USCIB: 9.2/6

-APPENDED DOCUMENT CONTAINS -CODEWORD MATERIAL

22 October 1954

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MEMORANDUM FOR THE MEMBERS OF USCIB:

Subject:

COMINT Capability to Provide Early Warning of Chinese

Communist Attack on Formosa and the Off-shore Islands

Occupied by the Chinese Nationalists

Reference:

USCIB 9.2/5 of 14 October 1954

Further to the reference, the enclosed report of the Chairman, USCIB Intelligence Committee is circulated for information and consideration in connection with item 5 of the agenda for the 21st Meeting of USCIBEC and item 2 of the agenda for the 109th (Special) Meeting of USCIB, the latter to be held Tuesday, 26 October 1954.

Captain, U.S. Navy Executive Secretary, USCIB

Enclosure INT # 0007 dtd 22 Oct 1954

USCIB: 9.2/6



INT # 0007

22 October 1954

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MEMORANDUM FOR THE EXECUTIVE SECRETARY, USCIB

Subject:

COMINT Capability to Provide Early Warning of Chinese Communist Attack on Formosa and the Offshore Islands Occupied by the Chinese Nationalists

Reference:

USCIB 9.2/5 dated 14 October 1954

- 1. The Intelligence Committee met in special session to prepare findings and make specific recommendations as requested by the reference. The enclosure contains a report on the factors involved and recommendations for action, and is submitted in light of the critical situation that continues to develop as a result of the Chinese Communist threat to Formosa and the off-shore islands occupied by the Chinese Nationalists.
- 2. The NSA representative outlined the extent and status of the current COMINT collection and production effort on the Chinese Communist problem. It was concluded that NSA is exploiting current Chinese Communist communications to the maximum extent feasible within existing resources, other requirements and technical limitations. The NSA representative then provided the following estimate of current COMINT capabilities and limitations:

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H. C. SIMMONS
It. Colonel, USAF
Chairman, INTCOM

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A.	Should we attempt a site survey of the off-shore islands themselves. with a view to establishment of U.S. intercept position or positions to handle low level traffic and D/F operations?
В•	Should we attempt further site surveys of Formosa and the EO 3.3(h)(2) Pescadores, recognizing that a site survey has already been PL 86-36/50 USC 3605 undertaken for Formosa? Would it be desirable to undertake a new survey in light of changed conditions?

Recommend: That no further site surveys of Formosa or of the Pescadores be undertaken at this time.

C. Is there a possibility of establishing intercept facilities on special Navy vessels? Recognize need for special protection of such a vessel or vessels which probably could not make up a part of the fleet. Presumably this would require special protective measures. Has the Navy now got the necessary facilities to undertake such a plan?

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- 1. A U.S. intercept activity in close proximity to the China coast would be valuable in the production of useful COMINT provided that its intercept potential were substantial (15 to 20 positions), its missions could be easily assigned and modified, and it were capable of certain early processing and analytic tasks. In the event a substantial close-in intercept effort is not feasible, it is believed a continuing search effort on a small scale (2 to 5 positions) might be valuable in developing both low level exploitable traffic and other valuable Chinese Communist transmissions.
- 2. The Navy Member submitted the following statement with respect to the above question:

"Without consideration to the operational feasibility or National policy, the following is presented:

- "l. It is possible to establish intercept facilities on special Navy vessels.
- "2. It would appear necessary for any U.S. vessel operating in the close proximity of the Chinese Communist coast to have sufficient protective measures afforded such a unit.
- "3. The Navy does not now have a special type vessel to undertake such a plan for close proximity Chinese Communist intercept."

Recommend: That the forthcoming Navy report on the operational feasibility of establishing intercept facilities on a special Naval vessel and placing such a vessel in close proximity to the East China coast be expeditiously provided to USCIBEC for early consideration.

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E. Should NSA explore the possibility of making an all out "crash" effort on Chinese Communist traffic with material and personnel now available? Has NSA now got on its staff experts with experience on the Chinese problem, who might be transferred to this problem from other tasks? Would the community suffer from such an effort?

Beginning with the Korean action, Chinese Communist communications have been accorded high priority by NSA for personnel and facilities in accordance with the objectives of the Master Requirements List. Chinese communications are handled in NSA as "The Number Two Problem", exceeded in importance only by the attack on Soviet communications. Special procedures have been laid on for expeditious forwarding and handling of exploitable material, and wherever possible, production of such information is accomplished in the field close to the source of intercept. While virtually any COMINT "problem" can make use of additional people and intercept, there are in general no promising avenues of attack on Chinese Communist communications that are not being given the attention which is commensurate with the high priority attached to this problem. If special circumstances did require a further diversion of experienced analysts to this effort, the general effect would be to decrease sharply information

Further, the nonCommunist problems are not staffed with personnel who
could make any appreciable contribution to this type of
analysis without considerable training and on-the-job
experience. Because of the serious impact that such a
readjustment would have on other priority tasks, a "crash"
effort should not be undertaken without serious consideration
by the USCIB intelligence agencies of its overall implications.

