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The Historical Evolution of Our National Security Organization

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NAVAL WAR COLLEGE REVIEW

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THE HISTORICAL EVOLUTION OF OUR NATIONAL SECURITY ORGANIZATION

A Lecture Delivered
at the Naval War College
on 19 August 1953
by

Mr. Ferdinand Eberstadt

Admiral Conolly, Gentlemen:

First of all, I want to thank you, Admiral, for that very generous introduction. I consider it an honor and a privilege to be invited to talk to this distinguished group. It is an honor to be asked once — a great honor — it is very reassuring to be asked again, and this is my second invitation to this institution.

Perhaps it is not a characteristic quality, but I am in a position where I must address you with unusual humility because sitting right before me here is Admiral Robbins — whose grasp of this problem is far superior to my own. In fact, I received a lengthy tutoring course from Admiral Robbins during the period when I was working on the report to The Honorable James Forrestal on “unification.” I have not only great affection for the man, but great respect for his attainments in that field with which I am acquainted — and I am sure that I would have in other fields if I were acquainted with his accomplishments there.

Another reason why I am particularly humble at this time is that not so very long ago when my youngest daughter graduated from Bryn Mawr College, in connection with the graduation she selected the topic: *Our National Security Organization*. It was one of those cases where the parent is called in as a kibitzer. We got up a document which I thought was very satisfactory and very adequate. But when the paper came back from the instructor, in big red letters were written the words: “Very superficial.” So I am

prepared for any sort of condemnation that you may heap on me. I might add that she survived my contribution and graduated.

My topic is: "The Historical Evolution of Our National Security Organization." The word "unification" became very well known in 1944-45. In 1944, a committee of the House known as the Woodring Committee held hearings on the subject — just before the end of the war. Most people date unification discussions from that period. But it will interest you to know that in the preceding twenty-five years there were about thirty suggestions and bills introduced in Congress looking to unification of the army and the navy. One of the most vigorous efforts was in President Harding's day. Later on, in Mr. Hoover's time, it came up again. At that time a most ardent opponent of unification was one who thereafter became one of its strongest supporters — General MacArthur. So you can see that views on the subject have not always been consistent — I am not reflecting on people for that at all. The point is that there has been, over many years, a trend toward unification of the two services.

Under the leadership of the army — from a variety of motives — the unification question became very active as the Second World War came to a close. The navy's attitude toward the problem was one of some reserve. I won't say opposition — I'll say reserve. The Air Force had had a considerable taste of unification with the army; they wanted the liberty of maturity; they sought an independent role in a unified establishment.

Secretary Forrestal asked me if I would study this subject and make some suggestions. I asked him if he would put the assignment down in writing. So he wrote me a little note — about three paragraphs, maybe ten lines — and handed it to me on my birthday. It was the most substantial birthday present that I ever received. Well, those little lines have occupied me (to a greater or less extent) going on nine years.

We made as thorough a study of the subject as we could and rendered a report after several months of rather intensive

work, and it was concluded that a mere unification of the military services was of limited significance. The important thing was to unify and bring into harmonious action all of those elements which related to, which supported, and which — in case of necessity — would defend our national security.

As a result, the report dealt not essentially nor solely with the army, the navy, and the air force — but with a program which would give us a national security organization adequate to the needs of the times. The report, as rendered, did not contemplate a Secretary of Defense and did not contemplate a single department. There were certain elements of the report with which the navy agreed; there were some elements with which the army agreed; and some elements with which the air force agreed — particularly that portion of the report which recommended a separate Department of Air. But there was not general agreement on the report, although I think it constituted the basis for discussions which lasted from 1945-1947 amongst these military departments, the other departments of government, and up on The Hill — with the result that what I should say was a pretty good compromise, well within the spirit of the report, was arrived at and passed in July, 1947, called the *National Security Act of 1947*.

I would like to read to you the Preamble of that Act because — though there have been amendments to the Act from time to time — in all the documents and reports relating to the amendments, approval is expressed of the purposes of the Act as originally enacted and all of the amendments have always been alleged to be within the spirit of that preamble. So it is very important to grasp and understand (and in my opinion, very important to adhere to) the spirit of that preamble. I will read it to you.

