

*March 1974*

## THE NATIONAL RECONNAISSANCE OFFICE

## AT THE CROSSROADS

Part I - Management Evolution

The National Reconnaissance Program is a most unusual program--unlike any other. Formally recognized by the President, it operates under an informal charter that is in many respects outdated. Attacked from without and within since its inception, it has nevertheless grown to be the single most important intelligence collection program of the United States Government. Its dual agency composition has been both a source of problems and provided a sanction from outside intrusion. Today the autonomous structure of the organization is threatened more than ever before. Can the NRO survive? Under what arrangements? What must happen to guide the events that will shape or reshape the NRO? This paper addresses the major points of importance to the management of the NRO.

At the direction of the President on August 25, 1960, the National Security Council forwarded to the Secretary of Defense directions to apply streamlined management techniques to the satellite reconnaissance program. Within DOD, the Secretary

of Defense directed the Secretary of the Air Force to assume direct responsibility for satellite reconnaissance, reporting directly to the Deputy Secretary of Defense for review and approval. The Secretary also designated the ODDR&E as the principal staff agency to assist the Deputy Secretary.

In September 1961 the Secretary of Defense designated the Under Secretary of the Air Force as his Assistant for Reconnaissance, acting as the Secretary's direct representative both within and outside the Department of Defense. It was further directed that the Assistant for Reconnaissance be given any support he required from normal staff elements, although these staff elements were not to participate in program matters. This designation accompanied distribution of the first memorandum of agreement for the NRP, dated September 6, 1961.

The second NRP agreement was issued May 2, 1962. While the 1961 Agreement prescribed a program jointly managed by co-equal DOD and CIA Directors, the new document called out only one Director, from DOD. In June of that year DOD Directive TS 5105.23 was issued, which formally exempted the DNRO from unsolicited outside assistance.

Internal

In its report to the President in May, 1964--which ultimately resulted in the 1965 Memorandum of Agreement--the PFIAB noted that the use of monitors by the Secretary of Defense and the Director of Central Intelligence to review the NRP interfered with the direct chain of command between the DNRO and the Secretary of Defense. The 1965 Agreement is written in terms which specify clear lines of communication between the DNRO and the Secretary and Deputy Secretary of Defense and the ExCom. Noticable by its absence is reference to review by any other monitoring office.

The NRO prerogatives were tested in March, 1966, when the Director, DDR&E "deferred" \$18 million in NRO funds because he wanted several questions answered before releasing them. Following a visit by the DNRO, however, the offending DDR&E memorandum was withdrawn.

The OSD Systems Analysis Office made three attempts to apply normalized DOD management techniques to the NRP--in 1966, 1968 and 1969. In each case their proposals were rejected.

Today we are perhaps faced with greater pressures to change than ever before. The overall driving force is the need to improve the foreign intelligence collection effort. The forces

Internal

at work are several and intermingled. The Blue Ribbon Defense Panel addressed DOD intelligence problems; the President's letter of November 5, 1971 and the creation of the Assistant Secretary of Defense (Intelligence) have all had an effect.

On April 29, 1969 Secretary Laird signed a memorandum assigning Assistant Secretary of Defense (Administration) Mr. Froehke the additional duty of Special Assistant for Intelligence to the Secretary and Deputy Secretary. Any thoughts that the staff entertained that Mr. Froehke was not to be concerned with the NRO were dispelled on May 5, when a second memo from Mr. Laird announced that Mr. Froehke's responsibilities "encompass the NRP." While Mr. Froehke attacked his assignment with vigor, his relationship with the NRO worsened until the issue came to a head in December, 1969. In a memorandum to Mr. Packard, Dr. McLucas said "what Mr. Laird tells me and what he apparently tells Bob Froehke puts us in an untenable position-- not knowing whether to respond to ExCom guidance, which our agreement clearly establishes, or whether to respond to Bob Froehke's guidance, which is based on the assumption that our office is just another component of DOD."

Internal

Dr. McLucas' concerns led to a briefing for Secretary Laird, Mr. Packard and Mr. Froehke on March 19, 1970. At that time Mr. Laird clarified that Dr. McLucas worked for Mr. Packard and the ExCom; that Mr. Froehke did not need to review the NRP internally; and that the NRO should provide data of the sort provided excellently to the ExCom which would permit Mr. Froehke to examine DOD intelligence issues in proper perspective. This served to ease the tense relationship, at least temporarily.

Close on the heels of this confrontation came the report of the Blue Ribbon Defense Panel, with an allegation that the NRO was somehow derelict in its failure to report to Mr. Froehke. The influence of the Blue Ribbon report on subsequent changes in the intelligence community is not very clear, but it was certainly detrimental to the concept of an autonomous NRO.

During this time--starting in early 1969--Dr. McLucas, as DNRO, established a pattern of frequent discussions with Mr. Packard on NRO matters. Mr. Packard has an obvious understanding of the Program and had a strong interest in it. It is also noteworthy that Mr. Packard's tenure pre-dated the establishment of the position of Special Assistant for Intelligence to the Secretary. Mr. Packard left in December, 1971,

Internal

and Mr. Kenneth Rush became the Deputy Secretary in February, 1972. Mr. Rush never had the understanding of the details of the Program that Mr. Packard had--and perhaps more importantly, he entered DOD to find an already established ASD(I). We found that Dr. Hall had a considerably greater influence on Mr. Rush than had been the case with Mr. Packard, and on occasion found conflicting guidance on NRO matters coming from the Deputy Secretary's office.

The President's letter of November 5, 1971 contained the encouraging words that the management structure of the NRO was to remain unchanged. This appears to have had little effect, however, as subsequent events have shown. The letter was also specific in assigning the DCI the responsibility for chairing all intelligence community advisory boards and committees; Dr. Schlesinger clarified with the President that this included the NRP ExCom. While Mr. Helms had remained as the DCI the ExCom operated as it had for the previous several years. But when Dr. Schlesinger arrived at CIA in early 1973, there was a fundamental change in NRP management. No longer was the Deputy Secretary of Defense--by now Mr. Clements--the ExCom Chairman, and he backed away from active involvement in the

Internal

NRP. Dr. Hall filled the void, attending ExCom meetings as the DOD member--a role recognized in writing by the present DCI.

The position of the ASD(I) has become ever stronger in terms of his influence on the NRP both through ExCom participation and in day-to-day influence. And his staff, also, is becoming more involved with NRP matters. It is fictitious to believe that the ASD(I) can operate independently as an ExCom member from his role as the director of a staff which oversees all Department of Defense intelligence. The management concept directed by the President, and reaffirmed by the President, is being eroded. Two other factors which affect us today are NSCID No. 6, and the decision to decompartment satellite photography. The former because it gives NSA a role in tasking SIGINT satellites; the latter because many consider the decision to decompartment tantamount to normalization of the Program.

The problems we are experiencing today are symptomatic; the task that needs to be done is to take a comprehensive look at the national environment today, the role of a National Reconnaissance Program and Office in that environment, and

Internal

evolve a strategy to cause the changes which need to be made.  
The NRP is too vital to the national interest to permit its  
management to drift along an uncharted course.

Internal