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REMARKS

The Memorandum (DI, GSUSA) of 25 Apr '49 was written by Col Arthur Peterson then Chief of Special Research ID, as a counterproposal to the memorandum from Col Clarke as Chief ASA

Conversation with Col Peterson (Aug 1951) when he was Chief, AFSA-12 indicates that this was the proposal favored by Major Gen Bolling and was the Army viewpoint It was agreed to shelve the Clarke proposal awaiting further developments and particularly the establishment of AFSA

Col Clarke's proposal however, found its way by devious means to Secretary of Defense Johnson who forwarded it back for consideration Maj Gen Bolling's attitude changed on this account and his wrath at Col Clarke resulted in his not supporting the Army program At a

FROM NAME OR TITLE

DATE 29 Aug 51

TELEPHONE

DD FORM 1 FEB 50 95 Replaces DA AGO Form 895 1 Apr 48 and AFHQ Form 12, 10 Nov 47 which may be used.

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later meeting the Army lost control of who would be Chief, AFSA because of the internal dissension and as a result Adm. Stone who was the Navy's proposed head and who was least likely to be elected, was elected —

Col Clarke's action probably cost Army the first Chief of AFSA

McLane
Capt WAC

25 April 1949

TO: Director of Intelligence, GSUSA

SUBJECT: Proposed Memorandum for Chairman, USCIB, subject: Maximum Exploitation of COMINT.

1. Subject memorandum, submitted by Chief, ASA, recommends that:

a. A central COMINT evaluating unit be set up at one of the cryptanalytic processing agencies.

b. This unit be responsible for the production of all intelligence based on COMINT and for the publication and dissemination of all such intelligence to U.S. government personnel authorized to receive it.

c. Each USCIB member contribute personnel to this center, such personnel to be administratively subordinate to their respective departments and operationally subordinate to the chief of the technical agency and to have the dual responsibility of producing total intelligence for the National Security Council and intelligence of primary interest to their respective departments.

d. That, upon the establishment of the central unit, all existing COMINT evaluating units of the five USCIB members be dissolved.

2. Attached to the subject memorandum is a staff study which discusses the inadequacies of the present methods of handling COMINT evaluation and dissemination and the advantages of the method recommended. It is obvious that, under the present system, maximum exploitation of COMINT cannot be achieved and that, in theory, the recommendations made in the subject memorandum would provide a means of achieving full exploitation of this source. If submitted to USCIB, however, the following alternative results could be expected:

a. The recommendations would be rejected, with Navy and Air Force opposed on the grounds that such a proposal would preclude the operational control necessary to satisfy their intelligence requirements.

b. The recommendations would be accepted in principle by USCIB. In this case, the ultimate recommendations forwarded to the National Security Council would probably take the following form:

(i) That a central evaluating and disseminating unit be established under the authority and direction of CIA.

(ii) That, since a COMINT evaluating and disseminating unit of ONI is already in operation at CSAW, this central unit be located at CSAW.

Moreover, if the recommendations of the subject memorandum were accepted by USCIB, they might lead to a further recommendation that full responsibility for COMINT processing, evaluation and dissemination be given to CIA.

3. Without reference to the possible effect of the subject memorandum on USCIB, the recommendations of that memorandum appear to be objectionable to the Department of the Army and the National Military Establishment on the following grounds:

a. A single department within the National Military Establishment would have operational control of all COMINT evaluation and dissemination at the Washington level; and ultimate control would be in the hands of a board which includes non-military members and is responsible to the National Security Council.

b. The recommendations state that personnel of the central evaluating and disseminating unit would be responsible for producing intelligence of primary interest to their respective departments. No provision is made, however, for direction or control by these departments of the production and dissemination of such intelligence.

c. The recommendations state that personnel of the central unit would be responsible for producing total intelligence for the National Security Council. The total intelligence requirements of the Joint Chiefs of Staff are not mentioned and, under the organization as recommended, the Joint Chiefs would have no means of directing and controlling the production and dissemination of such intelligence.

d. The recommendations are made on the assumption that two (or, eventually, three) cryptanalytic processing agencies will continue in existence. In this case, the location of the central unit at one of the technical agencies would only partially satisfy the requirements for maximum exploitation of COMINT as

outlined in the staff study. Moreover, the reasons which lead to the conclusions on which the recommendations are based lead also to the conclusion that a unified Armed Forces Security Agency should be established.