“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 pro-

cedures for the departments, agencies, and functions of the Government relating to the national security (I invited your attention to the fact that that includes much more than simply the military departments); to provide three military departments, for the operation and administration of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force, with their assigned combat and service components; to provide for their authoritative coordination and unified direction under civilian control but not to merge them; to provide for the effective strategic direction of the armed forces and for their operation under unified control and for their integration into an efficient team of land, naval, and air forces."

From my experience with this subject, I should say that I had read you the "golden text" of the National Security Organization and I bespeak your constant attention to that in judging amendments that have been made and those amendments that will from time to time be urged.

The great debate, as I said, terminated in the Act of 1947 and Secretary Forrestal became the first Secretary of Defense. That was not an easy job. The original Act (which was well within the spirit of the Preamble) did not contemplate a large Office of the Secretary. It contemplated the Secretary as a coordinator — someone who would aid, assist and, if necessary, direct the services to work together; someone who would tie the military elements of our Government closely to the State Department, to the intelligence groups, and otherwise see that we had a coordinated national security organization.

The Act gave the Secretary three special assistants (quite in contrast to the new proposals that I will come to). The Joint Staff had, I think, a hundred officers at that time. The various

components of the Act I will not undertake to review. You are all familiar, I am sure, with the National Security Council, the Central Intelligence Agency, the National Security Resources Board and the Joint Chiefs of Staff. Those were the new elements established by the law. Amongst other things, it was the duty of the Secretary to see that the military part of that organization operated well within itself and in its relationships with the others.

Secretary Forrestal believed in evolution. He was a man who had great faith in the people with whom he worked — great faith in many people with whom he did not work. He assumed that everybody else was as deeply interested in the success of this enterprise as he was — and he acted accordingly. Naturally, fitting the old feet into the new shoes was not so easy and there were screeches of pain from here, from there, and from everywhere. These arose from service rivalries and conflicting service interests, from budgetary problems, etc. — the very things which you would expect and which should not have been particularly shocking to an experienced person. It was, however, a little bit disappointing and somewhat disillusioning, I think, to Secretary Forrestal not to find quite such an ardent desire for immediately successful operation on the part of all as existed in his own case. I think as time went on he felt that the original Act possibly did not give the Secretary sufficient assistance or sufficient authority.

The Act was passed in July and put into effect in September of 1947. (If I get stuck on any of these dates, I will call upon Admiral Robbins to help me out because I am sure he can tell me almost the hour when the Act went into effect).

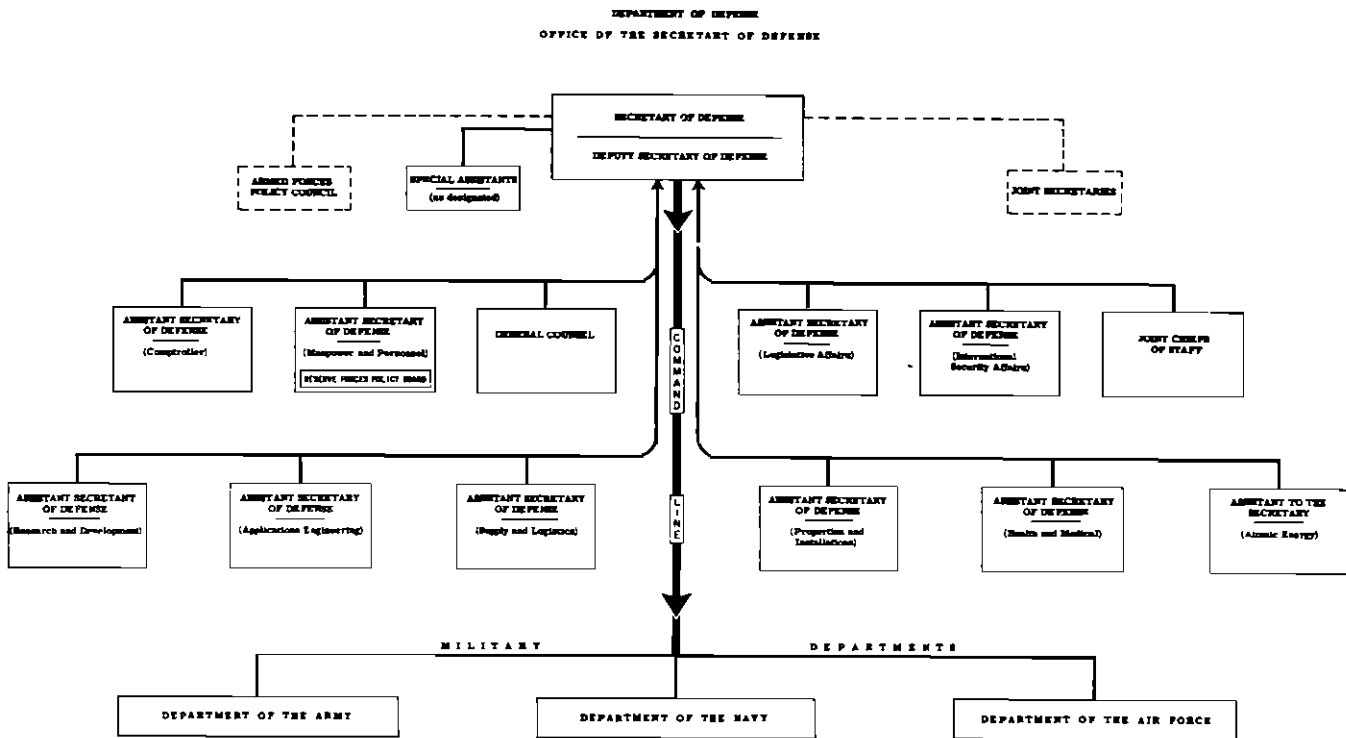
The Hoover Commission, which had been appointed some time before, had not intended to examine the Defense Department nor the National Security Organization but finally decided to do so as the result of loud vocal dissents referred to above. Matters which might have been dealt with, let's say, less noise, received very resounding attention in the press. Both Mr. Hoover and Mr.

