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28 AUG 1963

**MEMORANDUM FOR DR. FUBINI**

Further to our discussion on 27 August concerning the question of the basic nature of the NRO as an organization, I have extracted the attached comments from a memorandum for record and forward them for whatever help they may be in your present discussions. These comments were prepared by Dr. Charyk just prior to his departure, and reflect the organizational philosophy under which all NRO actions have been taken up to the time of his departure. In addition, they show his recommendations for further revision of the 2 May 1962 DOD-CIA Agreement to clarify the basic NRO charter in this regard.

You will note that the 13 March 1963 Agreement, while falling somewhat short of his recommendations, nevertheless did go a long way toward clarifying the NRO as a line, operating organization, although, as he points out, all NRO organizing and functioning under the previous agreement of 2 May 1962 was carried out on this same basis.

If there is to be a further revision to the 13 March 1963 Agreement, I suggest that the following sentence from Dr. Charyk's recommendations be taken as a guide:

"It would seem, therefore, that in the process of revision of the Agreement, clarity should be preferred to diplomacy, and the major questions which have arisen in the course of operating under the present Agreement should be dealt with clearly and unequivocally in enough detail to insure understanding by all concerned."

Signed

John L. Martin, Jr.  
Brigadier General, USAF  
Director, NRO Staff

1 Atch  
comments

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Excerpts from views and recommendations of Dr. Joseph V. Charyk  
at the close of his tenure as the first Director, NRO  
(From an attachment to M/H by the Director, NRO Staff, dtd 13 Mar 63)

"PROBLEMS

"A review of the experience to date indicates that there are several outstanding problems which require resolution. It is believed essential to insure that they are resolved in the establishment of the new charter for the organization which is now in preparation. The critical problem areas can be summarized as follows:

"a. There appears to have been misunderstanding or misinterpretation in some quarters as to the fundamental nature of the NRO. Specifically, the question is whether the office is an operating agency with direct management responsibility for a single national program or whether its function is as a coordinating office responsible for liaison and coordination between related projects which are the management responsibility of various agencies and departments.

"I have operated on the basis that the former arrangement is the correct one. In order for this function to be properly exercised, it is essential that the DNRO have available to him all of the management tools necessary for the accomplishment of the responsibility. A critical missing element has been the direct control over funds for the entire program. Without control over the allocation and redistribution of funds as dictated by program and requirement considerations, it is my judgment that the responsibility cannot be effectively discharged.

"It appears clear that the office has always been envisaged as an operating agency. It is clearly reflected in the various DOD charter documents supporting the basic CIA-DOD Agreement of 2 May 1962. It was outlined in detail by the DNRO in the NRO organizational conference in late May 1962 and included in the organization policy statement of 23 July 1962 issued to the NRO program directors and the Director of the NRO Staff. The position may be stated as follows:

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"Within the limits of applicable public law, within the provisions of the CIA-DOD Agreement of 2 May 1962, and subject to the guidance he receives from the Director of Central Intelligence and the Secretary of Defense, 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. In the CIA, under the terms of the 2 May Agreement, the responsibility of the Deputy Director (Research) in seeing that the terms of the Agreement are carried out within the CIA obviously includes the responsibility to see that the instructions and directions of the Director of the NRO are carried out. Within the DOD, the authority of the Director is contained in DOD Directive TS 5105.23, dated 14 June 1962.

"The agreement reached in the organizational conference in late May 1962 and confirmed in the 23 July 1962 memorandum, clearly spells out that the DNRO has direct management responsibility for all elements of the program. The specific program responsibilities are divided between several program directors. In the absence of the DNRO, each of these directors is responsible for decisions in his program area. In every sense, therefore, the program directors are deputy directors of the NRO for their own program areas.

