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Background Information
on
USCIB: 23/22
(Portuguese Security)

1. 64th USCIB Meeting, 24 May 51, Item 3: Final Report of the U.S./U.K. Conference on French Communications Security (USCIB: 14/132).

USCIB decision:

"(1) To approve the conclusions and recommendations of the report contained in USCIB 14/132, subject to concurrence of the National Security Council.

* * * * *

(3) That the U.S. Conference Team would keep this matter under continuous review and notify USCIB of the appropriate time for further action to be taken."

2. 65th USCIB Meeting, 22 June 51, Item 2: U.S./French and U.K./French COMINT relations (USCIB 14/131).

Mr. Douglass (CIA) brought up question of insecurity of Portuguese communications.

USCIB decision:

"2. That the U.S. delegation to the U.S./U.K. Conference on French Security would study and evaluate Portuguese communication security - and that Coordinator would report thereon to the Board.

3. That the U.S. delegation should give consideration to the following suggestions, viz: That when disclosing certain types of particularly sensitive information to NATO countries whose methods of transmission are known to be insecure there should be a stipulation made in advance that such information may not be passed on by any electrical communication means, but that if essential to pass on, a secure courier must be used."

3. U.S. Conference Team consisted of:

Admiral Earl E. Stone, DIRAFSA
Col. Samuel P. Collins, AFSA
Mr. William F. Friedman, AFSA
Col. Gordon E. Dawson, ID
Mr. Winston Scott, CIA
Mr. Robert F. Packard, Department of State

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4. Admiral Stone's Memo of 2 July designating me as Acting Chairman of Committee (Encl. 1).

5. The Ad Hoc Committee held three meetings (3, 9, 12 July) and prepared a Report on Evaluation of Portuguese Communication Security (USCIB: 23/18).

Recommendations:

"a. The conclusions of this study be approved as the present USCIB view with regard to the problem.

b. The U.S. Delegation to the U.S.-U.K. Conference on French communications security be continued as an ad hoc body to ascertain the exact extent to which present NATO practices may provide secure ways and means, within the framework of these practices, to solve the Portuguese problem.

c. Further consideration of exceptional, direct action to improve Portuguese communications security be deferred pending
(1) completion of the study recommended under b above and
(2) NSC and USCIB decisions whether such action is to be taken vis-a-vis the French Government."

6. 66th USCIB Meeting, 13 July 1951, Item 3: Evaluation of Portuguese Communication Security (USCIB: 23/18).

USCIB decision:

"USCIB agreed to accept the recommendations of the Ad Hoc Committee, as set forth in paragraph 4, on page 3, of the inclosure to USCIB 23/18. It was agreed, further, that the Ad Hoc Committee would provide more complete information on the problem for consideration by the members at the next meeting."

7. Ad Hoc Committee held six meetings in the preparation of the present report (USCIB: 23/22):

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4th on 18 July
5th on 23 July
6th on 26 July

7th on 27 July
8th on 30 July
9th on 2 August

8. The Report represents the unanimous opinion of the Committee. It will be recalled that prior to the formal opening of the 65th Meeting of USCIB on 22 June 1951, Admiral Johnson requested that the U.S. member of the Security Coordinating Committee (SCC) of the NATO Standing Group in Washington so that he could participate

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in SCC action about to be proposed by the U.K. representative on the SCC in the matter of leakage of NATO information through insecure telegraphic arrangements (Encl. 2). The U.S. member of SCC is CDR Mark T. Little, USN, and, upon approval of USCIB, he was indoctrinated as requested. CDR Little is also Chairman of SCC. At all six meetings the Committee was fortunate in having the benefit of participation by CDR Little. It also had the benefit of participation by Mr. William Harvey, Office of Special Operations, CIA, at the 7th and 8th meetings; of Capt. J.N. Wenger, Deputy Director, AFSA, at the 7th meeting; and of Capt. E.A. Taylor, USN Chairman of the Communications-Electronics Coordinating Section (CECS) of the Standing Group, NATO, at the 6th meeting. On behalf of the whole Committee, I wish to thank all of them for their able assistance to the Committee.

9. At the 6th meeting a division of opinion with regard to the action proposed for a prompt solution became evident; this was resolved at the 8th meeting by combining the best features of an Army and a CIA proposal in the premises.

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10. Even while it was studying the question of past security violations by the Portuguese, the Committee was confronted, at its 6th meeting on 26 July, with a new and most serious Portuguese security violation.

