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MEMORANDUM FOR THE RECORD

(b)(3)-P.L. 86-36

SUBJECT: The Pueblo Damage Assessment as Reported to the Members of USIB

The following comments support the taking of this action by the Director (the memorandums to Mr. Chiles and [redacted]).

1. Nowhere in the text of Section II is there a discussion of the possible influence on communications security practices of other countries of the discovery of our cryptographic and manufacturing techniques and methods. There is one brief sentence to this effect in the conclusions (fifth sentence of first paragraph). The subject deserves amplification.

2. The second sentence of the first paragraph of conclusions, amplified by the two sentences which follow it, is misleading. The threat which is minimal is the threat to present and future U.S. communications. Nowhere in this summary section is there any reference to the threat to past communications.

3. Similarly subparagraph g on page 18 fails to mention the most significant loss. It is without question the loss of superseded keying material, not excess equipment and materials, which is the most significant loss. This cannot be answered by the argument that excess is a word which embraces superseded. The text deals with both excess and superseded in such a way as to make it clear that they are separate matters (the first and third paragraphs of page 11).

Frank C. Austin
FRANK C. AUSTIN
Inspector General

Approved for Release by NSA on 05-28-2013, FOIA Case # 63391