MEMORANDUM FOR DEPUTY DIRECTOR, CENTRAL INTELLIGENCE

SUBJECT: Data Denial Agreement Implications

I am writing to express concern that some aspects of the Data Denial Agreement (DDA) "end-game" may inadvertently impact on the National Reconnaissance Program due to carry-over implications for the START Agreement. My staff has worked closely with members of the Arms Control Intelligence Staff (ACIS) on this issue, and we appreciate their strong support. However, it is appropriate to bring the subject to your attention, as well.

We understand that under the DDA "active force" ICBMs/SLBMs converted for Space Launch Vehicle (SLV) use will be subject to the DDA and thus could not be encrypted, but that encryption would be permitted on a certain number of missiles used as "strategic R&D boosters." Once all ICBMs/SLBMs of a type are retired, "all bets are off" and encryption would be permitted for any non-missile use, including space launch. As we do not now have any firm requirements to use converted ballistic missiles, and recognizing the value to the U.S. of prohibiting data denial on Soviet programs, we support these positions.

However, some are concerned about cheating scenarios where an encryption-permitted 1st stage booster is launched with 2nd or 3rd stages taken from ballistic missiles still in the active force. Some fear this or similar scenarios could permit covert development and testing of modifications to operational ballistic missile system. To preclude that possibility, we understand it has been suggested that the DDA should be extended to capture all ballistic missile stages at all times.

I recommend the Intelligence Community carefully consider such an approach before proceeding. Extending the DDA to include 2nd/3rd stages could, if not crafted precisely, alter the fundamental U.S. position that only ballistic missile 1st stages are Treaty Limited Items (TLI) for Suspect Site Inspection (SSI) purposes under START. This would have the
effect of significantly increasing the risks of SSI to satellite reconnaissance assets, due to the much smaller sizes of upper stage boosters.

While it is important to preclude as many cheating scenarios as possible, we must balance that need against the consequent risks to the DCI's sources and methods. It may be better to leave the DDA silent on 2nd and 3rd stages if the alternative is to reduce the effective TLI size.

Your support on this matter is greatly appreciated. If we can be of other assistance, please contact me directly.

Martin C. Faga
cc: Chief, ACIS
(Doug MacEachin)