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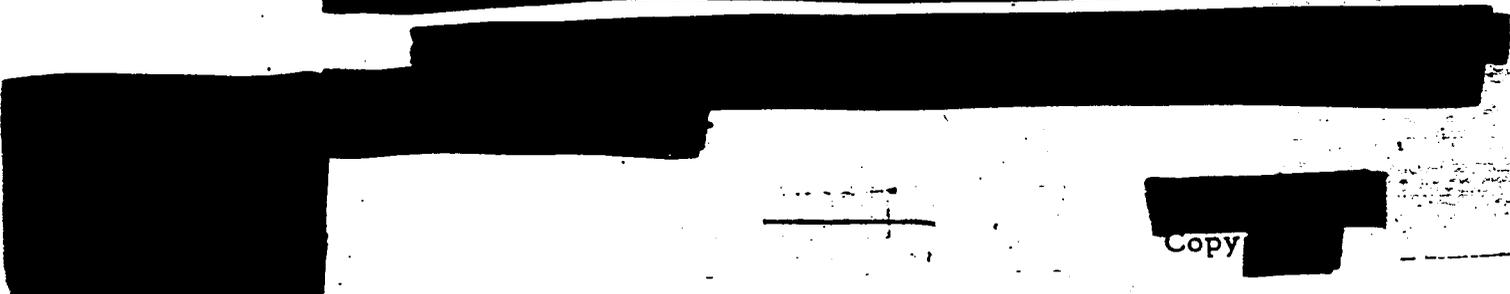
1 September 1964

MEMORANDUM FOR THE RECORD

SUBJECT: NRO Ex Com Meeting, 3:00 to 4:00 p.m., 1 September

Present were: Mr. McCone, Mr. Vance, General Carter, Dr. McMillan  
and Dr. Fubini

1.



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2. Mr. Vance then brought up the subject of CORONA contracting, and pointed out that there had been a misunderstanding as between the meeting of August 11th and the meeting of August 26th concerning transfer of contracting responsibility for CORONA, but that he thought this misunderstanding had been cleared up by the exchange of correspondence between himself and General Carter. Mr. McCone then stated that the problem was much more basic than the simple transfer of contract responsibility. He said he had expressed himself in prior memoranda to Mr. McNamara and to ~~the President's Board~~ <sup>McCone</sup> on organizational changes of the NRO as proposed by the President's Board, and that he was firm in the positions stated therein. He felt that the NRO organization was basically wrong and that it created impossible situations when an official of one agency was placed in the position of giving orders to and directing subordinate echelons of another agency. He said that his experience in the AEC had shown that this would not work. On the other hand, it worked perfectly when an agency head had overall responsibility for a program and was able to task other agencies as complete entities for portions of that responsibility. He said, therefore, that the NRO should be organized so that the CIA with its competence could be tasked for certain responsibilities and that the Air Forces with its competence (particularly the Systems Command) could be tasked for other responsibilities. He stated that obviously the authority must accompany responsibility. He said that the NRO with a staff of about 100 and [redacted] on the West Coast, with a staff of perhaps of 125 could not possibly match in depth and competence the tremendous assets of General Schriever's Systems Command, and that these were not being used in the national interest of the intelligence collection program. Mr. McCone then said that he would propose no changes in any of our existing procedures unless and until the entire NRO organizational concept was worked out properly. Mr. Vance said that while he did not agree with ~~them~~ Mr. McCone's management concepts he was prepared to continue the CORONA contract procedure as presently established if this was Mr. McCone's firm desire. Mr. McCone ~~agreed~~ <sup>agreed</sup> that it was and it was therefore agreed that the contracting responsibilities would remain as currently assigned. Dr. McMI stated that if he could give [redacted] all contracting authority for CORONA he would probably cut the cost of the program by [redacted]. He stated that he would reluctantly accept the decision but asked that those contracting functions presently performed by CIA out of the Washington office be moved to the West Coast. Mr. McCone and I agreed to this and Mr. McCone stated that in accordance with the Vance suggestion of last week <sup>CIA</sup> would add whatever people were necessary to our West Coast assets to insure the provision of adequate technical competence as advisors to [redacted] and as technical overseers of our contract procedures.

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(After the meeting, Mr. McCone directed me to take these actions and to insure that we put highly competent people on the West Coast who could provide a direct input to [redacted] in the form of advice and guidance, who could obtain, analyze, and report on all of the aspects of the CORONA program, and who could be backstopped from the operational projects office here in the Agency. He said he wanted to enter this newly developing phase with complete and total objectivity and to provide the greatest possible assistance to the CORONA program.)

**ACTION:** I have already discussed this matter with DD/S&T and they will present me a first draft of a plan by 2:00 p.m. tomorrow for discussion with Mr. McCone prior to his departure.

3. Mr. McCone reported that as a result of his directive of August 14 to Dr. Wheelon and my following directive of 27 August which he had approved, Dr. Wheelon had prepared his comprehensive plan of action for the [redacted] program. He said that in keeping with his responsibilities for keeping the NRO Ex Com informed, he herewith handed over to each Ex Com member a copy of the plan he had approved for the [redacted] program. These were handed out but not read at the meeting.

4. Upon being asked by Mr. McCone when the Land report on [redacted] would be ready, Dr. McMillan stated he had received it this afternoon and that Land had asked him to get the signatures of the other Panel members on it. Until this was done, he did not feel free to give the report any general distribution but said he would furnish Mr. McCone a copy for his information as soon as he got back to his office.

5. Mr. McCone reported on the OXCART directive for a [redacted] capability by early November and stated that he had arranged for a weekly report so that the NRO Ex Com would be kept currently advised of progress.

**ACTION:** DD/S&T to prepare this report for presentation each week.

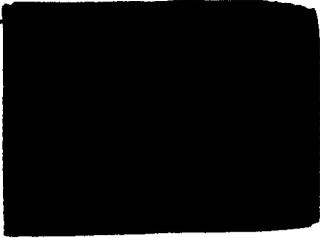
6. As Mr. McCone was leaving the meeting, he reminded Dr. Fubini to read and absorb the two memoranda to which he had referred earlier, with a possible view to discussing them at the meeting next week. Dr. Fubini held up the two [redacted] papers and said, "Do you mean these?" Mr. McCone replied, "No, I mean my memoranda to [redacted] and to McNamara; those you have there are already [redacted]."

Marshall S. Carter  
Lieutenant General, USA  
Deputy Director

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