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Minutes of the Sixth Meeting of the Ad Hoc Committee on Portuguese Communication  
Security

HELD: Pentagon, 26 July 1951, 1400 hours

PRESENT: Mr. William F. FRIEDMAN, AFSA, Chairman  
Capt. Edwin A. TAYLOR, USN, NATO  
Colonel Gordon E. DAWSON, USA, ID  
CDR Mark T. LITTLE, USN, NATO  
Mr. William HARVEY, CIA  
Mr. Winston SCOTT, CIA  
Mr. Robert F. PACKARD, ~~State~~ Department of State

Minutes of  
Corrections to Fifth Meeting:

The CHAIRMAN opened the meeting by asking for corrections to the Minutes of the Fifth Meeting. CDR LITTLE ~~asked~~ asked that the sentence of page 2:

"...and CDR LITTLE confirmed this impression. In reply to Mr. FRIEDMAN's query why this was so, CDR LITTLE stated that no reason had been voiced by the nations -- they simply had made no effort to compile their own National settings."

be amended to read:

"...and CDR LITTLE stated that no information in this regard had been received."

Mr. SCOTT asked that the sentence ~~mentioned~~ (pp.2-3):

"Mr. SCOTT referred to the memorandum mentioned in the previous meeting which had been sent to the Director, AFSA by CIA with regard to the request of the Portuguese ~~request of the Portuguese~~ request of the Portuguese..."

~~request of the Portuguese~~ amended because of its factual inaccuracy be ~~amended~~ amended to read:

"Mr. SCOTT referred to the discussion with AFSA which had been mentioned in the previous meeting with regard to the request of the Portuguese..."

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Mr. PACKARD asked that the sentences on page 5:

"(1) Whether it should be regarded as an ~~indirect~~ indirect approach toward, and laying a background for, the improvement of the communication security of Portugal;

(2) Why Portugal had been selected from among the various nations for this improvement; and"

be amended to read:

"(1) Whether it should be regarded as an indirect approach toward, and laying a background for, eventual, direct efforts to improve the communication security of Portugal;

(2) Why Portugal had been selected alone at this time from among the various nations for this improvement; and"

Mr. PACKARD also requested that the following sentence be struck from the minutes (page 9):

"Mr. FRIEDMAN's question whether the school might be placed under the State Department met with negative response from Mr. PACKARD for reasons of security and politics."

Mr. FRIEDMAN noted that through an error of the recorder ~~the abbreviation~~ the abbreviation NDA had been substituted for the correct abbreviation MDAP (Mutual Defense Assistance Pact) ~~in the following sentence:~~ in the sentence: (page 8):

"Col. DAWSON remarked that under the MDAP program it was possible..."

~~These corrections, deletions and additions were accepted by the Committee, Mr. FRIEDMAN the minutes of the Fifth Meeting were accepted:~~

No other corrections, deletions, or additions being offered, the Minutes of the Fifth Meeting were accepted as corrected.

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Revision of draft report by Mr. FRIEDMAN: The Chairman then passed to members of the Committee copies of a report on Portuguese communication security which he had written as a draft report of the ~~USCIB~~ Ad Hoc Committee to USCIB. He asked <sup>that it be reviewed</sup> ~~the committee to review it~~ briefly and comment<sup>d</sup> upon ~~it~~. A detailed analysis of the changes in the report accepted by the Committee will be found in the Appendix. Where possible the name of the member proposing the change will be found in brackets following the change. All changes were made by common consent, and in no instance was a dissenting voice raised to a change as finally adopted.

