

SUBJECT NUMBER

FINAL

USCIB: 23/64

Item 1 of the Agenda for the Eighty-sixth (Special)

Meeting of USCIB, held on 28 May 1953.

Subject:

Allied (NATO) Communication Security (USCIB 23/55).

The Acting CHAIRMAN (General Cabell) opened the meeting by stating that the only item on the agenda was the report by Mr. Polyzoides ad hoc committee. He inquired if the members would like Mr. Polyzoides to present his report in its entirety or whether they would like to ask questions about any particular aspect of the report.

MR. POLYZOIDES said he preferred not to make a presentation of his report, explaining that it contained the unanimous views of the members associated with his committee.

The Acting CHAIRMAN then inquired if the members would like to comment on the report.

GENERAL CANINE stated that he was a little confused because on the one hand he was pushing a project which would give a considerable number of cipher machines to a number of NATO countries at a considerable cost to the U.S., which it is hoped will improve the security of their military traffic; and on the other hand we are still undecided on the NATO non-military communications complex. He pointed out the previous decision made by the Joint Chiefs of Staff in which they decided to bolster the military communication security part of NATO. He said he thought he should be consistent and the Board should also be consistent. He added that in his opinion the position taken by the U.S. delegates to the forthcoming BRUSA Conference on Allied Communications Security should be consistent with the previous decision handed down by the Joint Chiefs of Staff, or else an attempt should be made to have that decision changed.

ADMIRAL ESPE inquired if the British paper (USCIB 23/57) which had just been received would be considered in conjunction with the Ad Hoc Committee report.

The Acting CHAIRMAN remarked that, even though the U.K. paper wasn't received in time to be put on the agenda, the British views are pertinent to the problem at hand.

There were no objections to including the U.K. position paper in the discussion.

MR. FRIEDMAN stated that the American delegation had had two meetings. He said they had considered the Ad Hoc Committee report and also had time to consider the British position paper, and added that at the convenience of the Board, he was prepared to give certain very short conclusions on the paper.

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The Acting CHAIRMAN inquired of Admiral Espe if he would like to make further comments.

ADMIRAL ESPE replied that he would like to reserve further comment until he heard Mr. Friedman's conclusions.

At this point MR. NOYES stated that he did not understand the inconsistency of the Joint Chiefs of Staff position.

GENERAL CANINE said that the JCS decision was to furnish to the military organizations of NATO cryptographic machines for first and second echelon communications, and that we were about to give them a lot more - third echelon communications. He said he interpreted that to mean that the JCS had decided to assure themselves that military communications of first, second, and third echelon would be secure. He added that it was the opinion of the experts that if the NATO countries were to use correctly either of the two machine systems they already have, their communications would be secure. He said he did not think it wise to plug up the military holes and leave the non-military holes unplugged, at a considerable cost to the United States.

MR. ARMSTRONG inquired if the extension of the cryptographic aids to the NATO military will cover all of the military communications of NATO countries or only the NATO communications originated by the military.

MR. SHELDON said he thought that it would cover the military problem but not the diplomatic problem which is the main source of the trouble.

GENERAL CANINE said he was not prepared to say what degree of risk would result if military communications were completely sanitized and diplomatic communications were not, as there evidently is some degree of risk. He said it seemed inconsistent to take this view with one set of communications and not with the other set of communications.

MR. NOYES inquired if there wasn't a problem involving the cost of this program. He said the report indicated that we were not trying to read military communications.

GENERAL CANINE stated that there were two things to consider - economy and scarcity. He added that the USCIB Intelligence Committee puts reading military communications on a low priority and even if we were out of the economy of scarcity, he doubted whether it would be economical to go to the expense of monitoring the military traffic when we have missions in those countries.

MR. NOYES asked if that didn't raise a different problem in closing the gap in diplomatic communications. The problem, he said, involved a method of closing the gap without disclosure.

GENERAL CANINE said that there would be marked improvement in diplomatic traffic if these countries were to be notified of the weaknesses of their systems.

The Acting CHAIRMAN asked whether the members thought further surveys were necessary and said he wondered whether or not there was adequate information available to this Board to enable it to come up with recommendations and action. He added that this is one of the features of the Polyzoides report. EO 3.3(h)(2)

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ADMIRAL ESPE stated that from personal experience this problem has been under study for about five years and he thought that now is the time for action. He said he had read the British comments and conclusions and personally thought they were sounder than our own.

The Acting CHAIRMAN asked if anyone felt contrary—wise as to the need for further basic examination of the report.