Recommend: That unless priorities are modified or technical advances reveal additional areas of potentially fruitful exploitation, NSA continue its effort on Chinese Communist communications substantially along the present lines.

- F. Increased pressure for U.S. base on Formosa.
 - 1. In order to expand the COMINT attack on those Chinese Communist communications which bear directly on early warning of an attack on Formosa or the off-shore islands, and in order to provide continuing COMINT information on an important segment of Chinese Communist communications, the immediate establishment of U.S. intercept sites on Formosa is of great importance. In this regard it is noted that COMINT units are now available in the Far East which could be deployed to Formosa within a relatively short period after base rights are obtained.
 - 2. The Air Force requirements for intercept facilities on Formosa were sent to Ambassador Rankin in May 1954. Action on these bases was held up pending resolution of the U.S. position on jurisdiction over these forces. The Army requirements were forwarded to Ambassador Rankin by

letter dated 17 September 1954. At the same time he was instructed to proceed with the negotiations and to attempt, at the beginning, to obtain permission for mobile operations by 50 to 60 Air Force personnel. On 19 October the Ambassador informed the Department that the draft note containing the proposed agreement covering these facilities had been discussed with the Chinese Foreign Ministry. The Chinese wished to change certain parts of the proposed note. Among the points raised by the Chinese was the desire to cover the jurisdiction matter merely by reference to the MAAG Agreement, a treatment previously considered undesirable here. The Chinese indicated that they thought they should receive some of the information produced by these facilities

not mention the Chinese reaction to the initiation of mobile operations by the Air Force group and is being queried on this point.

EO 3.3(h)(2)

PL 86-36/50 USC 3605

3. As its next step the Department of State intends to discuss the bases with Chinese Foreign Minister Yeh who is visiting Washington from 20 to 27 October. The Department intends to ask Yeh to see if these negotiations can be expedited, particularly with respect to obtaining permission for the mobile operations, provided, however, that there is no indication that such an approach to the Foreign Minister will risk greater delay in the whole negotiation. Additional pressure will be applied to the extent and in the manner indicated by the talks with Yeh.

Recommend: That, in view of the importance of establishing immediately intercept facilities on Formosa, high priority be given to increasing the pressure on the Chinese Nationalists as may be necessary to obtain their agreement to granting intercept base rights.

G. Should we undertake further development of present Okinawa or Philippine bases? It is understood that the site survey in Formosa two years ago indicated that certain promising Chinese Communist low level material was available in Formosa. Might this also be available from the Philippines or from Okinawa? Has NSA explored possibility of expanding these bases to cover all possible Chinese Communist low level material which might be available there?

The COMINT potential of the Philippines and Okinawa as intercept bases is already considerably developed. In the Philippines, there are an Army COMINT unit, an Air Force



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unit which is undergoing expansion, and a recently installed Navy unit. The existing programs call for almost doubling the intercept potential of that area. On Okinawa there is an Army COMINT unit which performs the significant first analysis of East China military communications, and NSA technicians are en route to insure continued production of useful information. The intercept of low and medium level communications (including voice) has been attempted from both Okinawa and the Philippines with little success because of the distances involved. If necessary, any further increases in the COMINT potential of either location can be quickly accomplished by transfer of an available Army Communications Reconnaissance Company in Japan.

Recommend: That, in view of the technical limitations, the development of Okinawa and the Philippines beyond that now planned not be undertaken.

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Recommend: That the National Security Agency continue its	EO 3.3(h)(2)
Recommend: That the National Security Agency continue its examination of possible additional communication facilities with a view to being prepared to handle any additional prices.	PL 86-36/50 USC 3605
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J. Can NSA give us some estimate of the scale of effort needed to attack the Chinese Communist low level traffic? Is the scale so large that there is no real likelihood of valuable result from any one or more of the above expedients?

The nature of the "low level" traffic problem will probably best be known after some results

While the scope and nature of this problem cannot now be estimated with any certainty, U.S. capabilities to handle PL 86-36/50 USC 3605 the type of Chinese material formerly encountered in Korea are good. There are over 100 Army voice personnel now in Japan immediately available for such exploitation, and the Air Force capability along these lines are also considerable. The U.S. COMINT effort can cope more easily with a mass of Chinese Communist low level traffic than any other.

Recommend: That the Director, NSA, inform USCIB of any significant change in the above assessment occurring as a result of examination of the expected material, loss of personnel, or other pertinent factors which may require Board attention.

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