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Serial: 585

27 JAN 1955

## MEMORANDUM FOR THE SECRETARY OF DEFENSE

Attor: General Graves B. Erskine, USMC (Retired)

SUBJECT: Proposed Reply to Mr. D. Kahn, President, N.Y. Cipher Society

Attached for your consideration is a proposed letter to Mr. D. Kahn, President, New York Cipher Society, in reply to his letter of 28 December 1954 addressed to the President and to the Director.

FOR THE DIRECTOR:

s/ L.H. FROST

L. H. FROST  
Rear Admiral, U. S. Navy  
Chief of Staff

Incl:  
a/s

cc: AG  
C/S  
V/DIR  
DC/S  
S/ASST (Mr. Friedman)  
P/P

N/R: 1. On 28 December 1954, Mr. Kahn addressed a letter to the President, inclosing a statement issued by the New York Cipher Society regarding cryptographic security.

2. On 11 Jan 55, Gen. Erskine, OSG, replied on behalf of the President, informing Mr. Kahn that he would consult with the Director on a detailed response to the Kahn letter.

3. Major Philip Patton, OSG, Mr. Erskine, P/P, and Mr. Friedman discussed the subject on 10 Jan 55, and, subsequently, Mr. Friedman approved the attached draft for signature by General Erskine.

Mr. Murphy, P/P, Ex 60548/pja

Approved for Release by  
NSA on 04-30-2014  
pursuant to E.O. 13526

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Mr. David Kahn, President  
New York Cipher Society  
Windsor Gate  
Great Neck, New York

Dear Mr. Kahn:

Thank you for your letter of 28 December 1954, which accompanies the New York Cipher Society's Statement entitled "To Improve Our Cryptographic Defenses."

As indicated to you in my letter of 11 January 1955, the subject has been discussed with representatives of the Director, National Security Agency. The Director concurs in this reply to your letter and your Society's statement. The activities and operations to which the Society's statement pertains fall in the category of information which we will all agree is not only of a sensitive nature but ~~also~~ vital to our national security. How sensitive that category of information is regarded is manifest when it is noted that after <sup>recognizing this fact</sup> extended discussions the 81st Congress passed Public Law 513, which President Truman approved on 13 May 1950. This law, codified as Section 795 of Title 18 of the United States Code, embodies legislation designed specifically to protect United States communications intelligence activities and United States codes and ciphers.

It is evident that the position taken by the New York Cipher Society is, at least in part, consistent in principle with that upon which this special legislation rests, i.e., rather stringent protective measures are necessary for most of the official information in the cryptologic category.

AT THE SAME TIME,

The serious problem of protecting vital security information without depriving the general public of knowledge to which it is entitled <sup>also been</sup> ~~has~~ <sup>been</sup> studied intensively by your Government. Immediately after his inauguration, President Eisenhower called for a review of Executive Order 10450 of 24 September 1951, which established policy and procedures governing the transmission and safekeeping of official information. As a direct result of this review, the President issued Executive Order 10501, dated 5 November 1953, <sup>and</sup> ~~to become~~ effective on 15 December 1953. It is under the terms of this Order, rather than Executive Order 10450, as noted in your Society's study, that official documents are classified. (Executive Order 10450 prescribes personnel security requirements for government employees.)

<sup>The decision to raise or lower the classification</sup>  
 The balance between disclosure and withholding <sup>of</sup> official information requires judicious interpretation of Executive Order 10501 in each specific case. <sup>IT IS TRUE THAT</sup> Certain official documents pertaining to cryptography and cryptanalysis were, <sup>in fact,</sup> upgraded as a result of this Order. It should be noted, however, that each document so upgraded was carefully and judiciously reviewed to determine whether it should be considered unclassified or should be accorded protection by use of an appropriate classification. In each case <sup>the decision was made</sup> the review was conducted in the light of what the responsible authorities in the Department of Defense considered not only permissible within the limitations of the special legislation <sup>mentioned above</sup> which <sup>reference has been made above</sup> but also in the best interests of national defense.

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*is also general agreement*  
 There seems to be *general* accord as to the fruitfulness of outside criticism and suggestion. There is hardly any need to note that many of the nation's leading scientists and scientific organizations have taken positions very similar to that of the New York Cipher Society in regard to the desirability of as much dissemination of scientific information as is realistically consistent with the security of our nation.

*That the* desirability and value of suggestions and assistance from persons outside the governmental areas in which cryptologic activities are *considered desirable* is evidenced by the fact that a Scientific Advisory Board composed of the most highly-qualified scientists in several fields related to the cryptologic field assists and advises the Director of the National Security Agency. The Board in turn is assisted by several panels likewise composed of eminent specialists in special fields pertaining to communications intelligence and communications security. In addition, government contracts have been let with several universities and certain highly-qualified industrial laboratories in order to take advantage of the special skills possessed by individuals outside government service.

The point concerning the development of a "potential pool of cryptographers" is well taken and the Armed Forces have instituted many steps designed to increase the number of men and women in the Armed Forces qualified to execute specialized jobs in the cryptologic field. It is of course obvious that the number of such qualified persons could be augmented by fostering the production of training literature which could be widely disseminated and made also available to amateur cryptologists.

Unfortunately, the elimination of the classification RESTRICTED, by Executive Order 10501, and the special legislation to which reference has been made form a handicap to the production of literature which would be useful to outside experts; to produce literature of a completely unclassified nature would not meet the needs of these experts which cannot now be satisfied by literature available in bookstores.

As you can see, the general problem is considerably broader and more inclusive than the science of cryptography. <sup>but</sup> It is a problem toward whose solution the scientific community and the Government are both working in an effort to bridge any real gaps that may exist so that the best interests of this nation can be appropriately served.

Sincerely,