MR. ARMSTRONG said he was impressed in reading the British document to observe their investigation did not produce much in the way of different or additional evidence. He said that, although the British conclusions were different from ours, it seemed to him that the material available in the U.K. paper was quite in step with what was before the Board at this time. He said that he doubted that much would be gained by additional research.

The Acting CHAIRMAN inquired if anyone cared to address themselves to that problem.

MR. SHELDON said that from reading the U. S. paper it appeared that no real analysis (from a COMINT point of view) had been made of the military traffic, and wondered if it might not be useful to assume that none was necessary. In view of the JCS decision to improve the security of NATO military communications, such an assumption would permit us to go along with the British view.

GENERAL CANINE stated that there was not enough military traffic available to draw any valid conclusions (from a COMINT point of view).

MR. SHELDON said therefore we would be following along the lines of the JCS decision and that he could go along on that line.



GENERAL CANINE said he was now talking with his communications security hat on. It was therefore his assumption, he said, that we had to get out the machines decided upon by the JCS, in order to improve our security in NATO.

MR. SHELDON repeated that the report said that no investigation had been made in that field, but said that CIA did not feel that one was necessary.

GENERAL CANINE repeated that NSA felt very strongly that there is not enough traffic available. He added that it would be expensive to have to divert facilities from one thing to the other. He said he thought that in view of the decision already made, it would serve no particular purpose. He added that he would have to disagree with recommendation # 3.

MR. SHELDON remarked that CIA concurred with recommendation # 3.

MR. POLYZOIDES said he would like to make one point clear on recommendation # 3. He said he did not think the recommendation was being read in its proper light and explained that it is merely a recommendation to apprise the Board that there would be no real appraisal without a study of military communications. He added that his committee did not recommend that this be done, but merely wished to point out that the basis for such an appraisal did not exist.

MR. FRIEDMAN said he thought the two papers, the Ad Hoc Committee report and the British position paper are not too far apart. He added that he thought the U.S. team finds itself in the position that the end result of the recommendations of either paper will be the same

the British views, he said, we should act very promptly telling the NATO countries as many of the cryptanalytic facts of life as we consider necessary and get them to do something. He said the Ad Hoc Committee report proposes to educate them not by telling them any of the cryptanalytic facts of life but by setting up teams to instruct them. He added that that process was slow to accomplish results. He said it is now a question of high policy whether we want this end result promptly or whether we can afford to take time. He said time would be useful in finding out who our friends are and about how long they expect to remain our friends.

The CHAIRMAN entered at 1455 and was briefed on the discussion up to this point.

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MR. ARMSTRONG stated that General Cabell's statement presupposes that there is enough military traffic available and observed that General Canine had just pointed out that it was not available.

ADMIRAL ESPE inquired if it wasn't a fact that such conclusions previously resulted in JCS directive to issue more secure cipher machines.

CAPTAIN TAYLOR pointed out that security activities, both Combined and NATO have concluded that the cryptographic systems now in use are not sufficiently secure to satisfy the military needs and have established the requirement for more secure cryptographic principles and systems. Based on such an assumption, NSA has undertaken to produce those devices, both Combined and NATO, so that the question has been examined from the security standpoint without the use of communications intelligence. He added that the French offered the use of the M-209, the Portuguese offered one of their machines but finally agreed that none of them was adequate.

MR. NOYES added that steps were in train to make them secure.

GENERAL CANINE said that financial arrangements have been laid on.

The CHAIRMAN inquired if military traffic was being intercepted.

GENERAL CANINE replied in the negative, explaining that economy hampered the operation and that, furthermore, this particular traffic had been placed on a low priority. He added that the military people felt that they could go to the individual countries themselves, direct-wise and mission-wise, and get the same information at less cost.

ADMIRAL ESPE said he believed from the British report that they have evidently done some research in the field of military traffic and make a statement that French military traffic is not secure.

The CHAIRMAN inquired if it was considered that the situation could be cured without going into details about how much we know about their traffic.

GENERAL CANINE stated that no cryptanalytic processes and successes would be disclosed in the process of sanitizing the military communications of NATO.

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GENERAL CABELL stated that this appears to be a position where two sides of the house are out of step but comparable steps have to be taken to close the gaps.

MR. NOYES inquired if the steps taken by NATO apply only to NATO or NATO operations all over the world.

CAPTAIN TAYLOR replied that they applied only to NATO pointing out that the Standing Group of NATO has a communications committee that keeps problems under review with a view to improving communications of the NATO organization.

The CHAIRMAN asked if that wouldn't eventually reflect down the line.

