NRO APPROVED FOR RELEASE 1 JULY 2015

. .

WHITE HO

WASHINGTON by Bank your regu hits the 8-Grandi highlight Ko Breid 4 repo Žď 4 0 6 a ich held with the Fier 4 t 0

THE WHITE HOUSE

WASHINGTON

May 12, 1964

This document consists of

MEMORANDUM FOR MR. BUNDY

SUBJECT: The National Reconnaissance Program

In its May 2, 1964, report to the President, the President's Foreign Intelligence Advisory Board sets forth the results of its intensive review of the organization, management and operation of the National Reconnaissance Program. This Program for collecting photographic and signals intelligence, through satellite and aircraft overflights, is rated as one of the most important elements of our foreign intelligence effort.

The Board, its Executive Secretary, and a special Board Panel have gone into the Program thoroughly. They have had consultations with the Secretary of Defense and the Director of Central Intelligence; conferences with responsible officials of the Department of Defense and the Central Intelligence Agency -- the two agencies principally involved; discussions with officers of the several private concerns involved in contracts for the development and production of satellite boosters, orbital engines, aircraft, camera systems, signals intelligence payloads, and other components of the Program; and on-the-scene examinations of reconnaissance operations on the West Coast and elsewhere.

The Board's report focuses attention on the following:

(1) The size and complexity of this billion-dollar-a-year Program involving hundreds of Government and contractor personnel;

(2) The need for correcting inadequacies in the present organizational structure and support of the Program, and for clarifying the management and support responsibilities of the agencies involved;

(3) The large and important role of the Director of Central Intelligence as Chairman of the United States Intelligence Board, responsible for drawing up intelligence collection requirements to be satisfied through the National Reconnaissance Program, and for the effective processing and utilization of the intelligence product obtained;

(4) The importance of the Central Intelligence Agency's previous contributions in the reconnaissance field, including the security protection of sensitive activities; the provision of personnel and skills required for the development and operation of reconnaissance aircraft; and the Central Intelligence Agency's contribution to the development and production of some

POMMIT_TAL CHIT_ naining eis denie

of the camera systems used in the satellite program;

(5) The valuable potential of the Central Intelligence Agency as an innovator in the conduct of imaginative planning and research on advanced reconnaissance systems, and the devising of improved methods for the processing, interpretation and analysis of the great volume of reconnaissance photography involved; and

(6) The demonstrated capability of the Department of Defense for the effective management and use of the vast military and contractor resources required for the development, procurement, support and operation of satellite and aircraft reconnaissance-intelligence systems.

Significant conclusions reached by the Board include the following:

(1) In order to meet national intelligence needs of the President and other officials, the National Reconnaissance Program must be conducted as a national effort, through the joint endeavors of the Department of Defense, the Central Intelligence Agency, and the U. S. Intelligence Board under the Chairmanship of the Director of Central Intelligence;

(2) The cost, size and complexity of the National Reconnaissance Program (particularly the large scale of satellite operations) require that the Program be conducted as a streamlined activity under strong, centralized management within the Department of Defense -- with ready access to personnel and resources of both the Department of Defense and the Central Intelligence Agency;

(3) Despite intelligence successes, the National Reconnaissance Program suffers from inadequate organization and support, and from the lack of clear delineation and understanding of the missions and responsibilities of the Defense Department, the Central Intelligence Agency, and of the Director of Central Intelligence; and

(4) The Board believes that the organizational and support problems which have been encountered in the National Reconnaissance Program require corrective action from the Presidential level in order that this vital national asset may be preserved and strengthened.

Accordingly, the Board recommends the issuance of a Presidential directive along lines which will provide for the following:

(1) Designation of the Secretary of Defense as Executive Agent for the National Reconnaissance Program having primary responsibility and authority for management of the Program, and for the tasking of the personnel and other resources of the Department of Defense, the Central Intelligence Agency and other agencies as required. (The Secretary of Defense presently serves as Executive Agent pursuant to an agreement negotiated between the Secretary and the Director of Central Intelligence.)

- 2 -

(2) Establishment within the Department of Defense of a National Reconnaissance Office as a separate operating agency of the Defense Department headed by a Director responsible solely to the Secretary of Defense for discharging the Secretary's responsibilities as Executive Agent for the Program. (Such an Office presently exists in the Department of Defense, headed by the Under Secretary of the Air Force under a cover arrangement which preserves the secrecy of the intelligence aspects of the Program. The Board's report points to the dilution of the Director's management authority resulting from the present working agreement under which the Department of Defense and the Central Intelligence Agency have been endeavoring to negotiate their respective roles and missions.)

(3) Direction that the Secretary of Defense, the Director of Central Intelligence, and the Director of the Budget work out a formula for achieving a coordinated, comprehensive budget for the entire National Reconnaissance Program, and the establishment of adequate fiscal control and accounting procedures.

(4) Assignment to the Director of Central Intelligence the responsibility for sharpening and expediting the efforts of the U. S. Intelligence Board in establishing realistic intelligence collection requirements to be met through satellite and aircraft reconnaissance missions, and in ensuring maximum beneficial use of the intelligence collected.

(5) Direction to the heads of the Department of Defense, the Central Intelligence Agency, and other agencies concerned, that full use be made of the resources of each of the agencies as required for research projects for the development of (a) new reconnaissance systems (b) improved photographic and other sensing methods, and (c) advanced means of processing and exploiting the intelligence obtained. (The Board believes that fuller use of the research skills of the Central Intelligence Agency will improve our national capability for anticipating the need for advanced reconnaissance capabilities, should our present systems become unavailable because of defensive capabilities of foreign governments, or as a result of our national policy considerations.)

(6) Continued designation of the Under Secretary of the Air Force as Director of the National Reconnaissance Office. (The Board notes that the Air Force provides over 90 per cent of the personnel and resources involved in the satellite reconnaissance program, and over 50 per cent of the manpower and 90 per cent of other resources used in support of the aircraft reconnaissance program.)

(7) Delegation by the Secretary of Defense to the Director of the National Reconnaissance Office the authority for issuing directives within the Defense Department, and for the levying of requests on the Central Intelligence Agency and other agencies as required for the conduct of the National Reconnaissance Program. (The Board's report points to the present lack of firm, unified direction of the Program under the present agreement which the Secretary of Defense and the Director of Central Intelligence have endeavored to work out.)

(8) Assignment to the Department of Defense (Air Force) the responsibility for the management, overall systems engineering, procurement and operation

TOP SECRET

of all <u>satellite</u> reconnaissance systems. (The Board's report reflects that these responsibilities are presently diffused and dispersed between the Department of Defense and the Central Intelligence Agency.)

(9) Continued assignment to the Central Intelligence Agency of responsibility for the OXCART program. (As manned intelligence-collection aircraft of an advanced nature are developed, the Board recommends that, following the developmental stage, the Special NSC 5412/2 Group determine the responsibility for their operational use.)

The Board anticipates that the issuance of such a Presidential directive would (1) preserve the best features of the present organizational arrangement within the Department of Defense (2) permit the Secretary of Defense to exert effective management control over the largely military resources involved (3) emphasize the important roles of the Director of Central Intelligence and of the Central Intelligence Agency in the National Reconnaissance Program (4) clarify the responsibilities of the Defense Department in the satellite field and of the Central Intelligence Agency in the aircraft field (5) obtain larger returns from the Central Intelligence Agency's capacity for imaginative research and advance planning in the reconnaissance intelligence field, and (6) seek cost reductions and production gains through improved management and budgetary practices.

J. Patrick (oyne

J. Patrick Coyne

