D R A F Henry:

For more than two years now the intelligence community has been engaged in a deliberate but well funded technology program to build the EOI reconnaissance satellite that Din Land recently spoke to the President about. It has been our objective to have this system operating in about 1975.

Since that time it has become manifestly clear that the concurrent development of both the interim system and the EOI is not a feasible or practical thing to consider.

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- Senator Ellender has told us that he would not agree to a budget which includes both these programs and that we should choose between them.

- Even without this specific guidance, it has become clear that we are going to have to plan for a reduction in the overall level of the FY 72 intelligence budget.

- Even if we got by FY 72, inevitable budgetary pressures in FY 73 and beyond would make it most difficult to justify carrying two costly programs along concurrently.

- Finally, who would make the telescope for both EOI and the interim system, has told us that it does not have the manpower resources to give full support to both programs simultaneously.

I therefore believe we must make a choice between the interim system and the EOI. A delay of one or two years in starting the EOI would not appreciably change the above budgetary considerations and so is not a practical middle position to consider.

The community - as represented by the USIB - would in this circumstance prefer to continue the EOI as Din Land has recommended and stop work on the interim system. If we did so and put maximum priority on the development, there is a possibility we could get an operational system as early as November 107:. Dr. Land and his panel are convinced that this can be done. On the other hand, I know Mr. Packard

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is skeptical that we could do this sooner than late 1975 or early 1976.

It is therefore important that we know how much the President is willing to pay for an earlier capability. With an all-out effort on the interim system we might have it in early 1974 - one, at most two years sooner than EOI. However, to do this we would have to give up for the indefinite future the much greater capability, growth potential and long term operational economies offered by EOF.

I strongly urge that he not make this sacrifice. The interim system will not have a significant impact on SALT verification, since it does not give enough high resolution coverage, and must find its value in covering crisis and other time sensitive situations. I believe that Hexagon, Gambit and our current Elint satellites - supplemented by the U-2 and the SR-71 when possible - will carry us through these situations until the EOI becomes operational.

I would appreciate your letting me know his view on this.

Helms