

October 5, 1964

MEMORANDUM FOR SECRETARY VANCE

My notes on our meetings of 1 September and 10 September cover several points bearing on CORONA contracting, as outlined below. I have no CIA memoranda relating to these meetings.

1 September

It was agreed that the conversation of 11 August referred only to the use of Aerospace as SB/TD contractor on CORONA, and only to the contractual changes related thereto.

Mr. McCone made a long statement of his position that the ~~(S)~~ KRO was not properly organized, citing his memoranda on this subject to Mr. McGeorge Bundy and to Mr. McNamara. He maintained that it is wrong to permit one agency to influence the internal management of another and that therefore the ~~(S)~~ KRO should simply task the CIA, not run its internal affairs. He asked that no further change be introduced into the CORONA contract structure until this major issue is settled. (Something of a non-sequitur, in my view.)

As I remember it, you spoke immediately upon his conclusion, saying "All right, John, we think it is wrong, but if you want it that way we can run it that way." I supported this latter statement, however recounting all the good management reasons why it was wrong to operate in this way. I closed with a plea that at least the CIA contracts be administered by a contracting officer on General Greer's staff. Mr. McCone agreed.

At the close of the meeting, I asked again whether we could have the CIA contracts administered from the West Coast, under General Greer. Mr. McCone again agreed and said we "could have all the people we needed - engineers too."

It was tacitly my view that the CIA contracts under discussion were those with IBM, Eastman, Fairchild, and General Electric, as well as the Lockheed contract for fabrication of the payload compartment. I have tried - always - and I believe I did so on 11 August - to make a package out of (i) installing Aerospace as SE/TD, (ii) establishing a MSSC systems integration contract with General Greer, (iii) adding clauses to all other contracts to reflect (i).

10 September

Mr. McCone said that he had decided to assign a new CIA man, Crowley, to Greer's staff to be responsible for all CIA activities on CORONA: contracting, security, and technical. He would have CIA contracting and security people with him. Crowley was identified as an engineer formerly with C.S./A.

In our presence, Mr. McCone directed General Carter to send me a memorandum to this effect. It was agreed that we would form a technical advisory committee to Greer, with CIA representation, replacing the defunct CCB.

You then directed me to report back on the ~~(C)~~ MIO actions taken to accommodate to this new arrangement. So far, I have seen no CIA correspondence of actions on the matter, and correspondingly have taken no action myself.

Recommendation

This is also a plea: let us not agree to foul up this impossible mess any further by having SE/TD under Greer and Lockheed systems integration under CIA.

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Brockway McMillan