GENERAL CANINE replied it would be difficult to say because it appears there is little cooperation between the communications security and the communications intelligence personnel of the NATO nations. He said if we could be sure that, having taught these people the effect of secure communications, it would spread to other NATO nations, perhaps this Board could come to a decision much sooner. He added that he could assure the Board that there is no reason to assume it would occur, however. He added that, except for the British, the NATO countries had no board comparable to USCIB. He said there is evidence that there are good security people in all of these countries as well as good cryptanalysts, but they have no positive coordination.

At this point the members agreed that paragraph 3 of the report was more pertinent to the Conclusions than to the Recommendations, but it was finally agreed that the paragraph could be omitted altogether.

CAPTAIN TAYLOR explained that NATO communications and national military communications of these countries are not necessarily one and the same thing. He said that the national military communications are the ones being discussed and added that NATO national systems would include diplomatic systems. He said that NATO rules require that NATO COSMIC not be transmitted in a national system.

The members agreed to go back to the beginning of the report and discuss "Scope and Methods of Investigation".

The CHAIRMAN inquired whether or not there were any serious violations or compromises except those nations mentioned in paragraph 2.

GENERAL CANINE replied in the negative adding that the U.S. and the British are almost in complete agreement on this point.

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The CHAIRMAN pointed out that the British report had mentioned Belgium and Iceland, in addition to those countries in the U.S. report.

The members agreed that no changes were required in paragraphs 2 through 7.

The CHAIRMAN inquired if the members were agreed as to the Conclusions regarding security violations of military traffic and non-military traffic.

ADMIRAL ESPE pointed out that in paragraph 6 of the Conclusions the report stated that the number of security violations detected in non-military traffic is extremely small. He said in his opinion there had been a large number of violations.

ADMIRAL ESPE inquired if there hadn't been a violation of COSMIC rules.

MR. POLYZOIDES stated that the Ad Hoc Committee had considered "violations" in the strictest sense, i.e. as being those instances wherein communications containing COSMIC or NATO information had been enciphered or transmitted in violation of NATO COSMIC regulations. These were dealt with in TAB A of the Report. TAB B of the Report dealt with leakages that did not constitute a violation of any kind, they merely constitute evidence that the U.S. may have been damaged if the specific messages were read by the USSR. He said his figures represented both of the above.

After suggested changes in phraseology, it was agreed that the last line of paragraph 5 on page 7 would be amended to read as follows:

".... insofar as quantity is concerned, is very small."

GENERAL CANINE pointed out that the meaning of a demonstration was to show the NATO countries how to use the machines and the representatives would be allowed to ask questions, but it would not be pointed out to them that one particular machine is less secure than another. No

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MR. POLYZOIDES said he would like to point out an example of a demonstration. He said that paragraph 6 indicated that several of these countries use the Hagelin machine and added that Mr. Hagelin is now residing in Switzerland; that he is available and anxious to sell the Hagelin machines which according to the experts are very capable machines when properly used. He said he thought a demonstration would be very valuable if Hagelin were hired to come and demonstrate. He said he did not think it necessary to tell them that such demonstrations were being made especially for these five countries.

 MR.	NOYES	asked	the	meaning	of	"equated"	in	paragraph	E(1).	
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MR. SHELDON said he would have rated it as having "moderate value".

ADMIRAL ESPE agreed.

The CHAIRMAN stated that the diplomatic traffic is probably more important to the State Department.

MR. ARMSTRONG agreed and said he would rate it very high.

MR. NOYES inquired if there was any equation as to how much we would lose to the Russians.

MR. POLYZOIDES said that a piece of intelligence valuable to the U.S. might not necessarily be valuable to the USSR.

GENERAL CANINE replied that it could work both ways.

The CHAIRMAN said he thought it would be higher over—all if they read all ______ the value of it to the Soviets would be higher than to us, because presumably the U.S. knows more about the French than the Russians do, so if they read a message and took it seriously, it would be more valuable to them.

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MR. ARMSTRONG said he was sure that would be true in a great many instances and added that we could say that it is high for the U.S. and U.K. as well as for the other side.

After further discussion among the members, it graph El on page 9 would read as follows:	was agreed that para-
MR. NOYES stated that the technical question is an emergency occurred, there is any way of immediate situation.	
GENERAL CANINE replied in the negative.	
MR. NOYES then inquired if this "potential for mild statement.	r damage" were not a

GENERAL CANINE answered by saying that USCIB would be vested with that decision.

GENERAL CANINE replied that they would not be stopped for a considerable time. He said we could get out cumbersome one-time systems, and that much depended upon the time we have.