Subsidiary comments by members: With regard to Paragraph 4 the following comments were made:

Capt. TAYLOR noted that the wording "information that clearly falls within the limits stipulated by the definitions" would by definition include national comment disclosing COSMIC information since such comment is COSMIC. Col. DAWSON replied, however, that the shaded cases were those which made it difficult to determine whether COSMIC information had been included. Mr. HARVEY remarked that in the whole body of national comment on NATO and COSMIC matters there was more revealing information than in the COSMIC material itself. He considered the long-range answer to be a drive through SHAPE toward convincing the countries concerned of the security of the TYPEX system and insisting not only that they stamp COSMIC on the material but that they send it through systems authorized for COSMIC. To CDR LITTLE's objection that SHAPE had no jurisdiction over Portugal, Mr. HARVEY replied that Portugal must then be approached separately. Capt. TAYLOR <sup>also</sup> remarked ~~also~~ that SHAPE had only military authority and that the Council Deputies had no relationship to SHAPE.

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CDR LITTLE recommended an approach to the Council Deputies through the Standing Group, and Mr. HARVEY concurred with the additional remark that the steps should be (1) to strengthen the confidence of NATO members in the use of TYPEX and (2) to insist that national comment containing COSMIC material be encrypted by TYPEX. Mr. FRIEDMAN agreed that this would be excellent, if it could be done. He pointed out, however, that even the United States did not wish to restrict itself to TYPEX in this regard, and continued to use the ECM or its equivalent State Department <sup>for national comment.</sup> system. Capt. TAYLOR agreed and furnished examples of U.S. opinion in this matter.

With regard to Paragraph 5, Mr. PACKARD asked if he was correct in his interpretation that no matter was considered COSMIC until a formal paper had been submitted and tabled either jointly or by one nation. Upon receiving confirmation from CDR. LITTLE and CAPT TAYLOR, Mr. PACKARD noted that there could be any number of communications to and from a government and its representatives discussing matters which would be defined as COSMIC only when they were tabled. It would not be easy to extend the definition of COSMIC to the preparation of such papers because of (1) need for wide, sometimes world-wide, distribution of such preparatory papers, and (2) the difficulty of instituting an extensive registry for such papers should they be defined as COSMIC. CAPT TAYLOR agreed that should this be put into effect, the Department of State would be

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put to considerable disadvantage. Mr. HARVEY remarked that this substantiated his opinion that it was possible to stop only a small part of the "violations" of security, and specifically those clearly containing COSMIC information. To Mr. FRIEDMAN's question about the feeling of the British in this matter, CAPT TAYLOR replied that he was not present at the meetings at which this was decided but that he was of the opinion that the British concurred. Mr. SCOTT pointed out that the British, of course, were using TYPEX or one time pads and that this regulation therefore was agreeable to them.

Mr. PACKARD referred to page 2 of USCIB 23/18 where it was stated that the information disclosed by [REDACTED]

[REDACTED] Since the writing of the report, however, serious breaches of security involving COSMIC affairs of political import had occurred. He therefore urged that the Committee concentrate on the improvement of security measures in regard to the handling of COSMIC material, dissociating this problem for the time being from [REDACTED] To this the CHAIRMAN demurred with the question how one type could be told specifically from the other. Mr. PACKARD replied that direct demonstration of the [REDACTED] would be needed, a proposal strongly opposed by the CHAIRMAN and the CIA representatives, Mr. HARVEY and Mr. SCOTT, who felt that another type of approach was required.

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CDR LITTLE objected to Paragraph 7 because of its factual inaccuracy. He indicated that (1) all TYPEX machines had not yet been distributed as was stated and (2) the machines were in the home ministries of NATO countries and in the embassies of those countries having members of NATO. Thus the United States has a TYPEX machine in Washington, London, Paris and Rome. The 200 TYPEX machines which had been allocated had been distributed on a priority basis of (1) international agencies of NATO such as the Regional Security Committees and the Standing Group, (2) military representatives of the member governments, (3) Foreign offices and embassies in each of the places where they had representatives in NATO, and (4) the highest level military authorities. ~~suggested that the paragraph be struck~~ CDR LITTLE also reiterated his opinion that a wider distribution of TYPEX machines would extend rather solve the problem and therefore suggested that the paragraph be struck. With this the Committee agreed.

