MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Mr. Katz of the RAND Corporation

Mr. Amrom Katz of the RAND Corporation visited me on June 18th. Mr. Katz wished to inform me of some of his observations concerning our intelligence collection process and some of the weaknesses which he as an outside observer observes from time to time.

Mr. Katz detects a certain amount of administrative smugness or complacency in our planning many of our peripheral reconnaissance flights. This complacency or laissez-faire attitude permits activities to proceed which really could be eliminated. Some of these activities jeopardize our international reputation.

As an example, we conduct a covert aircraft operation in the Berlin corridor. An excellent operation is being conducted in running the aircraft in and out of the corridor. Fortunately we never had an accident. However, should we have an accident it could create an international incident. No one is planning for this possibility. While destruct mechanisms are aboard (and this is cited as an example of our concern for secrecy and a hedge against an international incident) Mr. Katz pointed out that lenses do not burn. Should one of the aircraft crash outside the corridor the Soviets would have a new cause celebre for closing Berlin. Mr. Katz feels that we do not need these flights, certainly not as frequently as now performed. Further, much of the information can be obtained by other sources. If the requirement is questioned, no good justification can be obtained.

As an example, he questioned the nature of two particular targets which had to be covered twice a month. He found there were border barracks. The requirement for bi-monthly surveillance was established in 1954. A succession of offices in the
U. S. Army Intelligence Group at Heidelberg inherited the requirement and did not disturb it.

Even in satellite operations he detects routine operations, perhaps smugness or complacency. Implicitly we depend upon unilateral inspection in our arms limitation discussions. Many years ago he had suggested a game called "hiders and finders." He proposed an experiment to see if the hiders could find a well concealed missile site. We could learn about our observation capabilities by exercises such as these. It was interesting to note, Mr. Katz claimed, that most people preferred to be a "hider," even the reconnaissance people.

As another example of complacency he cited our blindness at night. The Chinese might be ingenious and do a great deal of work at night and show nothing in the day time. Most factory buildings show no distinguishing characteristics to indicate what is being produced so that we can't tell by overhead observation what they are being used for.

Mr. Katz brought up the subject of earth resources satellite. For years he has been publishing material showing that it is cheaper, easier, better, available sooner and more politically acceptable to survey the earth to determine its resources by means of an aircraft rather than a satellite. He has recently learned that the earth resource satellite being built by NASA will have 450 ft. resolution. It uses the 2" return beam vidicon having a 1" format. Initially, it was to have 1000 TV lines. This now has been degraded to 200 TV lines. He feels this satellite is good enough to get in trouble politically, but not good enough to do the job. With the limited bandwidth available and NASA's desire to cover a square 100 miles on a side they are facing a physical impossibility. He gave a copy of his article to me.

Mr. Katz felt that imagination formerly prevalent in the reconnaissance business is waning. As an example he cited our not stressing the need to improve our estimate of the Chinese food production. It is as important for us to know the Chinese food production as it is for us to know the USSR's missile production, because the Chinese are very dependent on a good food crop. The Chinese do not have an accurate method of predicting the food production each year; neither do we. Mr. Katz, on his
own initiative, determined that the difference between a good and a bad year amounted to some value like 10%. This 10% margin is crucial to the Chinese because of the large population, little ability to store food, and inability to obtain the huge quantities they need from abroad. There are imaginative ways to learn about the Chinese food supply.

Citing these examples as the type of imaginative thinking he could sometimes inject, Mr. Katz offered his services to us as a consultant to help us conjure new objectives and advise where we are making errors or where there are uncharted areas to explore.

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