

Office Memorandum • UNITED STATES GOVERNMENT 1-3

TO : Commandant

OSU
DATE: 28 MAR 1957
GOS

FROM : Chief, Office of Operations

SUBJECT: Site acquisition, Loran program; development concerning

Ref: (a) ASSTSECTREAS ltr to SECDEF dtd 24 May 1956
(b) DEPUTY SECDEF ltr to SECTREAS dtd 29 June 1956

1. Reference (a) proposed to the Secretary of Defense that the handling of correspondence concerning Loran matters be handled on a Bureau level, in order to expedite general procedures. The Department of State was advised of this proposal at the same time. Reference (b) stated that "the adoption of a procedure for submission of land acquisition requests necessary for implementation of the Joint Chiefs of Staff 'Loran Installation Plan' has been reviewed and is approved."
2. On 7 March 1957, the Department of State forwarded to the American Embassy at Managua, Nicaragua, a proposed agreement concerning the construction and operation of a loran station at Puerto Cabezas, Nicaragua. The agreement had been cleared both at Coast Guard Headquarters and through the Department of State, and was substantially the same agreement proposed and used at other locations in the loran program.
3. The Department of Defense, upon receipt of a copy of the Department of State Instruction which transmitted the proposed agreement, noted that DOD had not cleared the agreement. The Department of State was requested by Department of Defense to hold up further activities with respect to the proposed agreement until DOD had cleared the proposed agreement. The American Embassy in Managua has been advised to hold up the negotiations until further notice.
4. Efforts had been made by this Office to determine the reasons behind this action by DOD. It appears that any agreements in which any Armed Service other than Coast Guard is mentioned, or any collective reference to the "Armed Services" places the agreement in a category requiring DOD clearance. This statement of the DOD requirements, while undoubtedly correct, is not in any official form in records at Coast Guard Headquarters, and is apparently not known to the Department of State. Further, it is not mentioned in the correspondence related to references (a) and (b) which setup the procedures for handling loran matters between the Coast Guard and the appropriate Bureau in the Department of State.

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COMMANDANT

5. I am sure that you are aware of the delays that have already occurred in the loran program. While future negotiations may cover this requirement of DOD to clear agreements without unduly delaying land acquisition, this present delay with respect to Puerto Cabezas and with respect to preparation of proposals for Colombia and Ecuador that are to be similar to the Nicaraguan proposal will cause undesirable delays. Additionally, the desire of Defense to review proposals prior to discussions with the countries involved may cause delays in the pending discussion at St. Kitts.

6. It appears that the Defense request to State to hold up further discussion with Nicaragua pending review of the proposed agreement was initiated by the Office of the Assistant Secretary for International Security Affairs. Mr. James Wilson (131 X 54888) of the office of Foreign Military Rights Affairs was the official contacted in this regard.

[Handwritten Signature]
F. T. KENNEDY

Copy to:
OAN
CL
CPA

*Notes
letter to be prepared for sig of
Sec. Kennell asking for confirmation
to clear procedures
also*

*Att. went to Comdt
for sig. on 2 May
SLC*

U. S. COAST GUARD

MAY 3 1957

OPERATIONS-SHORE UNITS

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