WAR DEPARTMENT
Office Chief Signal Officer
Washington

File No. 

Date. 16 May 38

SUBJECT: Memorandum on the meeting of the Subcommittee on State, War, and Navy Department Communications.

Received of the Chief Signal Officer the following described communication(s):

Letter dated May 24, 1938

Indorsement(s) dated

Inclosure(s).

NOTE: Return to the Chief Signal Officer.

Declassified and approved for release by NSA on 04-10-2014 pursuant to E.O. 13526
MEMORANDUM TO: Col. G. V. Strong

May 24, 1938.

1. The Subcommittee on State, War, and Navy Department Communications met at 10:00 a.m., May 17, in the Office of the Director of Naval Communications.

Present:

Rear Admiral C. E. Courtney, U. S. N., Navy Department,
Senior Member.

Mr. D. A. Salmon, State Department,
Major W. C. Reeder, U. S. A., War Department, Members.

Mr. W. F. Friedman, War Department,
Commander L. P. Safford, U. S. N., Navy Department,
Lieutenant P. V. Mercer, U. S. N., Navy Department,
Technical Advisors.

2. Admiral Courtney opened the meeting and stated that a Subcommittee on Communications, consisting of Admiral Courtney, Mr. Salmon, and Major Reeder, had been appointed to investigate improving communications between the State, War, and Navy Departments. The Subcommittee was to study and report on classification of messages and a new interdepartmental code or cipher system.

3. Lieutenant Mercer stated that the Naval Communication Service had been handling a considerable amount of State Department messages to and from the Far East since the beginning of the Sino-Japanese difficulties and that he had observed certain discrepancies and chances for improvement. The Navy and State Departments apparently gave different meanings to the same words used in connection with security classification of codes and ciphers and the precedence to be given messages. Everything was working smoothly now because the people concerned understood the terms used by the other service; but there had been trouble in the past and there would be similar trouble in the future if the Navy had to handle State Department messages in some other quarter of the world. On many occasions messages identical in substance and similar in wording would be sent from the American Minister to the State Department in a State Department code and from the Commander in Chief to the Navy Department in a Navy system. This was very bad cryptographically, as it subjected both systems to cryptanalytic attack. A
common system held by State and Navy Department officials, and possibly
the Army, plus a wider use of information addresses, would reduce the
amount of radio traffic and afford considerable protection to the system
used.

4. Commander Safford stated that the State, War, and Navy Depart-
ments had a common responsibility in national defense and preservation
of official secrets. It was therefore very desirable that the three
Departments use the same phrasing and, if practicable, have common
standards of security. At the present time there was in existence an
Army-Navy cipher but it was restricted to joint operations, particularly
in coastal defense, and should not be used for administrative matters
or intelligence. There had been a State-Navy cipher for many years but
it was little used because it was of very complex type and difficult to
operate, and was generally unsatisfactory. It had been withdrawn from
service about three years ago. There was need of a State-Navy cipher,
and it would be wise to include the Army, as there would be many occasions
when direct communications between the State Department officials and
Army officers, or military missions, might be necessary.

5. Mr. Friedman stated that the Army, Navy and Coast Guard now
had at least one cryptographic system common to all three services,
and that the State Department was purchasing some of this apparatus
with the War Department on a joint order. Therefore it should be a
very simple matter to supply a common cipher for the three Departments.
In determining a cipher of this nature it was necessary to consider
possible future conditions rather than the immediate present, as dis-
tribution took such a long time that we could not wait for the situation
to arise. The Army should be included in this system, as there is an
instance of a military intelligence officer coming aboard a Navy ship
abroad to send a message to the War Department in a Navy cipher.

6. Mr. Salmon stated that although common standards of security
were doubtless desired in principle and might be practicable between
the Army and Navy, the State Department's problems were so different that
they could not possibly agree to undertake it. Messages in which other
departments were interested were another matter and he thought the State
Department could agree to anything proposed by the Army and Navy. We
should be able to iron out our difficulties in regard to secrecy classi-
fication and precedence of messages. The Treasury Department also to
be included in the distribution of this new cipher system as consuls
frequently have to communicate with Coast Guard cutters in regard to
narcotic and liquor smuggling, and there were other occasions when
Coast Guard vessels would find this cipher very useful.

