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33 NOV 1962

On file OMB release instructions apply.

Honorable Elmer B. Staats
Deputy Director
Bureau of the Budget
Washington 25, D. C.

Dear Mr. Staats:

I have your memorandum of 26 November 1962 concerning the proposed National Security Action Memorandum which would establish the general organizational mechanism for continuing the development of a National Communications System (NCS).

As you are aware, the Central Intelligence Agency has in being a world-wide system which is keyed to meet the rapid, reliable and secure communications requirements of national intelligence collection. In addition, this system fully meets unique Agency needs encountered in the conduct of clandestine operations. Of particular importance to this Agency is the privacy of communications afforded in the present system which permits the Director of Central Intelligence to discharge his statutory responsibility for the protection of intelligence sources and methods from unauthorized disclosures as provided in Section 102 (d)(3) of the National Security Act of 1947, as amended.

I concur in principle in the desirability of establishing the proposed organizational mechanism and in the concept and objectives of the proposed NCS with the proviso that the NCS enhance, not degrade, the communications capability currently available to this Agency and not impair the security of the communication system. I believe that the CIA can contribute to the national effort in this instance and it is my desire that representatives of this Agency participate in the development and management of the NCS.

In assessing this Agency's ability to contribute and participate, it should be recognized that a significant portion of Agency communications assets are utilized in direct support of clandestine operations and thus are not available for

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GROUP 1
Excluded from automatic
downgrading and
declassification

inclusion in the NCS. Also, it should be recognized that Agency participation in the program will result in an increase in personnel and fund requirements since the basic proposal involves an upgrading of communications services on a national level not solely related to the needs of CIA.

Sincerely,

(Signed) JOHN A. MCCONE

John A. McCone
Director

CONCURRENCE:

Signed 28 NOV 1962

L. K. White
Deputy Director (Support)

DD/CO: :sbo

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MEMORANDUM FOR: Mr. McCone

Mr. Staats by memorandum dated 26 November 1962 requests your comments on a draft National Security Action Memorandum proposing establishment of an organization to continue the development of a National Communications System. This NSAM would supersede that which established the NSC subcommittee on communications chaired by Mr. Orrick.

The attached reply, coordinated in substance with the Executive Director, General Counsel, and the Comptroller, expresses your concurrence in principle with the proposal, provided safeguards are made to protect Agency communications needs for security and system integrity.


cc: General Carter

^(s)
L. K. White
28 NOV 1962
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)

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ER

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Executive Registry

62-86731

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON 25, D.C.

62

OFFICE OF
THE DIRECTOR

November 26, 1962

MEMORANDUM FOR HONORABLE JOHN A. McCONE
DIRECTOR, CENTRAL INTELLIGENCE AGENCY

In connection with the Cuban crisis, a subcommittee of the Executive Committee of the National Security Council was established to develop a program and to take actions to improve U. S. communications capability, particularly in overseas areas. This subcommittee was established by National Security Council Memorandum 201 dated October 26, 1962. The Deputy Under Secretary of State for Administration was designated as the chairman.

Attached is a draft National Security Action Memorandum which would establish continuing arrangements to develop and coordinate a world-wide communications system to assure adequate communications capability under any period of emergency. We would appreciate your comments on this draft at your early convenience, but not later than the close of business Thursday, November 29.

We would appreciate your limiting the distribution of this draft to the extent practicable.

Your attention is also called to Executive Order 10995 which would continue in effect.

ES

Elmer B. Staats
Deputy Director

Attachment

EXECUTIVE REGISTRY FILE

Budget

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NATIONAL SECURITY ACTION MEMORANDUM NO.

NOV 23 1962

TO: The Vice President
 The Secretary of State
 The Secretary of Defense
 The Secretary of the Treasury
 The Attorney General
 The Director of Central Intelligence
 The Director, U. S. Information Agency
 The Administrator, National Aeronautics and
 Space Administration
 Chairman, Federal Communications Commission
 Administrator, Federal Aviation Agency
 Administrator of General Services
 Director, Bureau of the Budget
 Director, Office of Emergency Planning
 Director, Office of Science and Technology
 Director of Telecommunications Management

SUBJECT: Establishment of the National Communications System

Concept and objectives

After considering the recommendations of the report of the Subcommittee on Communications of the Executive Committee of the National Security Council, established by NSAM 201, dated October 26, 1962, I have made the following decisions.