With regard to Paragraph 9(7)\*, the CHAIRMAN asked if CAPT TAYLOR could query the British whether any requests for the British memorandum describing the method of compilation of simplex settings had been received from member nations of NATO. CAPT TAYLOR indicated that he had asked the British Mission this question on 19 July but had not yet received a reply. He said that he thought the channel available to the CHAIRMAN through CDR CHILES of the U.S. Liaison Office at GCHQ was an easier method of ascertaining this than the channels available to him. Mr. FRIEDMAN agreed immediately to ask CDR CHILES to obtain this information.

\* Numbers in parenthesis refer to the draft as revised.



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Mr. PACKARD asked whether we would wish to allow the Portuguese to prepare their own settings without reference to the British memorandum on how it was done.

With regard to Paragraph 11 (9) the Committee desired to emphasize the seriousness of the most recent violation by pointing out that it was a violation of COSMIC security regulations. This fact was incorporated in the revised draft. Mr. HARVEY asked that the source of the Portuguese text be ascertained and the CHAIRMAN indicated that he would have the Portuguese text and the translation rechecked letter for letter.

With regard to Subparagraph 12 (10) b CAPT TAYLOR remarked that courier service at the disposal of NATO was limited basically to Washington/London. From London the various national countries were "on their own". Col. DAWSON's question whether any space had been provided for national couriers received a negative reply from CAPT TAYLOR and CDR LITTLE. By common consent this subparagraph was struck from the report.

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

CDR LITTLE reiterated, with Mr. HARVEY's concurrence, that it was desirable to hold the distribution of TYPEX machines to the barest minimum. The part of the paragraph following (1) was therefore struck from the report as not reflecting the thought of the Committee.

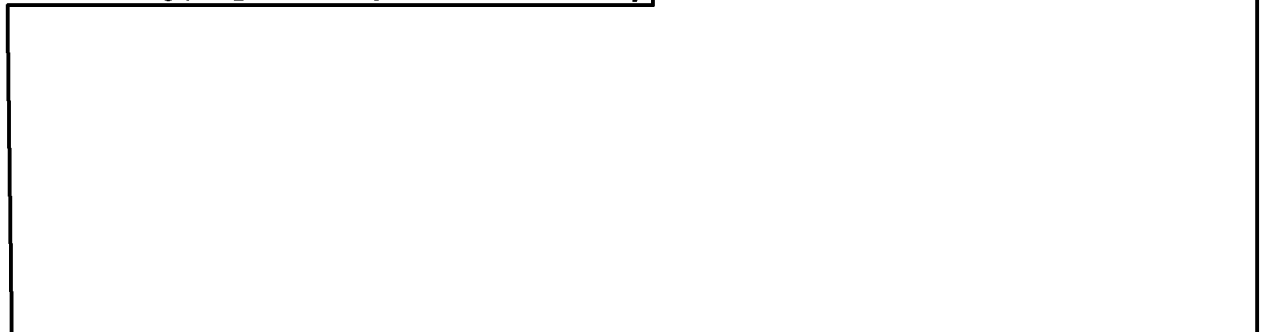
At Mr. PACKARD's suggestion the following sentence was added to Paragraph 14 (12): "In order to be assured that such a training program would be applied to all those levels of the National Governments which would be handling these communications, these courses should be established with the approval of the Council Deputies." \*

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Mr. PACKARD suggested that a third phase be added to Paragraph 16 (14) either to effect the inclusion of  into the definition of COSMIC or to improve the cryptography of the Portuguese.



A discussion followed of how the Portuguese could be shown that their cryptographic systems were poor,



\* By error, this sentence was omitted from the Revised Draft of 26 July 1951: it was incorporated in a slightly changed form: Draft of 27 July 1951.

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CAPT TAYLOR suggested that an attempt be made through Mr. SPAFFORD, President of the Council Deputies, citing the violation of COSMIC security regulations. Contrary to Mr. SPAFFORD's instructions that the information he had given be sent home only by courier, the Portuguese were known through an agent to have relayed the material by wire.

Mr. SCOTT pointed out that the approach did not guarantee any future improvement in Portuguese communication security procedures. CAPT TAYLOR said he thought this approach would succeed if the message itself could be used.

