

~~TOP SECRET~~

cut

OPENING REMARKSON

ORGANIZATION OF AFSA; POSITION IN DEPARTMENT OF DEFENSE  
AND ARMED FORCES; RELATIONSHIPS WITH OTHER U.S.  
AGENCIES AND BODIES SUCH AS THE UNITED STATES  
COMMUNICATIONS INTELLIGENCE BOARD (USCIB),  
AND THE ARMED FORCES SECURITY AGENCY  
COUNCIL (AFSAC); MISSION FOR SCAG

DELIVERED BY

REAR ADMIRAL EARL E. STONE, U.S. NAVY  
DIRECTOR, ARMED FORCES SECURITY AGENCY

AT 1015, MONDAY, 4 JUNE 1951AT THEFIRST CONFERENCE OFSPECIAL CRYPTOLOGIC ADVISORY GROUP (SCAG)AT

U.S. NAVAL SECURITY STATION, WASHINGTON 25, D.C.  
ROOM 19-118

~~TOP SECRET~~

~~TOP SECRET~~

REF ID:A66408

~~TOP SECRET~~

GENTLEMEN --

--As Director, Armed Forces Security Agency, I wish to welcome the members of the Special Cryptologic Advisory Group -- termed SCAG.

--This Group -- SCAG -- is being sponsored by the Research and Development Board and the Armed Forces Security Agency, and has the support of the Central Intelligence Agency.

--Before telling you why SCAG is being established and what benefits the U.S. Government should obtain through SCAG, I wish to give you gentlemen some information about the Armed Forces Security Agency:

- (1) How it is organized;
- (2) Where it fits into the U.S. Government organization;
- (3) The Agencies it serves;
- (4) Its mission;
- (5) And how it functions.

~~TOP SECRET~~

~~TOP SECRET~~

REF ID:A66408

~~TOP SECRET~~

\* \* \* \* \*

(Charts)

\* \* \* \* \*

--When I approached Mr. Webster (Chairman, Research and Development Board) I told him that although the Armed Forces Security Agency had a highly competent staff -- to which we were adding selected skilled personnel as we could obtain them -- I believed that a group of the most outstanding technical <sup>specialists</sup> consultants in certain fields of interest to AFSA could provide an invaluable source of advice and assistance to the AFSA organization in meeting special problems.

Mr. Webster shared my views, and agreed that the Research and Development Board would jointly sponsor SCAG with the Armed Forces Security Agency.

We decided that SCAG should function on an informal basis, to provide much-needed assistance, especially concerning

~~TOP SECRET~~

mathematics, computing and analytical machinery, and in other fields of special interest to AFSA.

--Having found Mr. Webster thus receptive, he was provided with suggestions as to those whom he might approach with a view to their participation.

I am grateful that you gentlemen have made yourselves available to help in doing one of the most important tasks in the National interest. We hope to add selected personnel to this group and will welcome your suggestions as to additional members. *after SCAG is organized,*

I do not believe that all members need come to every meeting -- but rather that SCAG will ultimately function in smaller groups concerned with particular problems.

--I do not believe we need ask for much of your valuable time here in Washington -- but I hope you will ponder our problems where you normally work and come here for a day or two at

~~TOP SECRET~~

REF ID:A66408

~~TOP SECRET~~

a time often enough to keep in touch with our problems and  
our progress.

--I do not know exactly how SCAG should be organized.

But it appears that the personnel we need on SCAG fall into three  
general categories -- namely:

- (1) Mathematicians;
- (2) Engineers;
- (3) Research Administrators.

--To acquaint you with the nature of our problems we are prepared  
to tell you about some of the highlights of our work in  
World War II and to follow that by presentations of our  
most urgent present day problem.

--I must say a few words about security.

We are going to show you gentlemen our most highly classified  
problem.

~~TOP SECRET~~

~~TOP SECRET~~

We must have assurance that what you learn will not inadvertently be disclosed to anyone who does not need to know it.

In the past we have from time to time solved complex foreign communication problems pertaining to the Russians.

Invariably, when we were about to capitalize on such important results, the system would be withdrawn and a new one substituted.

Thus, we were continually having to start all over again.

