

DISPOSITION FORM~~SECRET~~ *File*

FILE NO.

SUBJECT

Digest of Staff Conference, 9 March 1954

TO Chiefs of Offices and
Staff Divisions

FROM

C/S

DATE 15 March 1954

COMMENT NO. 1

1. PRODUCTION

a. Informed that PROD has established an Agency requirement, based upon microfilm found in closed files, for 36 DEFROST equipments costing an estimated \$2,000 to \$4,000 each, to implement NSA's DEFROST program.

b. Stated that the endangering of COMINT security by our intelligence contemporaries through their use of the stenofax machines, which generate notable radiations, will be brought to the attention of all members of USCIB and USCSB.

2. COMMUNICATION SECURITY

a. Remarked that the assignment of a field engineer by Burroughs Adding Machine Company to assist the Services and NSA in the resolving of problems encountered in the operation and maintenance of the AFSAM 7 will prove to be an invaluable aid in satisfying the wishes of the Services for speedier solutions to these problems and allow for the incorporation of improvements into production models.

b. Commented that NSAEUR reported the experiment of obtaining critical 5 UCO parts from a German concern at Frankfurt, Germany, has proven to be both economical and successful, as the German parts are considered to be of better quality than the original counterparts.

3. DEPUTY CHIEF OF STAFF

Referred to a recent USCIBEC meeting at which the Executive Committee considered a paper designed to tighten security because of an ALSOP leak sometime ago. Recommended that, although the original paper has been materially weakened as the result of certain objections put forth by CIA and STATE, the paper be accepted by NSA.

4. SCHOOL

Stated that instruction in intercept training is scheduled to be conducted on the fourth floor of the U Street School building by June 1954, using equipments to be shipped from Two Rock Ranch Station, California.

5. GENERAL COUNSEL

Acquainted everyone with the difficulties involved in drafting a directive implementing NSC 168 within the Services because NSC 168 said that within the Service Departments, NSA would exercise the COMSEC functions under the direct

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supervision of the Joint Chiefs of Staff. Rather than attempt to effect a modification of NSC 168 itself, it was considered better by the ad hoc committee to work out a formula in the DOD implementing paper which would soften the effect of those words in the original document. The net results were not satisfactory. The ad hoc committee made a split report in presenting this draft to SecDef. The Services and JCRC representatives on the committee went one way and NSA stood alone opposing direct supervision by the JCS of COMSEC activities. Upon receipt of the split report, SecDef referred it to the General Counsel of DOD. In the rewritten draft being circulated as a JCS paper for comment, every place on the paper there was any reference to JCS the wording was changed to make it clear that the line of command was from NSA to SecDef and that JCS would act in an advisory role in passing on any problems that might come up between NSA and the Services.

6. SECURITY

Advised that the value of promptly reporting incidents to SEC was well illustrated last week when eleven documents were reported missing, and SEC was able to locate them in 24 hours. (Director stated, "That is a lot of documents to lose in one day. Documents are our stock in trade, and I don't think we can afford to start making every man sign for the documents he has -- but somebody has to take a little more serious look at the handling of documents or we are going to have to do something about it.")

7. NSA-70

Stated that arrangements have been made to pass teletype traffic, on a test basis, by telephone from the Communications Center, A Building, to all units within NSA-90. The test is being conducted to determine whether teletype traffic can be sorted at AHS and sent to the appropriate 90 units in the various buildings at Fort Meade for the interim operation.

8. NSA-80

Stressed that the Agency was having innumerable difficulties holding on to its engineers because NSA is finding it increasingly hard to compete with private industry. Noted that they have lost two engineers in the past month. Believes that in spite of the efforts of Chief of Engineering Maintenance Branch and representatives of PERS, who are conducting a recruiting tour to interest undergraduates in the mid-west, this problem will continue to exist within the Agency. Stated that a training policy exists whereby we train engineers on computers, for example SLED, to be fair operators and the operators to be at least fair maintenance men. This makes for an optimum situation; however, if you contract for outside engineers, you destroy the incentive and motivation of the engineers remaining with you.

9. DIRECTOR

The Director ended the conference with particular reference to Reorganization Plan No. 6 and the Rockefeller Committee Report.

"It is obvious that the Defense Department intends to continue to interpret Reorganization Plan No. 6 with the aid of, one, the Rockefeller Committee Report, and, two, the President's message to Congress that accompanied Reorganization

Plan No. 6. It is also obvious that all of the activities of the DOD are in for some rather severe shocks, and the action of the General Counsel of the DOD on HSC 168 is completely in line with, one, the report of the Rockefeller Committee, and, two, the President's message sending Reorganization Plan No. 6 to Congress.

"Two things are now a fact. One, we have civilian command of the Defense Department. Two, irrespective of whether it is good or bad, it is nobody's fault but that of the men that wear the brass buttons.

"I propose to run this place in the way that Mr. Wilson wants it run or the way I think he wants it run. I assume that Reorganization Plan No. 6 represents his philosophy of running the Defense Department.

"I have a lot of ability here. I don't have many people that are stupid, so I expect decisions and actions based on your potential brain-power about which I know a good deal and not based on the mores of this conglomeration that we belong to."

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