

~~TOP SECRET~~

HANDLE VIA
~~TALENT KEYHOLE~~
CONTROL SYSTEMS JOINTLY

Mr. Plummer has seen

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

~~TOP SECRET~~

THE NRO STAFF

July 22, 1974

MEMORANDUM FOR MR. PLUMMER

SUBJECT: Discussion with the PFIAB

The memorandum at the right schedules you to meet with Admiral Anderson, Dr. Baker and his ad hoc study panel at 1100 on July 23. The right hand attachment is Admiral Anderson's original memo establishing the panel. The PFIAB has asked that you be prepared to discuss the major contemporary issues facing the NRP as well as your perceptions of the future of the NRP.

The contemporary issues facing the NRP stem from several factors:

- a. A changing character of the program in terms of its becoming an operational necessity to the intelligence community;
- b. The environment of the program in terms of a move toward normalization and a general relaxation of security;
- c. Diluted management authorities within the NRP structure because of the creation of the ASD(I) and IC Staffs;
- d. New vistas for application of NRP collection largely in the area of support for the tactical commanders.

Since it is apparent that the existing charter document, the 1965 DOD-CIA Agreement, has been superseded, a likely outcome of the PFIAB Study will be a reformed chartering document, probably either a new agreement or an NSCID.

For several months this winter and spring I held Saturday morning sessions with Colonels Wheeler, Blankenship, Hofmann, and Coyle. Our aims were first to develop a better understanding of the fundamental NRP management and operational

HANDLE VIA
~~TALENT KEYHOLE~~
CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

CONTROL NO. ~~INTERNAL~~
COPY 1 OF 4 COPIES
PAGE 1 OF 4 PAGES

~~TOP SECRET~~

HANDLE VIA
~~VALENT KEYHOLE~~
SYSTEMS JOINTLY

issues and the factors influencing them; and second, to brainstorm potential NRO positions and develop a philosophy toward approaching the issues. Indirectly these sessions influenced the Staff's thinking and approach to the July ExCom Director's Report, particularly Volume III, and the strawman imaging plan. The papers at TABS A & B follow directly from these sessions. TAB A was prepared by Fritz Hofmann and Bud Coyle and provides good background on the evolution to the current NRP management environment.

The following are what we see as the broad contemporary issues relating to the NRP:

- a. Should the NRP be perpetuated as a single dedicated program structured to accomplish all national satellite reconnaissance?
- b. How much autonomy should be vested within the management structure of the NRP under the DNRO?
- c. How much operational responsibility should be assigned to the DNRO?
- d. How should the NRO be geared to assume responsibilities in non-strategic intelligence collection?
- e. How will the NRO acquire sufficient guidance in terms of future technology?
- f. What form of security should be used to protect the necessary classified aspects of the NRP?

We firmly believe that the current philosophy and basic structure of a dedicated NRP is the best way to prosecute effectively and economically a satellite reconnaissance program in the future. In 1964, the PFIAB envisioned a high-level decision process whereby a three-man ExCom would make the resource allocation decisions unencumbered by advocacy and bureaucracy. It also envisioned a strong DNRO with sufficient

HANDLE VIA
~~VALENT KEYHOLE~~
CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

CONTROL NO. INTERNAL
COPY 2 OF 4 COPIES
PAGE 2 OF 4 PAGES

~~TOP SECRET~~

HANDLE VIA
~~TALENT-KEYHOLE~~
CONTROL SYSTEMS JOINTLY

clout to manage the DOD/CIA NRP on a streamlined and unencumbered basis. Experience has shown that this approach was idealistic and has not been implemented in its pure form. A totally monolithic NRP cannot effectively serve the changing needs of the nation. Many outside inputs are needed.

On the other hand, we think that if satellite reconnaissance is to continue to be effective and economical in the future, it must be strongly and authoritatively managed without normal bureaucratic levels of review and with firm decision authority vested in a single manager, the DNRO. This aspect is of key importance since a successful satellite reconnaissance effort is of critical importance to the nation and one which cannot be replaced by substitution of another kind of collection asset.