"Despite the basic CIA-DOD Agreement, the agreement at the organizational conference and the basic organizational documents, this arrangement has never been accepted by the Deputy Director (Research), CIA. Rather than seeking a resolution of his concern through proper channels and arriving at a new agreement with accompanying revised organizational documents, the apparent procedure has been one of resisting the functioning of the organization along the lines established in the basic Agreement and in the organizational documents. This is a fundamental point which requires clarification.

"Effective implementation of decisions affecting Agency activities has been difficult, if not impossible, if the Deputy Director (Research) was not completely sympathetic to the action proposed. The direct management responsibility of the DNRO over CIA activities needs to be re-examined.

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"It is significant to note that although the DOD elements of the NRO have undergone rather drastic changes, no substantial change from pre-NRO procedures has been effected in the CIA except possibly in the writing of security policy and the extension of a few communications links. Completely harmonious and effective inter-actions between the NSA, DIA, Army, Navy and Air Force exist. Efforts to mold the CIA activities into a unified program have been resisted vigorously. The apparent concept has been one of considering the DNRO as a coordinating official but not as one having direct operational authority over CIA programs.

\* \* \* \* \*

"RECOMMENDATIONS

"It should be noted that although the problems currently facing the NRO originated some time ago, they have not prevented substantial accomplishment. However, it should be noted also that these problems have become acute only recently, with the impasse reached in late December 1962 and early January 1963. That these difficulties must be resolved promptly in order to prevent serious degradation is evident.

"Experience to date would suggest that two steps are required. The basic CIA-DOD Agreement and related NRO charter documents should be revised to clarify the desired nature of the NRO and the responsibility and authority of the Director of the NRO. In addition, measures should be taken to establish and support the internal organizational discipline essential to the repair of the present difficulties and the continuance of a high degree of effectiveness. Each of these steps should include certain specific provisions which are outlined separately below.

"a. In regard to the revision, it should be noted that the present Agreement, while indicative of apparent harmony in May 1962, has proven inadequate as a charter in little more than half a year. The numerous drafts of proposed agreements which preceded the 2 May 1962 Agreement, the many discussions required to reach this Agreement, the repeated refinement of phraseology which was necessary, and the extended time period required for completion of this process would suggest the presence of semantic masks in the final document;

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subsequent experience has verified the presence of two types. The first is phraseology sufficiently flexible to cover different points of view, representing agreement not reached in actuality and requiring only a matter of time to produce problems. The additional use of vague and generalized language to describe the responsibilities and infer the authority of the Director also gives the status of apparent agreement to matters shown by subsequent experience to be unsettled. It would seem, therefore, that in the process of revision of the Agreement, clarity should be preferred to diplomacy, and the major questions which have arisen in the course of operation under the present Agreement should be dealt with clearly and unequivocally in enough detail to insure understanding by all concerned. In particular, the following points should be included:

"(1) The revised Agreement should reaffirm and clarify that the NRO is intended to be an operating agency, with actual management responsibility for all projects of the National Reconnaissance Program, rather than a mechanism of coordination between agencies separately responsible for parts of this Program.

\* \* \* \* \*

"b. Recognition must be given to the fact that revision of the CIA-DOD Agreement is a necessary but insufficient condition to resolve the problems facing the NRO. In addition to a clear charter, effective management of such a joint office requires the continued support of the Director of Central Intelligence and the Secretary of Defense in order that the Director of the NRO may establish and maintain essential internal office discipline. Since the Director is from the Department of Defense, the main burden for this support falls upon the Director of Central Intelligence.

"In particular, each of these officials should deal directly with the Director of the NRO for all NRO matters, rather than through intermediate NRO personnel of their respective agencies. This is fundamental to the maintenance of internal NRO organizational discipline.

"The Director of Central Intelligence and the Secretary of Defense also should take appropriate action from time to time to support the thesis that the projects of the National Reconnaissance

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Program are neither CIA nor DOD projects, they are NRO projects, part of a single national program, elements of which are supported by the resources of the CIA and the several Services of the DOD."

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