18 August 1945, rather than a complete combination or merger of the activities."

In view of the fact that General Marshall and Admiral King had approved the recommendations of ANCIB "that it is advisable to combine Army and Navy intercept, cryptographic, and cryptanalytic activities under appropriate joint direction, " General Corderman questioned the extent to which the statements presented by Captain Wenger are binding upon ANCIB and ANCICC. He stated that, inasmuch as a question involving a reversal of policy is involved, this matter should be referred to ANCIB, and that clarification from higher authority must be obtained. It was agreed by all present that, until such clarification is obtained, any further action or consideration of merger planning by ANCICC, the Subcommittee on Merger Planning, and the regular ANCICC subcommittees must be suspended. It was General Corderman's feeling that any action taken toward the combination of Army-Navy C.I. activities must be predicated upon such complete merging and joint direction as was previously approved by ANCIB.

There ensued a discussion as to the possible action which may be taken or considered advisable in order to effect maximum joint collaboration within the limitations imposed by the statement presented by Captain Wenger. Captain Kinney raised the question as to what can now be done to alleviate the basic problems which prompted the initial recommendation for a merger. Colonel Duncombe inquired whether the future mission of the Army and Navy in the field of communication intelligence can be accomplished by two separate activities. It was the opinion of General Corderman that most of the technical problems which can be solved without an actual merger have already been worked out. Both he and Captain Wenger indicated that, unless a merger can be effected within the near future, all possibility of effecting an eventual merger will be greatly reduced.

Captain Wenger stated his feeling that both the Army and Navy should emphasize the continuation and extension of present coordination on C.I. activities, and that a definite possibility exists for further extension of joint action in intercept. He further suggested that ANCICC should give immediate consideration to accomplishing the unification of Army and Navy activities

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on the intelligence side with a view to joint dissemination of signal intelligence product. He suggested this would be a relatively simple matter. Commander Sebald expressed the opinion that a merger or combination of Army and Navy activities on the intelligence side would probably be more difficult than any other part of the merger. It was agreed that this is part of the general problem of merging Army and Navy communication intelligence activities; that ANCIB's directive dows not authorize consideration of this matter except as part of an over-all merger plan; and that no further action can be taken pending further instructions from ANCIB.

ANCICC directed that the Subcommittee on Merger Planning and all regular ANCICC subcommittees be advised of this situation, and that, un until further direction from ANCICC, any action being taken concerning merger planning should be suspended. ANCICC further directed the Secretariat to prepare a tentative letter from the approval of ANCICC, setting forth the position taken by Army and Navy members of ANCICC relative to merger planning and requesting clarification of this issue by higher authority.

INCLOSURE A

CHANGES TO BE MADE IN DRAFT OF MINUTES OF THE

NINETEENTH MEETING OF ANCICC

Page 7, paragraph 2, line 11 should read as follows:

"It was understood:

- "(1) That Army and Navy cryptanalytic activities will be completely merged.*
- "(2) That the central merged activity will be located on one reservation.
- "(3) That intercept units will maintain their service integrity, but will operate under missions assigned by the Director of the merged units.
- "(4) That, subject to the unified conditions of the merged unit and its personnel, specific Army and Navy cryptana-lytic problems should normally be handled by their respective personnel."

^{*}Captain W. R. Smedberg who was not present for the meeting on 12 September qualifies subparagraph (1) as indicated in his memorandum to the Secretariat dated 21 September 1945 (see Inclosure C of Minutes of the Nineteenth Meeting of ANCICC).