TAB B is a point paper primarily prepared by Bud Coyle for your meeting tomorrow. The basic philosophy in the paper suggests a continuation of the present national structure but with more clear lines of authority and responsibility. Although based upon contemporary issues the positions stated in the paper will permit the U.S. satellite reconnaissance program in the future to move fully into the near-real-time environment in support of the tactical commanders while retaining a streamlined management and cost-effective structure. Some of the key points are:

- a. Strengthen the Staff's interagency character.
- b. Maintain the two main Program Office structure.
- c. Control financial matters centrally in the NRO, accountable to the DCI.
- d. Report directly to the SecDef as executive agent.
- e. Expand the present ExCom to include a third member.

HANDLE VIA
~~TALENT-KEYHOLE~~
CONTROL SYSTEMS JOINTLY

CONTROL NO. INTERNAL
COPY OF COPIES
PAGE 3 OF 4 PAGES

~~TOP SECRET~~

HANDLE VIA

~~TALENT-KEYHOLE~~

CONTROL SYSTEMS JOINTLY

- f. Clarify the NRO/NSA operational relationship.
- g. Balance operational/intelligence interface.
- h. Refocus the NRO Staff's operational function.
- i. Devote energy to support of the tactical commanders.
- j. Maintain a strong technology and development program under NRO control.
- k. Continue use of compartmented security.

The determinations of this panel are crucial to the management of satellite reconnaissance for the next several years. Your session with the panel can have a major influence on their findings. These papers should provide a good basis for your preparing for this meeting. I suggest that you also spend an hour or more with me and Colonel Coyle prior to the meeting.


John E. Kuipa, Jr.
Brigadier General, USAF
Director

2 Attachments

- 1. Crossroads Paper, 22Jul74
- 2. Point Paper

HANDLE VIA

~~TALENT-KEYHOLE~~

CONTROL SYSTEMS JOINTLY

CONTROL NO. INTERNAL

COPY OF COPIES

PAGE 4 OF 4 PAGES

~~TOP SECRET~~

July 22, 1974

THE NATIONAL RECONNAISSANCE OFFICE

AT THE CROSSROADS

Management Evolution 1960-1974

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

CONTROL NO. Internal
COPY OF COPIES
PAGE 1 OF PAGES

~~TOP SECRET~~

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.

CONTROL NO. Internal
COPY _____ OF _____ COPIES
PAGE 2 OF _____ PAGES

~~TOP SECRET~~

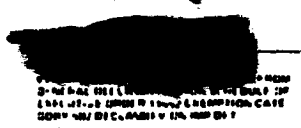
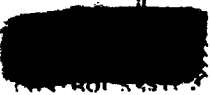


In its report to the President in May, 1964--which ultimately resulted in the 1965 Memorandum of Agreement--the PFIAB noted that the use of monitors by the Secretary of Defense and the Director of Central Intelligence to review the NRP interfered with the direct chain of command between the DNRO and 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"  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



CONTROL NO Internal
COPY _____ OF _____ COPIES
PAGE 3 OF _____ PAGES

~~TOP SECRET~~

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 untendable 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."

~~TOP SECRET~~

CONTROL NO. Internal
COPY _____ OF _____ COPIES
PAGE 4 OF _____ PAGES


~~TOP SECRET~~


CONTROL SYSTEM

Dr. McLucas' concerns led to a briefing for Secretary Laird, Mr. Packard and Mr. Froehlike on March 19, 1970. At that time Mr. Laird clarified that Dr. McLucas worked for Mr. Packard and the ExCom; that Mr. Froehlike 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. Froehlike 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. Froehlike. 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 had 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,


CLASSIFIED BY [REDACTED]
DATE 04/02/01 BY [REDACTED]
EXEMPT FROM AUTOMATIC DOWNGRADING AND
DECLASSIFICATION
CONTROL SYSTEM

CONTROL NO Internal
COPY _____ OF _____ COPIES
PAGE 5 OF _____ PAGES

~~TOP SECRET~~

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

CONTROL NO Internal
COPY _____ OF _____ COPIES
PAGE 6 OF _____ PAGES

~~TOP SECRET~~

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


CONTROL NO. Internal
COPY _____ OF _____ COPIES
PAGE 7 OF _____ PAGES

~~TOP SECRET~~


CONTROL SYSTEM

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.