Forrestal accordingly felt that the situation was appropriate to have the new organization examined. It was certainly very early in its history. The organization had not been in operation for a full year. It became my fate to be Chairman of the Task Force Commission of the Hoover Commission in making that examination. One man said that it was the only case where the corpse acted as coroner at its own inquest.

We undertook the task and worked diligently, I can assure you, from June until December. We had a wonderful cooperation from the services, from the Central Intelligence Agency, from the National Security Council — from all concerned. We had a very fine committee. The committee met certainly two days — and very often three days — and nights from June until December. We had one member of the committee — Raymond B. Allen, then President of the University of Washington (now Chancellor of U.C.-L.A.) — who, to attend committee sessions, flew a distance considerably greater than around the world. I think the committee listened to over three hundred witnesses. Within our limitations, we did as thorough a job as we could. We came up with a report which constituted the basis for the Report of the Hoover Commission. This report is available to you and I will not attempt even to summarize it. The gist of our findings was that the Act and the organization were sound; but that the Act, as was to be expected within such a short time, was not yet working well; that a clarification and strengthening of the Secretary's authority might be in order. We made a recommendation accordingly, and certain other recommendations.

The Commission followed, in general, the recommendations of the task forces and, speaking generally, Congress followed the recommendations of the Commission. The amendments were not of a very drastic sort; they were in a formal sense, possibly, but not in a substantial sense. The military establishment was converted into a single executive department — the executive departments of the Army, the Navy, and the Air were converted into something new

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Approved *John Edgar Hoover*
Secretary of Defense
30 June 1953

called Military Departments; the Secretary was given an Under-Secretary and three Assistant Secretaries; and certain other changes of that type which did not change the spirit of the Act.

The tendency to centralize authority in the Office of the Secretary and to build up the Office of the Secretary — a continuation of the old Collins plan which looked to a single department with a single secretary and a military chief of staff — still continued and are still continuing.

One thing our committee did emphasize was the importance not simply of the authority in the Secretary (that is the vertical line on the chart), but the tremendous importance of the horizontal lines on the chart — the working together, the integration, the cooperation, the coordination.

I might just digress to tell you that in the first message that President Truman sent to Congress on the matter of unification, the words "cooperation," "coordination," (or their synonyms) occurred perhaps seventy times. In the amendment message that President Truman sent to Congress, I think they occurred about a dozen times. In the last message that General Eisenhower sent, with respect to Proposals No. 6, those words are absent. That gives you an indication of the trend and I will comment on that trend a little later.

