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SECURITY INFORMATION

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SUBJECT: Release [] of Cryptographic Devices

TO: Chief of Naval Operations
Pentagon

Reference: CNO serial 003372P32, 10 July 52

1. This Agency is desirous of assisting in strengthening over-all communication security; however, the shortage of CCMs precludes provision of the equipment, except in very small quantities, for other than military use. The quantity of equipments, expressed in the reference as the requirement for [] non-military communications is considerably larger than can be safely diverted from the urgent NATO military needs for which the release of the equipment was authorized.

2. The need for secure NATO communications above the military level has been met by the issue of the TYPEX. This equipment is now available for both NATO and national communications between the [] Ambassadors in Washington, Paris and the [] To provide additional equipment to one nation of NATO for internal diplomatic use will immediately open the door to similar requests from other countries.

3. It is considered that it is unnecessary to refer this matter of release of the machines to USCIB since release of the machine to NATO countries was agreed to by the United States on 23 January 1951.

4. At this time, this Agency can furnish a maximum of ten machines for this purpose. The additional five machines which the reference indicates are desired immediately cannot be provided at this time except by diverting machines from official U.S. commitments to meet NATO military needs. Separate consideration must be given to such diversion and its consequences. Further discussion on this point, which also involves U.K. concurrence, should be held between the State Department and Department of Defense.

5. In order to maintain a necessary minimum of control over the employment of security equipment, it is U.S. policy not to permit any foreign nation to make outright purchase of high grade security equipment. Instead, such equipments are issued on a free loan or rental basis, depending on which basis is more beneficial to U.S. interests. Furthermore, prior to

EO 3.3(h)(2)
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issuing this equipment to a NATO nation for military use, the nation is required to sign an agreement covering the physical protection and disposition of the equipment (e.g., it will not be placed in areas where there are insufficient NATO or national troops to protect it against capture). A similar protective agreement would have to be reached with the Turkish government prior to issuance of the equipment for non-military use.

6. Therefore, it is recommended that the government be advised that:

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a. A maximum of ten equipments can be loaned by the U.S. at this time subject to the protective agreement referred to in paragraph 4 above.

b. The shortage of these equipments makes it impossible to say when the balance of the Turkish requirement could be met. If this requirement still exists in 18 months, it is recommended that the matter be reopened at that time.

/s/ Ralph J. Canine
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Major General, US Army
Director, Armed Forces Security Agency

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