A National Communications System (NCS) shall be established and developed by linking together, improving, and extending the communications facilities and components of the various Federal agencies. The objective of the NCS will be to provide necessary communications for the Federal Government under all conditions ranging from normal situations to international crises and national emergencies, including nuclear attack.

The system will be developed and operated to be responsive to the variety of needs of the national command and user agencies and be capable of meeting priority requirements under emergency or war conditions through

use of reserve capacity and, if necessary and authorized, through pre-emption of private facilities. The NCS will also provide the necessary combinations of hardness, mobility, and circuit redundancy to obtain survivability of essential communications in all circumstances.

Initial emphasis in developing the NCS will be on meeting the most critical needs for communications in national security programs, particularly to overseas areas. As rapidly as is consistent with improving overseas capability, other Government needs will be examined and satisfied, as warranted, in the context of the NCS. The extent and character of the system requires careful consideration of the priorities of need, the benefits to be obtained, and the costs involved.

Set forth below are the general organizational arrangements to govern the establishment and effective operation of the NCS. These include the Special Assistant to the President for Telecommunications in the Executive Office of the President, the Secretary of Defense as Executive Agent for the NCS, and agencies using the NCS. These arrangements supersede those set forth in NSAM 201.

Executive Office responsibilities

Subject to the authority and control of the President, responsibility for policy direction of the development of a National Communications System is placed in the Director of Telecommunications Management who in this capacity shall also serve as a Special Assistant to the President for Telecommunications. In carrying out this responsibility, he shall:

- a. Advise the President on the communication requirements and responsibilities of the users of the national system; on the guidance to be given to the Executive Agent with respect to the design and operation of the NCS; and on the adequacy of system designs developed by the Executive Agent to provide, on a priority basis and under varying conditions of emergency, communications to the users of the NCS.
- b. In consultation with the Special Assistant for National Security Affairs and the Director of the Office of Emergency Planning, develop for the President's approval those requirements unique to the needs of the President.
- c. Formulate and issue to the Executive Agent guidance as to the relative priorities of requirements.
- d. Exercise review and surveillance of actions to insure compliance with policy determinations and guidance.
- e. Ensure that there is adequate planning to meet future needs of the NCS.

In performing these functions, the Special Assistant to the President for Telecommunications will work closely with the Special Assistant to the President for National Security Affairs; he will consult with the Director of the Office of Science and Technology, and the Director of the Bureau of the Budget, as appropriate; will establish arrangements for inter-agency consultation to ensure that the NCS will meet the essential needs of all Government agencies; and will be responsible for

carrying on the work of the Subcommittee on Communications of the Executive Committee of the National Security Council. In addition to staff regularly assigned, he is authorized to arrange for the assignment of communications and other specialists from any agency by detail or temporary assignment.

The Bureau of the Budget, in consultation with the Special Assistant to the President for Telecommunications and the Executive Agent, will prescribe general guidelines and procedures for financing the NCS and for preparation of budget estimates by the participating agencies.

Executive Agent responsibilities

To obtain the benefits of unified technical planning and operations, a single Executive Agent for the NCS is necessary. The Secretary of Defense is hereby designated to serve in this capacity. He shall:

- a. Design, for the approval of the President, the NCS, taking into consideration the communications needs of all Federal agencies.
- b. Develop plans for fulfilling approved requirements and priority determinations, and recommend assignments of implementation responsibilities by user agencies.
- c. Assist the user agencies to accomplish their respective undertakings in the development and operation of the system.
- d. Allocate, reallocate, and arrange for restoral of circuits and channels to authorized users based on approved requirements and priorities.

- e. Develop operational plans and provide operational guidance with respect to all elements of the NCS, including (1) the prescription of standards and practices as to operation, maintenance, and installation; (2) the maintenance of necessary records to ensure effective utilization of the NCS; (3) the request of assignment of radio frequencies for the NCS; (4) the monitoring of frequency utilization; and (5) the exercise and test of system effectiveness.
- f. Within general policy guidance, carry on long range planning to ensure the NCS meets future Government needs, especially in the national security area, and conduct and coordinate research and development in support of the NCS to ensure that the NCS reflects advancements in the art of communications.

The Secretary of Defense may delegate these functions within the Department of Defense subject to his direction, authority, and control. In carrying out his responsibilities for design and operation of the NCS, the Secretary will make appropriate arrangements for participation of staff of other user agencies.

Cooperation of other Agencies

All agencies are directed to cooperate with and assist the Special Assistant to the President for Telecommunications and the Executive Agent in the performance of the functions set forth above.