November 24, 1967

MEMORANDUM FOR THE ASSISTANT SECRETARY, (COMPTROLLER)

SUBJECT: Security Classification of the National Reconnaissance Program

This is with regard to your request that we take such action as may be necessary to implement the request of the Secretary of Defense that, in his copy (and four or five other copies) of the Five Year Defense Plan (FYDP), the designations "National Reconnaissance Program" (NRP) or "National Reconnaissance Office" (NRO) be used without classifying the document "BYEMAN."

As I informed you, the Director of Central Intelligence (DCI) has the responsibility for setting NRP security policy. This was established by a May 2, 1962 agreement between the Deputy Secretary of Defense and the DCI and reaffirmed in subsequent agreements. I have not yet been able to review this matter with the DCI because, if the action can be limited in one of the ways described below, I believe we can consider the matter entirely a DOD issue. However, I have reviewed the documents on security policy and procedures issued under his direction as well as past policy statements within the DOD. The controlling DOD Directive is DOD Directive TS 5105.23, which specifies that, with the single exception of the Directive itself, the abbreviation NRO is SECRET and the abbreviation NRP is TOP SECRET, both within the BYEMAN system. Authority to make exceptions is reserved to the Secretary of Defense and the Director of the NRO. From other background papers, however, I conclude that we have an obligation to discuss with the DCI any change in procedures which would significantly change the extent and degree of disclosure of the intelligence collection activities comprising the NRP.

The picture as I see it then is that, on an exception basis, the use of the terms NRO or NRP at the TOP SECRET level within the DOD (not BYEMAN) is clearly a prerogative of the Secretary of Defense and consultation with the DCI...
is not called for. However, the use of these terms in relation to the total budget of the NRP does itself constitute a disclosure of the overall magnitude of the program, and, if the action were to have widespread visibility, would require consultation. If, in fact, access were restricted to a few persons, all of whom held high level security clearances, there would be no need for consultation.

The danger in including the terms NRO or NRP in TOP SECRET documents, even with limited distribution, is that in handling, typing, duplication, distribution, and revision, the information could be more widely distributed. Further, persons noting these terms outside the BYEMAN classification system will tend to use them in discussion and writing at other times and this would gradually break down a security system which has worked well for seven years now.

Therefore, my recommendations are as follows:

a. Substitute a more unique and unambiguous code word (other than NRO or NRP) for "Special Activities" in the FYDP.

b. If recommendation a is unacceptable to the Secretary of Defense, write by hand into the Secretary of Defense's copy of the FYDP only the terms NRO or NRP as preferred.

c. If both recommendations a and b are unacceptable to the Secretary of Defense, prepare and distribute the pages in the FYDP having the terms NRO or NRP to the Secretary of Defense and the few other individuals who must have them under the BYEMAN Control System, but do not stamp the pages themselves, so that their inclusion will not cause classification of their copies of the FYDP.

Alexander H. Flax

cc: Dep Sec of Defense
PREFACE

The Department of Defense has a short memory. Its key people are transient and its records "management" program inexorably devours documents which belong to the past. The National Reconnaissance Office, as part of the DOD, shares this problem, with one temporary difference. The NRO is just young enough to think it remembers what has happened and just old enough to be forgetting.

Over the past two years, we have attempted to shore up the NRO sense of history by preparing a series of chronologies (together with their supporting documents) on subjects which have influenced, or continue to influence, our policy decisions. Some of these are:

- Political and Informational Aspects of Satellite Reconnaissance
- Space Technical Information Control
- Peaceful Uses of Outer Space
- Space Law
- Space Vehicle Registration
- Bilateral US/USSR Space Negotiations

These chronologies have been most helpful to us and are individually unique within the Pentagon (ASD/ISA representatives refer to us as their archivists on these subjects).

During the Winter of 1964-65, it became clear that relationships between the Central Intelligence Agency and the National Reconnaissance Office were developing - or deteriorating - into a major policy problem and that a chronology of events should be assembled on this subject for intra-NRO reference. Major William Yost has prepared such a document. We are not as confident that this chronology is as comprehensive as its predecessors: many CIA/NRO contacts have taken place at meetings or in telephone conversations, and the record of these events is not available to us. But we can affirm that the chronology contains everything we can locate on the subject. Additions are welcome.