4. Assuming that a unified Armed Forces Security Agency is established, the recommendations made in the subject memorandum could be applied within the National Military Establishment, as follows:

a. A central COMINT evaluating and disseminating unit could be established at the Armed Forces Security Agency, composed of personnel contributed by the Army, Navy, and Air Force, and operationally subordinate to the Chief, AFSA (who, in turn, would be subordinate to the Joint Chiefs of Staff).

b. The personnel contributed to the center by the three services could have the dual responsibility of producing intelligence for the Joint Chiefs of Staff and intelligence of primary interest to their respective services. Such an arrangement would provide the National Military Establishment and the Joint Chiefs of Staff with that portion of total intelligence based on COMINT which has been allocated to the National Military Establishment under the NIS. It would not provide the means for integrating those fields of intelligence which are currently allocated to the State Department and CIA with the intelligence produced by the AFSA unit. However, upon the establishment of a central COMINT evaluating and disseminating unit within the National Military Establishment, the State Department and CIA could be invited to contribute personnel to the central unit. The full advantages outlined in the staff study attached to the subject memorandum would thus be achieved without the danger of loss of operational control by the National Military Establishment.

5. It is recommended that:

a. The subject memorandum not be submitted to the Chairman, USCIB.

b. The attached memorandum, subject: Maximum Exploitation of Communication Intelligence within the National Military Establishment, be submitted to the Chief of Staff, with the recommendation that it be forwarded to the Secretary of Defense for consideration in conjunction with the report of the Stone Board.

MEMORANDUM FOR THE CHIEF OF STAFF:

SUBJECT: Maximum Exploitation of Communication Intelligence within the National Military Establishment.

1. The Intelligence agencies of the three service departments are presently engaged in the production of intelligence based on COMINT in their respective fields of primary interest and in the several fields in which all services have a common interest. Under this arrangement, the Joint Chiefs of Staff and the Secretary of National Defense are not provided with total intelligence derivable from COMINT.

2. A study has been prepared by ID, GSUSA, which examines present COMINT exploitation and dissemination by the three services for the purpose of determining a method which will insure full exploitation of this source with maximum efficiency, security, timeliness, and economy, and which will provide each department with all essential COMINT required for its own needs. The study demonstrates the close relationship between the production and the evaluation of COMINT and concludes that maximum exploitation of COMINT requires changes in present arrangements within the NME, not only for evaluating and disseminating, but also for cryptanalytic processing of COMINT. One of the recommendations made in this study is that a unified Armed Forces Security Agency be established. This has been recommended by the Department of the Army in the Study of Joint Organizations for the Production of Communication Intelligence, dated 30 Dec 48, prepared for the Secretary of Defense. The reasons leading to this recommendation in the attached staff study are in addition to those given in the study of 30 Dec 48, which considered the COMINT problem only through the stage of cryptanalytic processing. The full recommendations of the staff study are as follows:

a. That a unified Armed Forces Security Agency be established.

b. That a central COMINT evaluating unit be set up at the AFSA.

c. That this unit be responsible for the production of intelligence based on COMINT and for the publication and dissemination of such intelligence for the NME.

d. That each of the three services contribute personnel to this center, such personnel to be operationally subordinate to the Chief, AFSA, and to have the dual responsibility of producing intelligence for the JCS and intelligence of primary interest to their respective services.

3. If these recommendations were adopted, the COMINT requirements of the services and of the JCS could be met. The further step of integrating political and economic with military intelligence could then be achieved by inviting the remaining members of the United States Communication Intelligence Board -- State Department and CIA -- to contribute personnel to the central evaluating unit at AFSA.

