

14 FEB 1978

DCI/1C 2005/78

MEMORANDUM FOR: Director of Central Intelligence

FROM:

Deputy to the DCI for Resource
Management

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SUBJECT: Update on Reorganization Studies

1. Action Requested: None; for information.
2. Background: Acting on Presidential direction, four organization studies of potential interest to the DCI are under way.

- DoD is conducting:
 - Top Management
 - Military Command Structure
 - Resource Management
- Under OMB/NSC direction:
 - Integrating Defense Policy with National Policies

In response to an earlier status report (Attachment 1), you asked to be kept up to speed on the status of these studies, and to be involved when and if appropriate.

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3. Top Management Study

A. Organization:

Team Leader - Paul Ignatius

Assistant - Worth Bagley (ADM, USN,
Retired). (Office: 3 D 949,
OX 7-3834.)

B. Status: We have not been able to gain access to this study. Efforts to meet with Admiral Bagley and discuss status are continuing.

4. DoD Military Command Structure Study

A. Organization:

Team Leader - Richard Stedman

Assistant - Blackie Weinell (ADM, USN,
Retired). (Office: 1 B 737,
OX 7-6255.)

Reps from each service/one civilian
from OSD/ISA

B. Status: No formal terms of reference so far. Team is currently identifying problems, interviewing various players. Focus is from SecDef down. D/OPEI met with study group staff to determine if they would address the relationships between the DoD structure and the NSC-level players including the DCI. They do not plan to do this, although they might include a reference to the need for further study of this subject in their report.

C. Recommendation: DCI meet with Stedman to explore how the group will address the "National Command Authorities." (Typically, DoD studies

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look only at order execution--from the President down; the far more complex issue is who talks to whom before the President decides.)

5. DoD Resources Management Study

A. Organization:

Team Leader - Don Rice, Rand Corporation

Assistant - Charles Trozzo, IDA

Staff - reps from services

B. Status: A very ambitious terms of reference has been drafted (Attachment 2). Great emphasis is placed on coming to grips with general support issues and relationships.

6. DoD Coordination of Studies: SecDef Brown has assigned overall coordination responsibility to DepSecDef Duncan. He has hired retired General James Kalergis (3 E 973, OX 5-2381) as a staff assistant. A Steering Group has also been formed consisting of Duncan as chairman, the service secretaries, CJCS, OMB rep (Randy Jayne), and an NSC rep (David Aaron).

7. Interagency Study of Integrating Defense Policy with National Priorities

A. Organization: Not yet established

B. Status: Terms of reference approved by the President. Organization apparently being discussed between Brzezinski and Vance, with no arrangements agreed to as yet. Will continue to monitor through OMB contact. You will probably want to "invite yourself in" to this one, but we judge that the timing is not yet ripe to do so.

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8. The RMS will continue to monitor the DoD studies on a low key basis. Unless you indicate otherwise, we do not intend to press for closer involvement since no direct DCI interests/concerns are being addressed. We will follow the interagency study with a view to inserting ourselves at the appropriate time.

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Attachments: As stated

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