ADMIRAL ESPE stated that a good example took place in World War II when the shipping control codes of the British were weak and were being read by the Germans. He said that before the codes were changed, a number of ships were lost.

MR. SHELDON said he would like to submit that if we buy para. E3 as now written, there may be no point in meeting with the British.

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GENERAL CANINE and MR. KEAY said they didn't agree.

MR. SHELDON said that the British had crossed the bridge that we are now up against and said he would like to have it explained how a practical solution to the problem could be effected.

MR. POLYZOIDES stated that the British apparently agree with this position and read the last paragraph of page 1 of the British position paper to back up his statement.

MR. ARMSTRONG suggested inserting the words "very serious" before the word "damage" in paragraph E2.

It was agreed that paragraph E2 would be amended in accordance with Mr. Armstrong's suggestion.

MR. SHELDON said at this point there arose the question of whether or not the situation had reached the critical point, and added that in his opinion it had.

MR. SHELDON said he thought each case would have to be very carefully planned with the British.

At this point, ADMIRAL ESPE said he would like to ask a question of Mr. Keay who was on the Tripartite Security Working Group. He asked if it had not been determined about two years ago that the situation had reached the critical point; that it was taken up with NSC and the President and it was decided that rather than notify the NATO countries of their security violations we would first make a study of their internal security. He said he believed we are now taking a step backward. He said it was agreed that they would be told but not until such time as their internal security was good.

MR. KEAY said the Committee has decided that the situation is not now critical. He added that the leakage that occurred in the past six months was not as serious as two years ago.

GENERAL CANINE inquired about the non-COMINT leakage.

is known. He pointed out that when the Tripartite Security Group originally started its work, the Franch Delegation seemed to be ignorant of security Systems but eager to learn. He added that the Working Group did not go into Communications Security while in France, but did visit the Foreign office last December. The French mage issued security regulations modeled after those in force in the United States, but in the Foreign Office the French had not even started to institute security measures. The French have a number of handicaps in getting adequate security, one of which is that a governmentemployee found to be a Communist cannot be removed and the only action that acan be taken is transfer to a less sensitive job. He stated it is a fact that there are still Communists in key positions in the French Government.

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security measures, further they were handicapped in that if a man was found to be a Communist he could not be removed, but merely transferred. He said it is a fact-there are Communists in key positions in the French Government.

COLONEL TOWNSEND said he didn't think it could be said that the situation is less critical but merely not critical enough to warrant

MR. SHELDON said he would recommend "which may require some disclosure" and added that he agreed with Admiral Espe that we are taking a step backward.

MR. NOYES asked if this covered traffic of all NATO countries around the world or just European.

MR. POLYZOIDES replied that it was world-wide and not limited to European circuits.

MR. NOYES inquired about the meaning of "open" on page 10.

MR. ARMSTRONG pointed out that the British make a distinction between "full" disclosure and "limited" disclosure.

After discussing various possibilities for phraseology of the Conclusions, it was agreed that paragraph E3, page 9, be amended to read along the lines suggested by Admiral Espe:

"The evidence brought out in this investigation does not indicate that serious damage has occurred during the period covered by this survey. However, such damage has occurred in the past and may occur in the future."

It was agreed to delete the words "immediate and" from para. E4, page 10.

It was agreed that the word "open" be changed to "direct", in paragraph 1, page 10, as the result of a request of General Canine.

At this time MR. KEAY asked the Chairman if he would have Mr. Friedman, Head of the U.S. delegation, read his recommendations.

MR. FRIEDMAN read as follows:

"As a result of discussions during two meetings, the U.S. Delegation to the forthcoming US/UK Conference on French and Allied Communication Security recommends that:

- "l. The Conference be held as scheduled.
- "2. Neither USCIB nor NSC adopt prior to the Conference a fixed position with regard to the steps to be taken to improve French and other NATO members COMSEC.
- "3. USCIB accept the Ad Hoc Committee Report, as a partial basis for discussion with the UK Delegation, sanitize the Report, and hand it forthwith to the Senior British Liaison Officer (Brig. Tiltman).
- "4. USCIB inform LSIB forthwith that the USCIB wishes to extend the Agenda to include a review of all the conclusions reached at the 1951 BRUSA Conference on this same subject, and that the present UK paper (DGC/3441), together with the US paper (Ad Hoc Committee Report as sanitized) will be used as bases for discussion at the Conference."

The members of the Board accepted the recommendations of the U.S. Delegation with the exception of a minor revision to paragraph 3 which was amended to read as follows:

"3. The U.S. Delegation be directed to use the Ad Hoc Committee Report, as amended, as guidance for discussion

MR. ARMSTRCNG stated that the above recommendations substantially cleared up his difficulty and added the thought that USCIB should adopt the Ad Hoc Committee report and refer it to the U.S. Delegation to the forthcoming conference.