This matter of proper coordination that our committee emphasized and the Hoover Commission emphasized had nothing to do with legislation or amendments. It had a great deal to do with the effective and successful operation of the National Security Organization; that is, the working together on equal levels, side by side, for a successful, harmonious task. I would like to emphasize more than anything else that I talk to you about that the success of our National Security Organization, the success of our military establishment, does not depend only upon the vertical line — but equally upon the cooperation, the coordination, the integration. Until we have achieved sound integration between the Military

Departments and the State Department, sound integration of all the intelligence facilities of the several departments and agencies, sound integration between the Atomic Energy Commission, the State Department and the Military Departments — the organization cannot function well. You cannot order it to work well any more than King Canute could order the tides to recede. It is only by great maturity, great experience, by establishing smooth working relationships on the part of the several facets that each contribute, by a realization that its success or failure will not come from focussing authority in any man — that it will work. Then the man who has to make the decision is in a position to make the decision and to see it carried out — and only then.

I am not going to enlarge on the accomplishments of Secretary Forrestal — in part, because I think my views would be prejudiced — but I think they were huge. The bringing together of those elements that were not well acquainted and had not worked together so closely in the past was a good deal like putting four or five roosters into one pen. It is very fortunate that we had a man of that temperament and that patience at that time.

The recommendations of the Hoover Committee, by and large, were passed by Congress. Louis Johnson became Secretary of Defense at about that time. I would like to comment upon one extremely interesting development under Louis Johnson's secretaryship. This question of the inadequacy of the powers of the Secretary had been batted back and forth for months preceding. I never thought that the Secretary's powers were inadequate. But when Louis Johnson cancelled the navy's super-carrier, you had the acid test of the authority of the Secretary of Defense. I am not passing on the question of "policy" — whether it was wise or unwise — I am simply passing on the question of whether the Secretary had ample authority or did not have ample authority. I dare say that when the Secretary was in the position to cancel a project as important as that and as dear to the heart of the Navy as that — and not be successfully challenged — that his power was adequate for anything that he should probably undertake to do.

There was one very constructive development that I would like to mention during Louis Johnson's tenure—and that was the enactment of Title Four of the National Security Act of 1947. To a business man, the accounting and fiscal practices of the departments are, let's say, somewhat unconventional. There is some justification for that difference because business men do not take their properties and blow them up every score of years. There are differences that justify differences—but I think, perhaps, the differences went a little too far. It was felt that there was waste that could and should be avoided, particularly now that our defense expenditures had reached such proportions. "Economy" is really not the word to use with respect to military matters. Military matters — particularly, war — are the negation of economy; there isn't any such thing as economy. "Waste" is what you want to avoid. It was felt that by better accounting systems, more similar accounting systems among the services, by a record of property and of supplies (what in business is called an "inventory"), it might be possible to avoid some waste. I wouldn't say that was a very unreasonable point of view. So, with the support of the military departments and of Congress, Title Four was enacted — which placed upon the Secretary of Defense (and upon the several civilian secretaries) the obligations expressed in Title Four of the Act with respect to keeping their accounts and keeping their books. In part, the Title has been lived up to, but there is still some distance to go. I would be ready to accept some excuses because since the Title went into effect, times have been rather squally. But I think there is still considerable progress to be made in the avoidance of waste.

General George C. Marshall followed Louis Johnson as Secretary of Defense. That was a rather tranquil period compared to what preceded and what followed. Mr. Robert A. Lovett was his Under-Secretary of Defense and, in due course, Mr. Lovett became Secretary and attention was diverted from matters of organization of the department to taking care of Korean affairs. Not much was heard about further changes in the departmental org-

anization until Dr. Vannevar Bush — a man of great ability, great distinction, and great accomplishments in the scientific field — became so concerned about the adequacy of our military plans that he made three speeches suggesting rather radical reorganization of the Defense Department. I think that in the interval between the speeches (which covered a few months), Dr. Bush changed his views somewhat as he became more familiar with the problem. I feel that Dr. Bush's cause for concern may have been justified; but his prescription would not have cured the ailments that he was trying to cure.