7. Commander Safford stated the Navy Department already had the
facilities for the production of alphabets and key lists for the proposed
system and that the Navy Department would be willing to print the first
two editions; subsequent editions could be left to the future. The
Navy Department would prepare the manuscripts and submit them directly to the other two Departments for inspection and approval.

3. A general discussion then followed and the following decisions were reached:

(1) Each Department furnish its instructions relative to security classification and precedence of messages to the other two Departments. Each Department would make an independent study and submit a proposal for uniform phraseology.

(2) To adopt a common cipher for interdepartmental communications between the State, War, Navy, and Treasury Departments, distribution going down to destroyers and gunboats of the Navy and Coast Guard cutters. The question of the exact distribution of this system and whether to make a second cipher of limited distribution to be deferred for the time being. The Navy to undertake preparation and printing of the alphabets and key lists for the new system and to start without delay in order to meet the completion of the physical apparatus which had been ordered for the State Department.

9. The Subcommittee then adjourned at 12:15 to reconvene at 10:00 a.m. on Monday, May 23, 1938, in the Office of the Director of Naval Communications.

10. The Subcommittee on State, War, and Navy Department Communications met at 10:00 a.m., May 23, in the Office of the Director of Naval Communications with all members present.

11. Commander Safford presented a paper containing the Navy's study of secrecy classification and precedence and suggested that it be used as the basis of discussion. This was agreed to and a general discussion followed.

12. It was pointed out that the classification "Secret" and "Confidential" were substantially identical for the Army and Navy and had the same scope for the State Department, except the element of national security was not involved. The State Department classification of "Routine" corresponded exactly to the Army and Navy classification "Restricted" and there was no purpose in changing a word which was well established by usage within the State Department.

13. In the matter of precedence of messages similar uniformity existed. Army, Navy, State Department all used "Routine" and "Nite". The State Department's "Rush" corresponded exactly to the "Priority" of the Army and Navy. The term "Rush" had been adopted for reasons of economy and would cause no confusion on Navy circuits provided its meaning was known to our operators.
14. Mr. Salmon stated that he would like a copy of the minutes of the last meeting to present to Mr. Welles. Major Reeder said that he would like a copy for the Chief of Staff. It was explained that the instructions had been to prepare only one copy of the minutes of the meeting and submit it to the Chief of Naval Operations. Major Reeder suggested that the Subcommittee meet again tomorrow morning to review and approve the minutes of last week's meeting and this week's meeting, and receive their personal copies if consent could be obtained meanwhile.

15. The following decisions were reached:

(1) Retain the present nomenclature for secrecy classification and for precedence of messages as follows:

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<thead>
<tr>
<th></th>
<th>State</th>
<th>Army</th>
<th>Navy</th>
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</thead>
<tbody>
<tr>
<td>Secret</td>
<td>Secret</td>
<td>Secret</td>
<td>Secret</td>
</tr>
<tr>
<td>Confidential</td>
<td>Confidential</td>
<td>Confidential</td>
<td>Restricted</td>
</tr>
<tr>
<td>Routine</td>
<td>Restricted</td>
<td>Plain Language</td>
<td>Plain Language</td>
</tr>
<tr>
<td>Plain Language</td>
<td>Plain Language</td>
<td>Plain Language</td>
<td>Plain Language</td>
</tr>
</tbody>
</table>

Note: "Routine" considered identical with "Restricted".

<table>
<thead>
<tr>
<th></th>
<th>State</th>
<th>Army</th>
<th>Navy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rush</td>
<td>Priority</td>
<td>Priority</td>
<td>Priority</td>
</tr>
<tr>
<td>Late</td>
<td>Late</td>
<td>Late</td>
<td>Late</td>
</tr>
</tbody>
</table>

In the absence of the above two designations messages will take precedence after "Rush" and "Priority".

Note: "Rush" considered identical with "Priority".

(2) The Navy Department to commence the preparation of the Interdepartmental Cipher, submitting it to the State and War Departments for approval before printing.

16. The Subcommittee then adjourned at 11:30 to reconvene at 10:30 a.m. on Tuesday, May 24, 1938, in the Office of the Director of Naval Communications.
17. The Subcommittee reconvened at 10:30 a.m. on May 24th, in the Office of the Director of Naval Communications. The Minutes of the previous meetings, as prepared by Commander Safford, were discussed and approved. The Subcommittee decided to report individually to the members of the Working Committee the decisions embodied in this memorandum.

W. C. Reeder,
Major, Signal Corps,