A chronology is not a history; throughout this paper there has been disciplined effort to report events and to indicate the documents
associated with these events. As one reads the chronology, however, a historical perspective necessarily intrudes and one can see certain key events and certain currents of activity which appear to furnish a structure to what has occurred.

The history of the National Reconnaissance Office begins in June 1960, when President Eisenhower directed a special review of the satellite reconnaissance program. This review by the National Security Council, prompted a reorientation of the SAMOS project and its establishment under a special management structure. Further revisions to this structure in late 1960 and early 1961 did not appear to provide the degree of management effectiveness warranted by the national importance of the program. A very comprehensive review of the situation culminated in a DOD/CIA agreement of 6 September 1961, which established the NRO and named the Under Secretary of the Air Force (Dr. Charyk) and the Deputy Director (Plans), CIA (Mr. Bissell) as Co-Directors. The (then) 5412 Group rejected the co-director proposal on the ground that the National Reconnaissance Program was too important to be conducted under a divided managerial responsibility. In May 1962, a second DOD/CIA agreement was signed establishing an NRO with a single Director (Dr. Charyk) directly responsible to the Secretary of Defense and the Director of Central Intelligence for the management and conduct of the Program.

Reconnaissance requirements and product exploitation had already been elevated to a national level of control. Agencies and Services were adjusting to the concept that the United States Intelligence Board had become the single national agency for issuing approved requirements for reconnaissance of denied areas. The National Photographic Interpretation Center had been chartered to insure that reconnaissance products were exploited as a national resource. A similar elevation for the remaining reconnaissance activity - operations - appeared logical and necessary. The attainment of a national posture for the "operations" activity appeared contingent upon the NRO assuming a role of direct management responsibility of a single national program. Dr. Charyk adopted this approach.

In accomplishing this task he considered that "all such projects are NRO projects, not CIA or DOD projects, that the NRO should
literally fuse the formerly distinct and separate efforts of separate Agencies and Services into a single national program under close and effective management of the Director." His adherence to this principle stimulated acceptance of the NRO concept by the U. S. Army, Navy, Air Force, Defense Intelligence Agency, National Security Agency, and National Photographic Interpretation Center. Eventually, the only serious residual resistance to Dr. Charyk's interpretation of his mission came from the CIA.

Why did an adverse reaction develop in an organization which had co-sponsored the NRO? Several important things happened to the CIA view of the NRO during 1962. First, two key CIA architects of the NRO resigned from government service. Mr. Dulles departed just prior to 1962; Mr. Bissell in early 1962. Their replacements -- Mr. McCone and Dr. Scoville -- were both wary of the concept of "a single national program." Second, similar changes were occurring in CIA middle management, and the new arrivals rapidly developed a feeling of ownership toward two specific programs - CORONA and IDEALIST. This attitude had no historical justification; actually, the DOD contribution to both programs was overwhelming in money, people, facilities, and sheer energy expended, but these facts either were not available or of no interest to the new arrivals, who viewed the NRO with suspicion and as a growing threat to CIA missions and prerogatives. The suspicion was confirmed in their minds in October 1962 when Strategic Air Command pilots began flying U-2's over Cuba. The abrupt entry into what had been an exclusive CIA preserve was referred to openly by CIA middle and top management as a "betrayal."

Dr. Charyk recognized the growing CIA antagonism and was understandably concerned over it. In his final report to the Secretary of Defense he stated, "The most serious problem concerns the fundamental nature of the NRO; is it to be an operating agency, with actual and effective management responsibility for a single national program, or is it to be a coordinating office responsible for liaison and coordination between related projects which are the management responsibility of different Agencies and Services?" As Dr. Charyk saw it, "...the Director of the NRO is responsible for the actual management of all projects of the National Reconnaissance Program and has the authority
to carry out this task without the necessity of reaching agreement on each and every aspect of the management actions involved." By contrast, he described an evolving CIA view that the CIA would respond to the Director, NRO, only if it agreed with his direction. By 1963, Dr. Charyk believed an impasse had been reached and he strongly recommended a clarified DOD/CIA agreement to give the Director unequivocal managerial (and fiscal) authority over the total program.