4. It is recommended that this staff study be forwarded to the Secretary of Defense for consideration in conjunction with the study of Joint Organizations for the Production of Communication Intelligence.

MAXIMUM EXPLOITATION OF COMINT WITHIN THE NATIONAL MILITARY ESTABLISHMENT

1. The Problem: To examine present COMINT exploitation and dissemination within the NME in order to determine a method which will provide full exploitation of this source with the maximum efficiency, security, timeliness, and economy.

2. Facts Bearing on the Problem:

a. The NME annually expends approximately $35,000,000 for the technical production of COMINT raw material. It has roughly a $48,000,000 plant investment in the facilities of ASA and CSAW. The establishment of a third technical agency by the Air Force is imminent.

b. Each of the departments of the NME maintains a COMINT evaluating and disseminating unit. For the most part, the work of these three units is not coordinated and, to date, there has not been produced an integrated, comprehensive, COMINT estimate covering any given subject from the point of view of total JCS intelligence requirements. Under the present arrangement, there is no provision for the timely application of total COMINT to the intelligence requirements of the JCS or the policy planners of the three services.

3. Discussion

a. The unique and vital nature of COMINT and the cost of COMINT production dictate that arrangements be established which insure maximum exploitation of this source. The present arrangements for the evaluation and dissemination of COMINT within the NME preclude such exploitation. They are not efficient, not secure, and not economical, and, moreover, they fail to insure timely dissemination of intelligence.

(1) Efficiency: The three COMINT evaluation units produce and disseminate a number of publications covering fields of primary interest to their respective services--e.g., the MILITARY DIGEST (Army); the SOVIET INTELLIGENCE SUMMARY (Navy); ORDER OF BATTLE (Army, Navy, Air); and special studies (all services). These publications contain evaluated COMINT on various subjects. Occasionally, the same raw material--evaluated

from the point of view of the service involved--is used as the basis for reports from two or more of the units. To date, there has not been produced an integrated COMINT estimate covering any given subject from the point of view of total intelligence requirements of the JCS. For example, there is not available to the JCS a combined COMINT estimate of the military capabilities and industrial potential of the USSR. Nor, under the present arrangements, could a combined estimate be produced with sufficient speed to make such an undertaking practicable. Policy level recipients of COMINT receive a variety of GLINT reports, which may duplicate, or conflict with, one another, and which the recipients themselves must synthesize. In addition to its separation from other COMINT units, each of the three evaluating units functions more or less apart from the general intelligence units within its service and, of course, from the general intelligence units of the other services. Such arrangements, although necessary for COMINT security under present conditions, inhibit rapid, direct application of collateral intelligence to COMINT and militate against the timely production of total intelligence on a given subject both within and among the services.

(2) Timeliness: Clearly, the value of all intelligence depends to a large extent on its timeliness. This is particularly true in the case of COMINT. A message indicating impending attack disseminated after the fact is of academic interest only. Under the present arrangements, however, the inevitable time-lag resulting from the separation of the three evaluating units from each other, and of each of them from one or both of the technical agencies, effectively reduces the chances of receiving such a message before it is too late to act. (It is assumed as a strong probability that no single message will contain positive, self-evident indication of hostile intent--without evaluation on the basis of other information available at one or all of the intelligence units.) In addition, the separation of evaluating and technical units makes impossible the timely preparation of basic COMINT studies on subjects of joint interest and the maintenance of such studies at a current date level.

(3) Security: The distribution of COMINT raw material to the intelligence units of the services and to the COMINT units of State Department and CIA presents an obvious physical security hazard. The separation of these units from the technical agencies requires the publication of individual message texts, notated so as to reveal the cryptographic system in which they were sent and the radio circuits from which they were intercepted--a practice which reveals the core of US COMINT operations: specific status of cryptanalytic attack. The possibility cannot be ignored that the rigid security measures [redacted] are a direct result of the insecurity inherent in the present COMINT organization in the United States.