This could only be the result of leaks regarding our success.

Needless to say, we are therefore taking every possible measure to safeguard any future results in this field and, accordingly, we must ask your fullest cooperation in this matter.

Inadvertent disclosures can readily nullify achievements which have taken many skilled people months and years to achieve.

--We had expected to have with us this morning Lieutenant General Walter Bedell Smith, the Director of Central Intelligence.

~~TOP SECRET~~~~TOP SECRET~~

The General is out of town for a few days and cannot be with us.

However, he has asked Mr. Kingman Douglass of CIA to speak for

him briefly at this meeting and it is therefore my pleasure

to introduce to you Mr. Douglass.

~~TOP SECRET~~

*Draft prepared for  
Adm. Stone - June  
Last Conference, SCAG*

DRAFT

As Director of the Armed Forces Security Agency and co-sponsor, with the Research and Development Board, of the Special Cryptologic Advisory Group (SCAG), I am happy to welcome you as charter members, so to speak, of SCAG.

We had hoped to have with us at this opening meeting Lieut. General Walter B. Smith, the Director of Central Intelligence, which organization has taken much interest in the formation and object of SCAG. Unfortunately, General Smith was unable to be present and I extend to you, in his absence, his best wishes for success in your mission.

In a moment or two I shall state briefly the why and wherefore of SCAG, what the idea behind it is, and what we hope SCAG will be able to do for us and for the Armed Forces. Before I can do so, however, it is necessary that you be given a bird's-eye view of the Armed Forces Security Agency, how it is organized, its position in the Department of Defense and the Armed Forces, and its relationships with other U. S. agencies and bodies.

I will make this story as brief as possible, not only because we want to get down to the real business of SCAG without undue delay but also because some of you, as a result of past contact with this organization, are well acquainted with the facts and I don't want to bore them with what is an old story so far as concerns them.

\* \* \* \*

(Charts, etc.)

Now a few words as to SCAG's mission. Perhaps I can best outline this by saying that when I approached Dr. Webster, the Chairman of the Research and Development Board, with a proposal for establishing a group such as this, I indicated that for some time, the Armed Forces Security Agency has been augmenting its efforts on assigned tasks and improving its potential for attacking new problems. I told him that special emphasis has been laid on the procurement of additional qualified personnel, and that although the Agency now has a highly

competent and experienced staff, I believed that a definite group of outstanding technical consultants in certain fields of interest to AFSA would provide a valuable source of advice and assistance to the AFSA organization in meeting special problems.

Happily, Dr. Webster shared my views, and was quite willing that the RDB join AFSA in jointly sponsoring SCAG.

We also agreed that SCAG should function on an informal basis, to provide expert technical assistance by serving as consultants in mathematics, computing machinery, and other fields of special concern to AFSA.

Having found Dr. Webster thus receptive, he was provided with suggestions as to experts whom he might approach with a view to their participation. A list of ten names was submitted and it is gratifying that seven of the ten have placed themselves at our disposal. The other three, for one reason or another, were not available at this time, but there is a possibility that one or two of them will be with us at our next Conference. However, with a view to beginning with a

group of nine or ten charter members, we sought out and have been fortunate to obtain two more experts to add to our group of seven from the original list of ten names, so we begin with nine charter members and I hope you will be willing, after considering certain of our problems to be discussed at this Conference, to suggest the names of several more experts whose collaboration you would deem helpful.

I know that you have all had extensive experience with the types of problems AFSA has to deal with, or in fields closely allied thereto. With such backgrounds, and with the well-merited and distinguished records each of you has, we are confident that a presentation of certain of the most urgent of AFSA's problems will soon be followed by worthwhile contributions to their solution. The special aptitudes each of you will bring to bear on these problems, and your realization of their importance, can have far-reaching consequences for our national defense.

I have just referred to the importance of certain of AFSA's problems and the effect that their solution could and would have in national defense. This leads directly to the presentation to follow, and I will

now ask Capt. Wenger, my deputy in charge of AFSA's communications intelligence operations, to direct a few minutes of your attention to the use and value of COMINT in national defense, as exemplified by some of our successes in that field during World War II.