MR. POLYZOIDES pointed out that three points in the report needed sanitizing prior to release.

The CHAIRMAN stated that a sanitized version of the Ad Hoc Committee report would be handed to Brigadier Tiltman.

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It was agreed, after some discussion, to delete paragraphs 1, 3, 6, 7, and 8 of the Recommendations, and to renumber the remaining paragraphs accordingly.

GENERAL CABELL suggested rewording the new paragraph 2 of the Recommendations to read as follows:

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MR. NOYES asked about the difference in the degree of damage between the two.

GENERAL CANINE replied there was a great deal of difference by using the method pointed out by Mr. Friedman in that the countries couldn't ask questions about it.

MR. FRIEDMAN agreed that it would stop them from proposing that we cultivate this field together.

MR. KEAY said the problem at hand is whether or not to make a direct disclosure at this time and, if the Board decided against making a disclosure, he thought the recommendations would take care of the delegation.

CAPTAIN TAYLOR then read the decision of 11 January 1952 handed down by the Board on the subject of disclosure of information.

MR. FRIEDMAN said that the British position in 1951 will probably be the same on 5 June; that position including the premise that no good would be accomplished save by an approach that would administer a severe shock

ADMIRAL ESPE suggested a change to go after paragraph 4 which read as follows:

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After discussion of this proposal, it was agreed not to include this paragraph in the report. However, the CHAIRMAN asked that the statement be made a matter of record as the consensus of opinion of the Board at this time; in order that it might serve as guidance for the U.S. Delegation, with the understanding, however, that this would not be adopted as the U.S. position without further specific authorization of USCIB.

It was further agreed that the U.S. Delegation might reach a point of discussion in which they are favorably impressed by the British point of view but find themselves at variance with the guidance already provided by the Board. If this should happen USCIB will convene a special session to provide the necessary guidance.

The CHAIRMAN observed that in the decision about to be reached today, the Board is authorizing the negotiators to work toward agreement on a position with the British He added that he thought the NSC, the Secretary of Defense, and the Secretary of State should be apprised of this before the negotiators get over a barrel. He said that from conversations with Mr. Steel, he felt quite clearly that the British negotiators have been in touch with highest British authorities. He also said he thought if he could have a few minutes with the President, he could apprise him of USCIB thinking on the problem.

It was agreed that the President and the Special Committee of NSC should be apprised of the present state of the communication security and "leakage" problem and the recommendations in this report.

MR. SHELDON referred to the last paragraph on page 2 of the U.K. position paper and suggested that the U.S. Delegation might need some guidance with reference to including the French with the U.K. and U.S. in a tripartite committee to deal with other members of NATO on the improvement of cipher security.

After some discussion, the CHAIRMAN said that guidance for the committee would be to tell the British that USCIB will be glad to discuss that proposal when the French cipher system is satisfactory.

<u>DECISION</u>: (28 May 1953) USCIB accepted the Report of the Ad Hoc Committee on Allied (NATO) Communications Security, as amended at the meeting, and agreed that it would be submitted to the British, not as a U.S. position paper but as a basis for discussion at the Conference.

USCIB accepted the recommendations of the Chairman, U.S. Delegation, as amended, as follows:

- "a. The Conference be held as scheduled.
- "b. Neither USCIB nor NSC adopt prior to the Conference a fixed position with regard to the steps to be taken to improve French and other NATO members COMSEC.
- "c. The U.S. Delegation be directed to use the Ad Hoc Committee Report, as amended, as guidance for discussion with the UK Delegation, sanitize the Report, and hand it forthwith to the Senior British Liaison Officer (Brig. Tiltman).
- "d. USCIB inform LSIB forthwith that the USCIB wishes to extend the Agenda to include a review of all the conclusions reached at the 1951 BRUSA Conference on this same subject, and that the present UK paper (DGC/3441), together with the US paper (Ad Hoc Committee Report as sanitized) will be used as bases for discussion at the Conference."

USCIB agreed that the U.S. Delegation should be guided by the consensus of the Board as expressed at this meeting, as well as by the amended Report of the Ad Hoc Committee. It was further agreed that USCIB would convene in special session, if necessary, to provide additional guidance for the U.S. Delegation.

USCIB agreed that the President and Special Committee of the National Security Council should be apprised of the present state of the communication security and "leakage" problem and the recommendations of the Ad Hoc Committee Report.