(4) Economy: The existence of three COMINT evaluating units within the NME results in excessive expenditures for personnel and equipment and considerable duplication of effort. Dissipation of the limited, available, qualified manpower adversely affects the quality and quantity of COMINT produced. In addition, the existence of several, separate evaluating units creates the need for publishing many copies of the COMINT raw material, for an extensive courier service, for several files of the same material, and for the publication by the technical agencies of many items which could have been discarded at the first stage of processing if an evaluating group had been close at hand to guide the work of the technicians.

b. The establishment of a unified Armed Forces Security Agency (as recommended by the Department of the Army in the Study of Joint Organizations for the Production of Communication Intelligence, dated 30 Dec 48), and of a single COMINT evaluating and disseminating unit at that agency, would eliminate the disadvantages described above and would permit maximum exploitation of COMINT within the NME.

(1) Efficiency:

(a) Such an arrangement would provide, at the very least, the physical conditions necessary for collaboration among the COMINT evaluating personnel of the NME.

(b) Basic COMINT evaluation would be improved, for the following reasons:

(i) The raw material would be evaluated at its source--an optimum condition for accurate intelligence production.

(ii) Integration of other source intelligence with COMINT would be facilitated. The technical agency, for cryptanalytic purposes, must maintain central files of intelligence reports from all sources. The single evaluating unit, through the collateral files of the technical agency, would have direct access to the material from other intelligence sources now separately held by each of the three services.

(iii) Exploitation of COMINT in the fields of primary interest to each of the services would be improved by the proximity of evaluators to translators and traffic analysts.

(c) COMINT operations as a whole would be improved. The quick and unimpeded exchange of new ideas, new developments, and new intelligence or technical requirements would greatly increase the efficiency of both technical and evaluating personnel.

(d) Finished GLINT intelligence would be available for dissemination to policy level recipients in a form designed to meet their needs--i.e., they would receive total COMINT on a given subject, in one synthesized report.

(2) Timeliness:

(a) The proximity of evaluating personnel to technical personnel would permit discarding of unimportant material at the earliest stages of cryptanalysis and, in so reducing the mass of material fully processed, would expedite the processing of vital material.

(b) Basic intelligence studies of joint interest to all consumers could be expeditiously initiated and currently maintained.

(c) Elimination of the publication and delivery of many copies of COMINT raw material would substantially reduce the time-lag between message solution and evaluation.

(3) Security:

(a) The dissemination of COMINT raw material outside the AFSA would be reduced to a minimum.

(b) Knowledge of the degree of specific cryptanalytic success could more easily be limited to working personnel with the need to know, and, in the case of evaluating personnel of the NMR, confined to one installation.

(4) Economy:

(a) Discard of unimportant material at earliest stages of cryptanalytic processing would reduce the total cost of intelligence produced in relationship to total material processed.

(b) Publication costs would be materially reduced.

(c) Duplication of intelligence files, with its attendant uneconomical use of limited space and personnel, and unnecessary duplication of effort at the technical and evaluation levels, would be eliminated.

4. Conclusions:

a. A unified Armed Forces Security Agency should be established.

b. A central COMINT unit should be established at the AFSA, with the responsibility for producing intelligence based on COMINT and disseminating such intelligence for the NME.

c. Each of the three services should contribute personnel to this center. Such personnel, under the direction of the Chief, AFSA, should perform the dual function of producing intelligence for the JCS and intelligence of primary interest to their respective services.

5. Recommendations: It is recommended that:

a. A unified Armed Forces Security Agency be established.

b. A central COMINT evaluating unit be set up at the AFSA.

c. This unit be responsible for the production of intelligence based on COMINT and for the publication and dissemination of such intelligence for the NME.

d. Each of the three services contribute personnel to this center, such personnel to be operationally subordinate to the Chief, AFSA, and to have the dual responsibility of producing intelligence for the JCS and intelligence of primary interest to their respective services.