CONTROL NO Internal
COPY OF COPIES
PAGE 1 OF PAGES


CLASSIFIED BY DATE
CONTROL NO
COPY NO

~~TOP SECRET~~

HANDLE VIA

~~TALENT-KEYHOLE~~

CONTROL SYSTEMS JOINTLY

POINT PAPER

Organizational Structure

- We believe that the NRP should continue as a single dedicated program responsible for conducting all satellite reconnaissance in support of United States intelligence needs. *lead to a good program by then*
- The NRP should continue to be structured as a national program as opposed to becoming a solely Defense oriented program.
- There should be a strong interagency NRO Staff, manned with appropriate representation from the military departments and CIA supplemented by NSA and other agencies which have a direct interest in the conduct of the NRP, such as the JCS.
- There should be a strong Air Force program office responsive to the interagency NRO entity. SAFSP should continue to be this organization and should serve as the primary systems integrator as well as being responsible for development of satellite reconnaissance payloads and a technology innovator. A strong CIA program office under DDS&T should continue. This program office should be oriented as to be more responsive to the DNRO. It should continue to pursue a role as an innovator of technology and a developer of satellite reconnaissance payloads. Its role as an operator of satellite systems should be deemphasized. At the discretion of the DNRO additional program offices may be added or deleted. A Navy program office should be continued with a role to include all satellite ocean surveillance. Other potential program offices include: An Army program office responsible to the NRO entity so that appropriate interfaces may be developed to accomplish a battlefield surveillance role, and an NSA program office oriented toward the operational interface with the NRP and with a dominant role in controlling the APS.

HANDLE VIA

~~TALENT-KEYHOLE~~

CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

INTERNAL

Page 1

~~TOP SECRET~~

HANDLE VIA
~~TALENT-KEYHOLE~~
CONTROL SYSTEMS JOINTLY

- The NRO should be characterized as a corporate structure with a high level ExCom composed of the DCI; a designated representative of the Secretary of Defense; and a third member representing the President (such as the Deputy Special Assistant for National Security Affairs from the White House). The ExCom would serve as the board of directors and the DNRO would serve as the chief executive officer for the conduct of the NRP. The executive agent for the program should continue to the Secretary of Defense and in that regard the DNRO would be responsible for frequent reporting directly to the Secretary. The normal working staffs of the ExCom principals should remain outside the decision mechanism for the NRP and the DNRO's Staff should serve as principal working interface with the ExCom principals.

Management Authorities

- The DNRO should be permitted to optimize the NRP within a streamlined decision making environment. He should receive broad guidance from the ExCom with respect to resource allocation and should be held directly accountable to the Secretary of Defense for the responsiveness of the NRP. The DNRO should be also the Under Secretary of the Air Force since principal support for the day-to-day operation of the program is provided by the Air Force Systems Command and other components of the Air Force.

- The DNRO should be fully responsible for centralized financial control of the NRP budget. In this regard, he would be accountable to the DCI for the NRP portion of the national intelligence budget with freedom to reprogram monies as necessary within the NRP.

- Outside review of the NRP by normal Government staff agencies should be limited to only those agreed upon by the DNRO.

- With respect to the NRP, the DNRO should be a member of USIB and IRAC as well as principal liaison for NRO technical briefings to the members of Congress and their staffs.

HANDLE VIA

~~TALENT-KEYHOLE~~

CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

INTERNAL

Page 2

~~TOP SECRET~~

HANDLE VIA

~~KEYHOLE~~

CONTROL SYSTEMS JOINTLY

Operations

- NSCID 6 should be clarified in terms of sorting out the operational responsibilities of the DNRO and the DIRNSA. The DNRO should assure that NRP SIGINT satellites are compatible with the processing requirements of NSA. He should also assure that tasking levies are commensurate with technical capabilities of the satellites in order to optimize both collection and lifetimes of the various SIGINT satellite systems.

