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~~(S)~~ NATIONAL RECONNAISSANCE OFFICE
WASHINGTON, D.C.

THE NRO STAFF

June 12, 1970

MEMORANDUM FOR DR. McLUCAS

at Hacked

SUBJECT: Your Comments on Your Meeting with CIA S&T Panel

I regret that I feel obliged to speak again in defense of SAFSP; I feel as one crying in the wilderness.

Bill Perry is perhaps not the most qualified or objective person to advise on NRO management. It is worth recalling that he was the leading candidate for the [redacted] payload in the CIA version but lost the competition [redacted] was given the responsibility. The key reasons for his loss were that SP, while recognizing his innovative and creative approach, were concerned that the manyfold increases in the size of his company required for the job could not be done with sound hiring or fiscal practices. (Our CIA-SP asymmetry in microcosm)

It has been said too much that CIA is unique in their innovative ability to do R&D and that, by implication, SP is not. It is now said that no system invented by CIA can be transferred to SP until it is fully operational, implying that SP can only do the hack job of procurement. It is worth noting which differences between the groups seem fundamental and which are at your discretion.

Organizational Environment: CIA is an intelligence organization; SAFSP is within a systems organization--that is fundamental and cannot and should not be changed. It is good in that CIA can be expected to understand valid needs and better appreciate, at the concept stage, what trades are most valuable for intelligence. SP must receive guidance in this regard. It is bad in that the advocacy of CIA for their systems permeates the requirements process and causes the credibility of some details of that process to be damaged.

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People: CIA has good personnel policy and has shown the ability to obtain extremely good people. SP would be more limited but the support of Aerospace offsets this and there is no fundamental difference. Either group can hire and staff to do whatever is required. I know of no fundamental reason why CIA cannot man to do as good a system engineering and procurement job as anybody or why SP cannot do innovative and creative research.

Philosophy: SP current management is dedicated to reliability, contract performance and cost control. CIA management is more dedicated to acquisition of new systems. It is petty and insulting for CIA to state that Air Force losers should be assigned to CIA as a sop when readout goes ahead. You know that Bill King is no advocate for readout and his views and our guidance to him have been consistent in emphasis on other problem areas. Exchange of people may have merit of part of a plan to lead to some new arrangement but not to assuage hurt feelings for those are not significant.

With the current organization and people, the situation is simply that SP is now doing a better job of systems engineering and management. CIA is doing a better job of R&D and concept formulation. But that can be changed if you wish it. CIA could emphasize management factors; SP would emphasize R&D--neither is the case now.

The current situation of competition is undesirable whatever its proponents say. It may be better than it has been but that is small praise. The friction that is prevalent is compounded by the domination of the Washington scene by CIA proponents. These proponents are scientifically or intelligence oriented and it is clear why the approach of the CIA has great appeal. SP simply has no effective advocates. The Air Force as a parent organization resents them and provides support grudgingly. The emphasis on management is a result of the background of key people and their reaction to what they believe to be DOD emphasis on these factors. Yet, the DOD people who emphasize these factors do not seem to evaluate or recognize good management performance when it occurs--only the trouble spots receive attention.



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Whatever one thinks of readout, solid state or Cassegrains, the concern is clear. The CIA proposal is excessively supported as to need, the scientific proponents are too much swayed by the bold new concept and there is not confidence in the systems engineering or the ability to predict cost, schedule and performance. If one really wanted to exploit current capabilities one would require that SP plus Aerospace conduct the Definition Phase to obtain an acquisition plan with confidence in its execution.

One wonders if SP can long remain viable without Air Force support and with constant back-biting and degrading of their performance. There is little question that CIA can conduct effective systems management and would if the organization relations were conducive to mandatory emphasis on these factors. If the elimination of competition could permit separation of the advocacy role and the requirements process, I am certain the nation would be the better for it. Perhaps with pressure on the DOD budget and manning, an improved arrangement could be devised with much more responsibility assigned to the CIA and a concurrent assignment of fiscal responsibility.

I have deliberately overstated these concerns above for the purpose of counteracting the surfeit of contrary opinion you receive. The current arrangement is certainly workable with good will and careful attention on all our parts but I do indeed fear an insidious, effective erosion.


Law Allen, Jr.
Brigadier General, USAF
Director

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