With a spirit of cooperation rather unusual in our history, the outgoing President (Truman) did everything that he could to facilitate the take-over by General Eisenhower. Amongst other things he asked Secretary Lovett to write a letter to him, setting forth what he thought the incoming Secretary should know and, particularly, any changes that he thought should take place in the Act. There were no very drastic suggestions contained in that letter. Again, I am not going into detail — I assume all that material is available to those of you who desire to familiarize yourselves with the details. But, those two stimuli — plus the fact that the President had a Reorganization Committee in the persons of Nelson Rockefeller, Dr. Robert V. Fleming and Dr. Milton Eisenhower set the stage for another look at the Defense Department. This committee, fortified by several other individuals of ability and distinction, held a few hearings on the subject — and came up with some recommendations which constituted the basis for President Eisenhower's recommendations to Congress known as "Reorganization Proposal Number 6." Well, some of you may already know that my attitude towards those proposals is something less than enthusiastic — and I am going to return the compliment involved in your asking me here by talking to you with complete frankness. Naturally, many of you will disagree with me and I can say that I took a first-class licking in Congress. I still think that it is our duty — your duty and my duty — to form our own opinions about these things and to express them.

I won't go into the details of the Rockefeller Report, but I will deal with some of the words from President Eisenhower's Message to Congress, embodying these proposals. One statement that I want to read goes back to something I said to you before. I am quoting now from the President's message:

"I am convinced that the fundamental structure of our Department of Defense and its various component agencies as provided by the National Security Act, as amended, is sound. None of the changes I am proposing affect that basic structure, and this first objective can and will be attained without any legislative change."

The President mentions three objectives — I will now deal with the first one:

"The first objective, toward which immediate actions already are being directed, is clarification of lines of authority within the Department of Defense so as to strengthen civilian responsibility."

Those of you who have been students of this subject for some time know, and those of you who will become students of this will learn, that the words "civilian control" are words to conjure with; they are magical words — magical in a number of senses: amongst others, in the sense that nobody knows what they mean. Of course, the military establishment should be under civilian control in the sense of the purse strings being in Congress's hands. Of course, it should be under civilian control in the sense of being subject to the President as Commander-in-Chief and, of course, each department within those limits that experience has indicated to be wise and necessary should be under the control of its secretary. There is such a thing as civilian control — and that is a sound thing; and there is such a thing as civilian meddling — and that is *not* a sound thing. It is very much like the dealings of the layman

with his surgeon. Whether there is to be an operation or whether there is not to be an operation is, after all, the decision of the patient. That is not a technical decision, that is not a professional decision — that is a policy of the patient, the civilian. And the relationship of the civilian authority to the military, in my opinion, is much like that. What action is to be taken, in a broad sense — what policy adopted, let us say, what funds are to be spent, what political factors enter into the situation — those are civilian decisions. When it comes to operations, you had better let the surgeon handle the knife.

I hope that amongst you students will be one — or more — who will give this matter of civilian control a thorough, historical and analytical study. It is founded in our Constitution. Why? Because the people that wrote the Constitution had soldiers all over them — under their feet, on their necks, in their kitchens, in their living rooms, in their stores, and everywhere else. They didn't want that. But, in my opinion, they did not conceive of civilian control as a situation where the operation of a theater command was to be through the civilian secretary. I think that the recommendation which did not go into the law, but which the Rockefeller Committee made — that the appointment of a commander for a theater of operations should not be made by the Joint Chiefs and that the control of a theater of operations should not be under the Joint Chiefs, but in the Secretary of the Department — was a mistake. I think it was not in accordance with the spirit of the Act and I undertake to prophesy (which is not my speciality) that it will not work — that it will not even be followed.

The second broad objective of the act:

“Our second major objective is effectiveness with economy.”

In the name of “economy,” certain boards are abolished and six new assistant secretaries are appointed and a general counsel.

I might say, gentlemen, that a man of cynical tendencies perhaps would feel that the appointment of six new assistant secretaries was not in and of itself a guarantee of economy. You know there is no such thing as a single assistant secretary. An assistant secretary, or a secretary, is a galaxy—a great group gathers around him. So, I think we will have to wait a little before we finally determine whether the abolition of certain boards and the creation of assistant secretaryships does or does not stimulate economy. I wouldn't be sure that it did—and I wouldn't be sure that it stimulated effectiveness because where you have three departments like the Air, the Navy, and the Army, they must work together. You must have representatives from all three and there must be somebody sitting at the head of the table to decide. Whether you call him an assistant secretary or whether you call him a chairman is "tweedledum and tweedledee." Let us see how it works out.

"Our third broad objective is to improve our machinery for strategic planning for national security."

