REF ID:A58112 TOP SECRET

USCIB: 9.2/9

8 November 1954

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MEMORANDUM FOR THE MEMBERS OF USCIB:

Subject: COMINT Capability Against Chinese Communist Communications. Reference: USCIB 9.2/8 dated 29 October 1954.

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The enclosure hereto is circulated for information and consideration in connection with reference and item 6 of the corrected agenda of the 109th Meeting of USCIB to be held Friday, 12 November 1954.

Captain, U. S. Navy Executive Secretary, USCIB

USCIB: 9.2/9

November 5, 1954

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MEMORANDUM FOR THE MEMBERS OF USCIB

Subject: Amendment of Draft Memorandum for the Special Committee of the NSC

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REF ID:A58112

Reference: USCIB 9.2/8 dated October 29, 1954 and its enclosed Draft Memorandum for the Special Committee

Since receipt of the referenced Memorandum to the Members of USCIB as revised at the last meeting and of the draft Memorandum to the Special Committee, a further study has been given to the Board's recommendations, which were drafted at the meeting on 26 October. It appears that in referring to the conclusions in paragraphs 2 and 3 of the draft memorandum, USCIB, in recommendation 6a, is asking approval of the following program:

1. In the negotiations at the present level for intercept base rights and for full cooperation by the ______ organizations the US will offer only equipment already promised, elementary training and cash, plus a promise to pass on any information of an impending attack.

2. In the event of failure to obtain any part of the requests on these terms an approach will be made to

In addition, the language in both these paragraphs concerning <u>cuid</u> <u>pro quo</u> when combined with references in paragraph 2 to "maximum pressure" supported by "integrated US policy" strongly suggests that approval is being requested for the following further steps:

3. In the approach to _____ the US will not increase its offer in any way but will inform him that if the US fails to obtain the requests on the original terms, US support in all fields will be reduced or withdrawn.

4. If _____ refuses any part of the requests, US support in all fields will be reduced or withdrawn.

The Department of State member recommends that USCIB reconsider forwarding a paper on this subject to the Special Committee at this time. In the matter of intercept base rights the ______ to date have not been responsible for delaying negotiations. The <u>US requirements were not</u> presented until the end of September. The _____ replied within about two weeks and raised several points, none of which appear unreasonable. In addition, since the last meeting the _____ have approved the request for a mobile intercept operation by the Air Force. Thus there is at the moment no basis for anticipating so definite a refusal of the facilities request that one can recommend either an approach to ______ or a

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Enclosure with USCIB 9.2/9 dtd 8 Nov 54.

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reversal of US policy. If the later refuse a <u>quid pro quo</u> limited to cash, and do so after strong representations as to the reasonableness of the US position, there will then be a basis for considering use of massive pressure.

The same general situation appears to be true of recent relations with the organization. Despite the previous history of close bargaining the apparently have adopted the US suggestion for intercept operations on without making large demands. This, together with the reported willingness to provide the US with all their raw intercept, suggests that here also matters are not at such an impasse as to require action by the Special Committee and by the NSC.

With respect to the statement on raids the Department of State member believes that 6b is actually a USCIB statement of an urgent intelligence requirement. If this is the case, it is suggested that the requirement should be submitted to the appropriate military authority rather than to the Special Committee. If the military authority is in doubt as to national policy it should place the matter before the NSC.

In addition to the above points there are indications that a basic realignment in the relationship between the US and _______ is under consideration. This, together with the progress which can and is being made through other channels, suggests that the draft memorandum should not be forwarded to the Special Committee.

> EO 3.3(h)(2) PL 86-36/50 USC 3605

W. Park Armstrong, Jr.

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