[redacted] The violation was of such serious nature, involving U.S. political matters of great secrecy, that the CIA member of the Ad Hoc Committee was asked by his superiors to request the Committee to bring in its report at the earliest moment, by the end of the week if at all possible. Spurred on by this request, the Committee agreed to put forth additional effort by holding its meetings more frequently; but at the meeting on the next day the CIA representative announced that in view of the complexity of the matter, undue haste was not advisable and that the CIA now felt that the Committee should have more time to study the situation.

[redacted]

12. It will be noted that the proposal which is recommended by the Committee and which in its opinion offers best hope of bringing about a prompt improvement in the Portuguese situation, aims at inducing them to compile and use their own national settings for TYPEX. I would like to

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point out that the U.S. as a member of NATO has been issued TYPEX machines for NATO communications*, that a small amount of U.S. communications dealing with NATO matters is handled by these machines**, and that the settings used are those prepared by the British. National comment, of course, is being handled by U.S. national machines, and not by TYPEX with U.S. prepared settings. I would like to point out further that if, on suggesting to the Portuguese that they use TYPEX more frequently and compile and use their own national settings, they should ask if the U.S. is also doing that, it would be embarrassing to have to answer in the negative. The U.S. tactical position in this problem vis-a-vis all the other NATO members would be greatly strengthened if the U.S. could say that it is using TYPEX with nationally prepared settings. The Committee has not made this suggestion in its Report, since it is a bit extraneous but I have felt it desirable to point this matter out before USCIB with the view of evoking some discussion. Even a token use of national settings might be helpful.

13. The detailed reasons why the Committee selected the proposal put forth are given in para. 13 of the report and I don't think of anything to add to them. It will be necessary, as pointed out in para. 14 of the report, to obtain the concurrence of LSIB to the proposal.

14. The Committee discussed at some length the question whether the approach to the Portuguese should or should not be undertaken without referring the matter to the NSC. It agreed that in view of the fact

in the case of the U.S./U.K. proposal to approach the French. However, USCIB may feel differently on this score and I wish to point out that one of the recommendations approved by USCIB in its last discussion of the Portuguese problem was:

"c. Further consideration of exceptional, direct action ... be deferred pending ... (2) NSC and USCIB decisions whether such action is to be taken vis-a-vis the French Government."

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*Washington, London, Paris, Heidelberg, Weisbaden, Rome has been authorized but not yet distributed.

**About 3 outgoing and 5 incoming messages per day between Washington and Paris.

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15. The Committee studied a number of proposals of a long-term nature - action that would take several years to produce the desired results. These proposals are included in Enclosure "A" to the Report, with a view to their consideration and approval in principle. Action on them would have to be undertaken by the non-COMINT security authorities of the Departments of State and Defense.

16. In connection with these proposals, some of which involve usage of the Report of the Tripartite Working Group, the latest information I have on this subject is that on 3 August a telegram was sent to the U.S. Ambassador in Paris by the Secretary of State, with a draft of a note expressing U.S. approval of the paper and asking the approval of the other Governments concerned.

17. One final point, in connection with obtaining ISIB's concurrence to the course of action proposed by the Committee. A few minutes ago, I referred to CDR Little's participation in the work of the Ad Hoc Committee, [redacted] I also referred to the reason for his indoctrination, which was to permit him to participate in supporting a proposal which the U.K. members of the Security Coordinating Committee of the NATO Standing Group were about to table on the leakage of NATO information through insecure telegraphic arrangements. The U.K. draft paper came to us from the Director of GCHQ. I have that paper here and wish to say that in the Ad Hoc Committee's first report it was mentioned (Pars. 26 and 27) in connection with the Committee's opinion that a direct approach to the Portuguese Government should not be made until the possibilities for remedial measures proposed by the U.K. members of SCC had been explored. I inquired of CDR Little what had been done with the U.K. proposal thus far and he indicated that it has as yet not even been tabled by the U.K. members, for reasons he did not know. However, we can be sure that the U.K. authorities are well aware of the situation and would like to see it remedied as soon as possible. The U.K. paper states that action is necessary, indicates in general what action should be taken, but not how it is to be brought about. If USCIB is interested, I'll be glad to read from the U.K. paper. It is to be feared that an approach to the Portuguese without laying the proper ground-work for it, such as our paper proposes, would be highly dangerous [redacted] Perhaps it would be well to mention this in the proposed memorandum to ISIB (Enclosure C), although I imagine that the fact that the U.K. has not yet tabled the proposed paper is sufficient evidence that the British realize the danger and want to go slow.

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WILLIAM F. FRIEDMAN
Acting Chairman, Ad Hoc Committee

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