There, it seems to me, the recommendations verge on the dangerous—particularly at this time. The Chairman is given the right to veto the selection of members of the Joint Staff and also the right to remove them. I don't know much about military matters but I know that in business the man who has the right to fire and the right to hire is the boss. Maybe it isn't that way in military matters—but I suspect it is. Furthermore, he has management of the Joint Staff. Well, when a man can control the person, or persons, on the Staff and can manage the work of the Staff—that comes pretty near to being his Staff and he comes pretty near to being its Chief. We are very fortunate in the selection of the new Joint Chiefs of Staff: Admiral Radford (than whom there is no abler officer), Admiral Carney, General Ridgeway and General Twining. We have there a wonderful group. It will be interesting to see, however, how the new Chairman employs these powers because

these powers put the new Chairman in a position where with little observation and possibly little challenge, he might convert that office into the Office of a Chief of Staff and he might convert the Joint Staff into sort of a General Staff. In my opinion, that development would be extremely dangerous. I do not say that is going to happen, but I think it is a situation that calls for eternal vigilance to see that it does not happen.

Congress does not want it to happen. The question, if put squarely to Congress, would receive only one answer: "Our people do not want it." My opposition to it is not based upon the fact that I would expect the Chief of Staff to take over the government and control of this country — that is not the way it operates, gentlemen. If you want to see how it operates, you can see how that man, Hitler, did it. He took over the Chief of Staff and the Chief of Staff's authority over the military being focussed, it was a very easy thing to do. It isn't the danger that that man will be a man on horseback and govern the Country — it is that you focus the power into a handle that a man of evil intentions can readily grasp. I don't see that in the horizon at this moment — but I wouldn't want to run the risk! The reason I have reservations on it also has to do with our military planning. I would have been very happy to see the Rockefeller Committee come up with a recommendation of the appointment of a group of distinguished scientists and civilians who on occasion would review the plans of the Joint Chiefs of Staff to see that those plans were realistic from the point of view of the political situation, our economic capabilities, and the developments in science and research. That, I think, is our great need — and not these other things. That recommendation, it seems to me, would have been very welcome — and there is still room for that recommendation.

The other proposals, as I have said to you, with the exception of that one — giving these unusual powers to the Chairman — are matters of no great importance. The way that matter is handled by Admiral Radford will be of great significance and of great importance. To that, I invite your attention.

That covers the ground in a little more time than I had intended to take. If you are interested in a bibliography, I will just mention certain documents where the story is told. I think my report to Congress is a pretty complete review of occurrences on the subject up to that time. The Hoover Commission Report and our Task Force Report to the Hoover Commission bring matters up-to-date. The Rockefeller Report is certainly grist in this mill, as are the President's Proposals Number 6 and the several Messages by President Truman. If you will go over those documents, you will either find yourselves exhausted or your appetites whetted. I cannot tell exactly in what frame of mind you may be in now but I hope your exhaustion has not been complete. Those whose appetites have been whetted can put forward such questions as they care to; any that I cannot answer, I feel perfectly secure about — I will just ask Admiral Robbins to help me on those.

Thank you very much for your attention.

BIOGRAPHICAL SKETCH

Mr. Ferdinand Eberstadt

Mr. Eberstadt was born in 1890 in New York City. He was educated at Princeton (A.B., 1913) and at Columbia Law School (LL.B., 1917). He entered the law firm of McAdoo, Cotton and Franklin as a clerk in 1919, and in 1923 became a partner in Cotton and Franklin. From 1925 to 1929, he was a partner in Dillon, Read and Company, and in 1931 established his own investment firm.

His public services have included: U.S. Army, in which he served from 1916-19; assistant to Owen D. Young, Reparations Conference, in 1929; Chairman of the Army and Navy Munitions Board, 1942; Vice Chairman of the War Production Board, 1942-43; author of the EBERSTADT REPORT on unification of the War and Navy Departments and post-war organization for national security, 1945; assistant to B. M. Baruch, U.N. Atomic Energy Commission, 1946; author of report on the National Security Resources Board, 1948; chairman of the Committee on National Security Organization for the Commission on Organization of the Executive Branch of the Government (Hoover Commission), 1948.

Mr. Eberstadt serves on: Board of Advisers, Industrial College of the Armed Forces; U.S. Navy Civilian Advisory Committee; U.S. Army Advisory Committee. He is a member of the Army Ordnance Association; the Navy Industrial Association; the Navy League; U.S. Naval Institute; and Naval Historical Foundation.