Mr. PACKARD argued that the Portuguese would never be persuaded to use for national comment a machine provided by NATO. In his opinion the emphasis should be laid upon getting the Portuguese to use courier service for COSMIC matters.

CDR LITTLE was of the opinion that the matter could be handled as a violation of standard security regulations applicable to COSMIC matters. The member nations had undertaken to protect the secrets of other nations. This had clearly been violated by Portugal and the Standing Group could cite Portugal for violation of a security regulation without disclosing intimately the nature of the violation.

CAPT TAYLOR remarked, however, that a specific example would be required by Portugal if CDR LITTLE's proposal was followed. He thought

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EO 3.3(h)(2)

that the idea of convincing the Portuguese of the security of TYPEX could not be dissassociated from [redacted]

[redacted] Mr. PACKARD remarked that this was true and inevitably [redacted]

With regard to Paragraph 17, Mr. HARVEY questioned (1) the need for the approval of the National Security Council for an approach to the Portuguese and (2) the need of a precedent afforded by the situation in regard to French communication security. He said that he believed if USCIB wished to carry the matter to the NSC, this was <sup>its</sup> ~~their~~ prerogative; he believed, however, that USCIB could act without the authority of NSC. Mr. SCOTT supported this view with the observation that the matter of French security had been considered on a tripartite level; whereas with Portugal a unilateral approach was being considered. Mr. FRIEDMAN expressed some concern about the approach to any government on a matter

[redacted] to this Mr. HARVEY

<sup>in the opinion</sup> replied that USCIB was sufficient, ~~he thought~~. He pointed out that the matter of French security had already been approached from a higher level before USCIB was involved. As early as 1948 General MARSHALL had considered the possible improvement of French security. He reiterated that if USCIB wanted to go to NSC that would be its prerogative, but the Ad Hoc Committee need refer the matter only as far as USCIB. By common consent the paragraph was deleted.

All members agreed that although a unilateral (U.S.) approach was preferable, the British must be informed of the situation and of any remedial measures taken. At Mr. HARVEY's suggestion the second and third sentences were deleted and a substitute sentence added. Again at Mr.

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HARVEY's suggestion the last sentence was deleted in view of placing it among the concrete recommendations of the Committee. Mr. HARVEY emphasized that the British must be aware that the main source of leakage, [REDACTED] and expressed surprise that the British had not already expressed their concern to the U.S. about the two recent violations of COSMIC security.

A possible answer was offered by Mr. SCOTT and Mr. PACKARD who reminded the Committee of the reluctance of the U.S. to take immediate steps in regard to French security when the British were most anxious that emergency measures be taken. It was suspected that the British in this instance had assumed an attitude of "watchful waiting".

With regard to Paragraph 20 (17), CDR LITTLE cited for the CHAIRMAN a document of the Standing Group (SG 41/13) of 10 April 1951 which outlined (para. 5) even more clearly than D.C. 2/7 the responsibility of the Security Coordinating Committee for the security arrangements of the member nations. This document was placed at the CHAIRMAN's disposal for inclusion of pertinent paragraphs into the Committee's report.

The Committee then branched into a discussion of the best means of handling the immediate Portuguese situation.

Mr. PACKARD expressed the view that the best method was the revelation [REDACTED] He evaluated the damage inherent in continued violations such as the last one as meriting [REDACTED]

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Mr. PACKARD reminded the Committee that he thought its main task was (1) to eliminate impractical solutions to the problem, such as the one recently suggested that a message be sent to General EISENHOWER to instruct the Portuguese in the matter of security, and (2) to give USCIB a number of practical solutions from which to choose. He mentioned among the practical suggestions already proposed by the Committee the extension of the use of courier service, investigation by the Standing Group of the security of member nations and a long-range training course in security.  Mr. PACKARD was still of the opinion

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[Redacted]

was the only real solution.

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CDR LITTLE agreed with Mr. HARVEY's remarks insofar as, according to his observations, the Portuguese already felt somewhat inferior in comparison with other NATO members and would be thoroughly frightened by such an approach. He stated again that the last violation was in most flagrant disobedience to COSMIC security regulations.

