MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: NRO Charter and NSCID

Since August 1965 the National Reconnaissance Office (NRO) has operated under an agreement between DoD and CIA. This agreement on the National Reconnaissance Program (NRP) was arrived at after several earlier attempts to evolve a satisfactory modus operandi in an area where both CIA and DoD (principally Air Force) had ongoing and to some extent competitive efforts. The 1965 agreement has served us well in that DoD/CIA relations have been smooth and systems have been conceived, built and operated with a high degree of success.

Recently several factors have called into question the adequacy of the current agreement. Both the US Intelligence Board and the National Security Agency operate under NSCID's. The NSA NSCID (NSCID-6) is of recent date (17 February 1972) and is felt by some to supersede in some respects the DoD/CIA agreement on the NRP of 11 August 1965. Whereas NSCID-6 calls for joint NSA and NRO tasking of SIGINT satellites, the DoD/CIA agreement states that NRO is responsible for "development, management, control and operation" of satellites. A restatement
of NRO responsibility for operation of its systems is in order. While we have been able, in the event, to arrive at ad hoc arrangements with NSA for system operations, our lot would be improved if we were negotiating with them as another "national" organization with a similar charter.

Of perhaps more importance, the presidential directive of November 5, 1971 (Subject: Organization and Management of the U.S. Foreign Intelligence Community) gives to the DCI certain responsibilities for control of resources to be allocated to intelligence, and directs that DCI chair various committees and boards related to intelligence. While it does not specifically state that DCI should chair the Executive Committee of the NRO, it certainly is within the implied intent of the directive.

The November 5 document also directs the "retention of the present management structure of the NRO." The assumption at the time of writing the November 5, 1971 document was that since NRO was operating well, it should be continued in its present form.

In my view, if the external environment were unchanged, there would be no reason to change the charter of NRO. But
because of the changed circumstances cited above, some account 
should be taken of these changes. And while we are about it,
I believe it is desirable to eliminate some provisions of the 
old agreement which are no longer necessary. Dr. Hall has 
proposed that the DCI become chairman of the ExCom, but that 
the 1965 agreement be maintained. Dr. Schlesinger feels that 
an NSCID should be written covering NRO operations. I prepared 
a draft NSCID which drew heavily on the 1965 DoD/CIA agreement. 
Since then Dr. Schlesinger has forwarded to you a CIA draft of 
such an NSCID.

I have found that the draft encompasses a considerably 
different working arrangement than what I feel is desirable. 
Since the new draft proposes more far-reaching changes that I 
feel are appropriate, I discussed the subject with Dr. Schlesinger. 
He has stated that he concurs in maintaining NRO operations 
essentially as presently constituted. Dr. Schlesinger wants to 
become Chairman of ExCom but he has said that he has no intention 
of getting involved in the day-to-day operations of our program. 
Specifically he told me that he wants to redraw the NRO charter 
to be more in consonance with the Presidential letter of November 5,
1971, but the operational end of NRO business should continue as
before. He further stated that NRO operations had been first-class and he did not want to upset a good thing. Using Dr. Schlesinger's stated intentions as a reference point, I have rewritten his draft NSCID, Attachment (1).

I have also reviewed the situation with the Secretary of the Air Force and the Chief of Staff. We three feel strongly that whatever changes are made in the superstructure of the NRO, the Director (DNRO) should be an Air Force official, and the principal support for the program should continue to be provided by components of the Air Force, especially the Air Force Systems Command.

I personally believe that the Under Secretary of the Air Force is in the best position to be DNRO. I am the third Under Secretary to be DNRO; on one occasion the DNRO was an Air Force Assistant Secretary for R&D. In my opinion, this latter arrangement was sufficiently less effective that it should not be considered as an attractive alternative. If the NSCID were set up to require that the Under Secretary of the Air Force be DNRO, a waiver could of course be obtained from NSC if there were compelling reasons to do so in a specific case. The DNRO
needs the "clout" of the Under Secretary position to expedite NRO matters and prevent this essential program from becoming bogged down in Pentagon routine.

If we can reach agreement with the DCI along lines similar to my proposed draft, then I believe having an NSCID is a step forward. If we find we cannot eliminate those provisions of the CIA draft which turn over effective control of the program to the CIA, then I would agree with Dr. Hall that we would be much better off to keep the existing agreement of 1965 and merely have the DCI appointed as ExCom Chairman. I believe that one or two sessions with Dr. Schlesinger and his staff will result in an agreement on all essential points.

John L. McLucas