For: Op-20-G

From: Op-20-3-GY-P

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17-105, N.C.A.

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13 December 1944

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MEMORANDUM for Commander O. A. Ford

Subject: Meeting between Army and Navy

Transmitted herewith is a copy of the minutes of the meeting between Army and Navy on allocation of commercial traffic for your information and file.

Frank B. Rowlett
Lt. Colonel, Signal Corps.

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REPORT OF MEETING BETWEEN ARMY AND NAVY
ON ALLOCATION OF COMMERCIAL TRAFFIC

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Army	Navy
Colonel Harold G. Hayes	Commander C. A. Ford
Lt. Colonel Frank B. Rowlett	Lt. Commander G. L. Todd
Lt. B. H. Duffham	

The meeting was called in an effort to determine the position OP-20-G and the SSA should assume on the responsibility for handling commercial codes.

Reference was made by Comdr. Ford to the Report of Meeting of the Standing Committee for Co-ordination of Cryptanalytic Work dated August 25, 1942. At this meeting, the Standing Committee had proposed the following allocation of responsibility for trade codes:

a. The Navy undertake the work on Japanese, German, and Italian enciphered trade codes because of their bearing on shipping.

b. The FBI undertake the work on the trade codes of Spain, France, and Portugal and also the trade codes of the Western Hemisphere.

c. The Army undertake the work on all other.

The Committee went on to state that unenciphered trade codes would be worked by the agency holding the code book concerned. The three agencies were to exchange lists of the code books held so the Standing Committee could avoid duplication in assigning the work.

Colonel Hayes then pointed out that, as far as known, no action had ever been taken by higher authority to confirm this proposal. The President's initialed, informal note to the Director of the Budget dated July 8, 1942 orders that only the Navy, the FBI, and the Army be given cryptanalytic responsibility. The fields of responsibility delegated to each of the agencies concerned were not discussed in this informal note, nor is there any indication that the Joint Chiefs of Staff had ever considered the proposal made by the Standing Committee.

Comdr. Ford agreed that there is considerable confusion as to whether this agreement is now in effect and stated that if it is, certainly present operations were unaware of its scope. He stated that until Lt. Colonel Rowlett had conferred with him about the traffic known as LINCO, he did not know this system was Navy responsibility.

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The discussion then turned to a study of the nature of commercial traffic now being intercepted by the Army. Lt. Colonel Rowlett informed the group that distinction between diplomatic traffic and traffic of any economic nature was an extremely difficult division to make. He pointed out the close parallel of the system JBH, economic in nature, to the diplomatic codes. JBH was attacked as a diplomatic system and it was not until solution had been achieved that it was learned that this system was economic.

Lt. Colonel Rowlett stated that he did not consider this an unusual case, but went on to discuss the difference in ideologies between the Japanese nation and our own, for example. He pointed out that in Japan the commercial concerns function as a part of the government. In addition, the territories taken by the Japanese, such as Formosa and Thailand, are in reality subsidiaries of the Japanese government and all their business with the outside world is semi-official in nature. For these reasons, any communications out of Japanese controlled areas are necessarily tied in with the government itself; they, as such, will have a close relationship to the official Japanese government communications, and be subject to the same controls and security.

Lt. Buffham then described the difficulties which would be encountered in attempting to separate the economic traffic from the diplomatic for monitoring purposes. Actually little attempt is ever made to intercept commercial traffic, per se. Since the two types are broadcast by the same transmitters, and there is no way of telling whether the next message broadcast will be diplomatic or commercial, all traffic is copied by the operator and forwarded to the SSA. The commercial traffic is a by-product of the intercept of the diplomatic; consequently, any attempt to intercept commercial traffic would merely result in a duplication of the Army's diplomatic coverage.

Comdr. Ford inquired as to the nature and volume of this traffic.

Lt. Buffham stated that very little enciphered code was transmitted to the knowledge of the SSA. LINGO traffic, known to be of this nature, is forwarded to the Navy. Other commercial traffic, transmitted point to point over international circuits in unenciphered. About 50% of the traffic is read by B III b in Bentleys, Acme, and Peterson's commercial code books. The remainder does not read on books in the possession of the SSA. A considerable portion of this traffic, known as TOTUKUNI, is read and disseminated us by the British.

In addition, several categories of traffic are being studied in the diplomatic sections. JNK is read here and in England. The system known as JOA, a series of monoalphabetic substitution of kana plain text, are read at Vint Hill by Nisei. Also Vint Hill is engaged in breaking a kana code known as JCO, the solution being a purely linguistic problem. Certain digit systems known as CPA are in a research stage in the diplomatic section. Their content is

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unknown at this time.

Colonel Hayes then reviewed the discussion pointing out that segregation of the commercial and economic type of traffic from the diplomatic systems was difficult. Both types of material are transmitted indiscriminately on the same circuits, and, in a great many cases, by the same correspondents; and both deal, in a large measure, with the same subject matter. The only point at which segregation might be feasible would be on the basis of the cryptographic system itself.

It was agreed that the best course open at this time was to continue the procedure now in effect. In the meantime, inquiry will be made to determine if the procedure outlined by the Standing Committee should be in effect now. The consensus of the group was that until an answer to such an inquiry is received, no further action can be taken.

B. K. Huffman
1st Lt., Sig. C.

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