MEMORANDUM FOR DIRAFSA

SUBJECT: ECM

1. It has occurred to me that there may be an acceptable way out of the present U.S.-British controversy over the ECM, and the following suggestion is submitted herewith for what it may be worth.

2. The British have indicated to me from time to time that one of their principal objections to accepting the U.S. proposal is that they would thereby commit themselves to a "second best" course of action, from which they could not retreat at a later date without great expense and loss of time. They have also said that, having very limited funds, they must spend their money in the best possible way. On the other hand, we have maintained that we must reserve the ECM for our own use, but have privately recognised the fact that we might, in time of emergency, have to release the ECM for joint use. It seems to me that a compromise course may be open to us which might reconcile these points of view.

3. In the papers which I have seen on the subject the fact has not been pointed out that both the ECM and ECM stem from the same basic machine. Neither the JCS nor the British authorities may realize that if a U.S. designed ECM were adopted, it could be converted at a later date into an ECM at considerably less expense than would be entailed by the design and construction of an entirely new machine, or, in fact, by the construction of a number of additional ECMs at U.S. expense, as would probably be the case in the event that the ECM had to be used.

4. If this possibility could be explained to the British, it is conceivable that they might accept a proposal along the following lines:

It could be suggested to them that the U.S. design of the ECM be utilised for the time being and that we would agree, or at least give serious consideration to, a shift to the ECM in the event of hostilities, with the U.S. providing the necessary conversion parts.

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28 November 1943

SUBJECT: BGM.

5. Such a course of action would have the following advantages:

a. It might relieve the British of their fear of committing themselves unilaterally to the BGM.

b. It might prevent the British from going off on a line of development which would prevent use of the BGM if it were to our advantage to do so at a later date;

c. It might obviate the necessity of giving them the BGM at this time;

d. It would insure our having some voice in the control of both the combined and the British machine.

6. As an inducement it might be worth our while to provide the parts initially required for assembly of the BGM. Aside from saving us the expense of assembly, this would result in a standardization in the event that we would have to assume production of additional equipment in time of war - a very distinct possibility. This would also effect a saving as far as the British are concerned, as they could accomplish the assembly in U.K. at lower cost and without the expenditure of dollars, which would be an obstacle if they had to purchase completed machines in this country.

7. As for the idea of contributing partially to the cost of British machines, it seems to me that we shall have to do so sooner or later, in one form or another, and we might as well face it now and chalk it up as a price to pay in return for a measure of control over the distribution and future development of the combined cipher machine.

J.H. RANGER
APSA-COB

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