- Mission operations should be accomplished under definitive USIB guidance and at such time as operational pre-emption is effected, requiring guidance from JCS or another operational entity, the DNRO should assure that such pre-emption is in consonance with the continued balancing of standing USIB requirements and continued health of satellite payloads.

- The experience gained through SIGINT ground operation should be applied to the operation of the ground station with respect to NRO/intelligence community coordination.

- With the phase-in of electronics and photographic satellites, the principal function of the NRO Staff in the satellite operations area should be reoriented toward providing a continual focal point for satellite operational status and the monitoring of overall operations with respect to USIB and tactical requirements. The NRO Staff should be the non-advocate interface between the reconnaissance satellite operations and the intelligence community.

Applications

- In addition to being responsible for the conduct of all traditional satellite reconnaissance, the NRO should be considered as a synthesizer for the blending of satellites and requirements for the support of the tactical forces. The DNRO in his dual capacity as Under Secretary of the Air Force is in a unique position to do this. The NRO should

~~KEYHOLE~~

CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

INTERNAL

Page 3

~~TOP SECRET~~

HANDLE VIA
~~TALENT KEYHOLE~~
CONTROL SYSTEMS JOINTLY

continue to perform its role as a non-advocate within the intelligence community for the optimization of satellite capability and collection for support of national and also tactical intelligence.

- The NRO should take the lead in assuring that NASA maintains full cognizance of NRP sensor application as well as assuring that reconnaissance activities are not duplicated within the Government.

- The NRO should be the major focal point for the IC/JCS/Military Department interface with respect to the immediate application of NRP satellites to support the national decision-making in the battle management role.

Technology

- The NRP should continue aggressively and imaginatively to exploit technology and all operational resources and facilities to develop and operate systems for satellite collection of intelligence. The DNRO should continue to be the principal agent responsible for studies and analyses leading to the application of technology and also the intelligence application of satellite borne sensors.

- Outside technology and application studies relating to the NRP should be limited to those under the direct purview of the DNRO.

Security

- Compartmented security should be continued. Maximum use should be made of compartmented security commensurate with the needs to protect certain secrets and the awareness that the normal DOD security system cannot protect secrets for an extended period of time.

- The [redacted] system should be made less accessible to Government officials, that is, limited to only those having a direct influence on the decision structure of the NRP.

HANDLE VIA
~~TALENT KEYHOLE~~
CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

INTERNAL

Page 4

~~TOP SECRET~~

HANDLE VIA
~~TALENT-KEYHOLE~~
CONTROL SYSTEMS JOINTLY

In this regard, more full use should be made of the data contained within the TALENT-KEYHOLE security system which contains all pertinent data about satellite systems and their capabilities except for costs, contract structure, and technical contract specifications.

- NRP streamlined management has been enhanced by the rigorous security systems because of the control of access to information which is made possible. The program managers have control of contractor involvement with those outside the program because of the security systems. Although not the intent of compartmented security, the management benefits are large and a better substitute has not yet been suggested.

- Utmost care should be taken by our Government to protect the freedom to conduct satellite reconnaissance. Although it is generally agreed that Russia is comfortable with the stabilizing balance of satellite reconnaissance, the lesser developed countries and China pose a political threat similar to that posed by Russia in the early 1960s. The solution created for the earlier threat was to maintain an official national silence about the program. This policy today seems ludicrous because of the wide-spread knowledge of the "fact of" the program. However, the policy has actually served to preclude others from voicing political opinion about the program. NASA has been experiencing some difficulty in the international arena because of the publicized ERTS and SKYLAB activity. The official U.S. position is that we will continue to conduct earth observations because it helps all countries so observed. However, this claim could not be made vis-a-vis satellite reconnaissance. In addition, satellites are very fragile and vulnerable even under optimum freedom to operate. Should an irritated nation decide to negate one of

are the only means available to collect much needed data, an ultra-conservative security policy should be developed to protect the viability of the program.

HANDLE VIA
~~TALENT-KEYHOLE~~
CONTROL SYSTEMS JOINTLY

~~TOP SECRET~~

INTERNAL

Page 5