Under pressure of time, the CHAIRMAN adjourned the meeting until the next day, Friday July 27 at 1300 hours, Pentagon 2D858. He asked that members of the committee consider carefully possible solutions to the problem.

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Paragraph

Emission

EO 3.3(h)(2)  
PT. 86-36/50 USC 3605

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- 5.

None  
None  
None

Perfixing to Some to beginning of first sentence qualifying "Portuguese communications"; addition of sentence However ... article to end of paragraph. [HARVEY-TAYLOR]

Removal of second sentence to end of paragraph with ○

Substitution of and specific provision that it be so considered was excluded for and was specifically excluded from the definition [LITTLE-DAWSON]

Distinction by inter alia between "which" and "did not wish" [PACKARD]

Deletion of "and at the same time did not wish to 'cheat' by having its diplomatic representatives use U.S. systems contrary to NATO agreement" [HARVEY]

Deletion of COSMIC material and between "It is" and

Emission of constitutes to constitute; source to source; is to are.

- 6. Deletion ~~of~~
- 7. Deletion [LITTLE-TAYLOR]
- 8. 6 Emendations Council of deputies to Council  
Deputies [LITTLE]
- 9. 7 None
- 10. 8 Emendation of "has no information as to" to "is attempting to ascertain"
- 11. 9 Emendation of "used both by AFSA\* and GCHQ\*\*" to "used" [FRIEDMAN]  
Deletion of "communication" before "security" [PACKARD]  
Insertion of "and disclosure of COSMIC information between"  
"security" and "observed."  
Deletion of "The circumstances are the same as those involved in the subsequent Russkane case from

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



Deletion of "most recent" before "violation"

Emendation of "involves the disclosure of" to "disclosure"

- 12. 10 Removal of quotation marks around "the possibility... utilized" and deletion of "probably" [HARVEY]  
Deletion of paragraph 6.

c b Deletion of "a fairly sizable amount with a few-plunge system which is becoming larger with each additional country that enters into NATO"  
Emendation of "in view" to "even in" [FRIEDMAN]

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d c Deletion of "(1) to furnish additional TYPEX machines for use on the diplomatic level and (2)" [LITTLE-DAWSON]  
Emendation of "the machines for NATO [redacted] and possibly national communication communications having a bearing on NATO affairs" to "the TYPEX machine for official use NATO material as well as for [redacted]"

13 11 Deletion of "The proposed integration into a single military force of the five separate forces of France, Italy, Western Germany, Belgium, and Luxembourg increases the importance of a single set of standards of security" [FRIEDMAN]

14 12 Emendation of "cryptography, particularly in regard to the application and usage of the authorized NATO cryptosystems" to "and proper usage of the authorized NATO cryptosystems"

Deletion of "Such courses could

be established under the authority of the Council of Deputies with SHAPE designated as executive agent." [HARVEY]

15 13

Prefixing of To be fully effective the to beginning of paragraph [HARVEY]  
deletion of "such as"

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Emendation of "13" and "14" to "11 and 12"  
~~that~~ Emendation of "is by its nature" to "must be"

deletion of "requiring at least one or two years"

16 14

deletion of "(personnel, and individual security present no particular problem)"

17

Deletion [HARVEY]

18

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Emendation of "physical, personnel and individual security" to physical and personnel security

Emendation of "it would be better to make a unilateral (U.S.) approach to the Portuguese Government ~~would~~ rather than a bilateral (U.S./U.K.) approach to "a unilateral (U.S.) approach to the Portuguese Government would offer advantages." [HARVEY]

Deletion of remainder of paragraph [HARVEY]

Sub. Addition of "However, in view of

[Redacted]

of the

[redacted] and the fact that the British are already aware of the problem, it is felt that the matter must be discussed with them before any approach is made" [HARVEY]

19 16 Deletion of "However"  
 Addition of "The basis for such an approach is indicated in the next paragraph"

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