On March 13, 1963, only a few days after Dr. McMillan's appointment as Director of the NRO, such an agreement was signed. It named the Secretary of Defense as the Executive Agent for the program and set up the NRO as a "separate operating agency of the Department of Defense." It made the Director "responsible for management of all aspects of the Program;" he could take any "steps he may determine necessary to the efficient management of the Program." Mr. McConne's signature on this document and his subsequent statement in a letter to the President's Foreign Intelligence Advisory Board that the agreement was indeed "well conceived and soundly detailed" were encouraging signs that the NRO had finally developed an operating charter which would adequately support the successful accomplishment of the Program.

Unfortunately, these hopes were short-lived. As early as mid-1963, it became apparent that the CIA and the NRO were not working in a spirit of cooperative harmony. By 22 August 1963, Mr. McConne was expressing serious concern that the NRO was functioning as a line organization, which in his estimation was not the intention of the basic agreement. In early September 1963, Mr. McConne advised Mr. Bundy that while both parties to the basic agreement had done as much as possible toward insuring that no ambiguity or areas of possible conflict were contained in the document, its implementation had brought forth certain areas needing clarification. During this same period, the CIA began to intensify its control over the payload portion of CORONA (for which, on a purely historical basis, it had continued to furnish "black" contracting support). Within three months, it was clear that CORONA was splitting into two parts, and that both the security and technical progress of the project would be jeopardized by the lack of a single, authoritative program manager.

In December 1963, the Director, NRO attempted to realign CORONA under a single manager - General Greer - who already had the responsibility for the remainder of the CORONA system as well as for all other...
reconnaissance satellite programs. The CIA repeatedly agreed to this action in principle but obstructed it in fact. By Spring 1964, the President's Foreign Intelligence Advisory Board considered the problem serious enough to warrant investigation. After gathering its own facts in the matter, the Board recommended immediate adoption of the DNRO's proposed course of action. In June, Mr. McNamara and Mr. McCone agreed, as part of the assignment of a single manager to CORONA, that the Aerospace Corporation would perform the "general systems engineering function" for the program. On 17 August, Mr. Vance and Mr. McCone announced a similar agreement. Today, almost a year later, not one of these unifying actions has been put into effect. Today there is no overall system technical supervision for CORONA. There is no single manager who can be held responsible for CORONA missions. Mission success is entirely contingent upon a providential absence of major technical problems.

This situation is deplorable, but is only one symptom of an attitude which is of even greater concern, and that is the purposeful revolt of the CIA against the very concept of a National Reconnaissance Office. The extent of this revolt became clear in the Summer of 1964, when the CIA decided to develop and operate FULCRUM as a space reconnaissance program of its own. In early August, Mr. Vance met with Mr. McConde to discuss CIA activity on this program (preliminary design of the camera and design and test of the film transport system) and agreed to limit additional effort to a contractor-conducted comprehensive system design study. Then, with utter disregard for this agreement, the CIA instituted funded competitions to select contractors to study FULCRUM spacecraft and re-entry vehicles and stated its intent to follow-on with contracts for separate design studies of the same subsystems.

When confronted with NRO concern over this situation, Dr. Wheelon of the CIA advised the Director, NRO that the complete plan went even farther. He was establishing a System Project Office which would draw on Space Technology Laboratories for engineering assistance. The CIA planned to hire a launching contractor (Martin), to control operations from a DOD pad, and to use the DOD's Satellite Test Center and Recovery Forces. In case the DOD should be unwilling to furnish this support, the CIA was studying the development of launching and recovery
facilities of its own. All attempts - commencing in late September 1964 and extending to the present - to control this massive effort have been to no avail, in spite of Mr. McCone's agreement that FULCRUM would be responsive to NRO direction. Demands to fund the FULCRUM effort are being laid on the Department of Defense month by month; the demands are being met, albeit reluctantly.

With the appointment of Admiral Raborn, on 28 April 1965, as the new Director of Central Intelligence, the way was opened for a fresh start in affirming and strengthening the concept of a National Reconnaissance Program. Future entries in this chronology will determine if this hope was valid.

June 1965