

7 April 1964

MEMORANDUM FOR: Director of Central Intelligence

**SUBJECT: CIA Presentation to the Baker Panel on
NRO Activities, 1 April 1964
(General Doolittle, Dr. Baker and
Mr. Coyne represented at PFIAB)**

1. As a follow-up to our previous appearance before the Baker Subcommittee, we had requested additional time to present the CIA attitude for the present NRO debate. Since General Carter and Mr. Kirkpatrick were out of town, I appeared alone before this group to present the CIA case. Mr. Mawzy of my staff joined me and took notes.

2. I opened the discussion by asserting that the present problems run far deeper than the mere transfer of CORONA from the Agency to the Air Force. I stated that the basic workability of the NRO as a joint venture concept was in serious question. However, I stated that an even more important question was whether CIA would remain in the reconnaissance program.

3. I asserted that the complete budgetary and program authority now vested in the DNRO represented an enormous power, a power which could be used to cyphon programs out of one agency to the other or vice versa. This power is now vested in the Secretary of the Air Force who thereby faces an unparalleled conflict of interests. He is supported in this enterprise by a staff which is primarily Air Force at the decision making level. It is a staff which has resisted any real approach to the joint staffing from the CIA. The situation is complicated by the fact that the Air Force candidly admits that they feel that the Agency should leave all of the reconnaissance program to the Air Force. It was pointed out that the Air Force officers in charge of the NRO staff must look to the same Air Force for their career development potential and naturally must feel a tremendous pressure. I stated quite candidly that if I

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were in the Air Force I would probably share their view that the Air Force should bear the responsibility, but indicated that it is a national decision and not a parochial one that should be made in this respect.

4. The following question was then raised: "How has the DNRO performed with this Air Force staff and with the obvious pressure presented by his dual responsibility?" I said that the record shows that he has consistently favored the Air Force in matters which arose for decision by the two groups over the past two years. It was stated that I had raised this problem with McMillan when I first took over this responsibility; and McMillan had candidly agreed that this was accurate but that he had had good and sufficient reasons for each one of the individual decisions made. I told the group that this might in fact be the case, but that it certainly raised questions about the conflicting interests. It was then pointed out that McMillan had made it quite clear in statements to Kiefer and me and with his actions that he favors giving all the satellite programs to Greer. I offered that this was the real basis for the CORONA controversy and not one of unique Air Force capability to manage the program. I said that if I were in McMillan's shoes I would probably find it easier to have one component do the satellite work but that larger issues of management were involved here. It was pointed out that McMillan had stated quite plainly to Fubini and myself that he was reluctant to assigning a large development responsibility of any kind to CIA until it had demonstrated a significantly improved performance. I said this was hardly borne out by the record of successful CIA development and Air Force difficulties.

5. It was pointed out that McMillan and the NRO staff had given vastly preferential treatment to Ledford in reviewing his budget and had devoted a great deal of attention and time to the details of his program. I said that this detailed interest in the CIA portion of the program was not paralleled by similar examination of General Greer's large R&D budget which was established without any clear statement of its purpose and operates with only a minimum amount of direction. It seems to us that this clear difference in the approach of the NRO staff to the CIA and Air Force programs respectively, bespeaks a genuine distrust of the Agency's ability to successfully prosecute these programs. I then went on to point out

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that McMillan had several times undercut Ledford with his contractors which I considered absolutely unacceptable. The first case occurred during the preparation of the 1965 budget submissions on GECART and other programs. We learned later that McMillan had then gone back to Lockheed and Pratt and Whitney to persuade them to reduce their budgetary estimates to Ledford so he could in turn cut Ledford's budget further. I told the group that when I raised this problem with McMillan he agreed that it was undesirable to contact the contractors without Ledford, that this was undercutting Ledford's position, and that he would desist from this in the future. The group was told quite frankly that I was only raising the problem with the PFIAB because McMillan had done exactly the same thing in the last three weeks in connection with the surfacing briefing by Kelly Johnson in which he had made a point of sending his aides, Colonel Strand and Colonel Geary, to Kelly Johnson's facility so as to broker an agreement without Ledford's knowledge and without using his normal communication facilities. I told the group that when I learned of this I called McMillan again and he apologized, but I have no confidence that he would not do this again or that he has not done it previously when we have not detected it. I said this was absolutely inexcusable because it made Ledford's already difficult job essentially impossible.

6. I then stated quite clearly that I felt that the only possible conclusion is that the NRO staff and its director are in fact the Air Force and that the enormously difficult conflict of interests has not been resolved. It was stated quite clearly that everyone in CIA has agreed that if the Agency is to stay in the reconnaissance business, a fundamental change in the NRO is required.

7. I then went on to say the problem is broader than Ledford's organization and affects the whole viability of DD/S&T itself. This is so because

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I said
 this might not be the proper long range division of effort within DD/S&T and that and other activities might play a major role, but for the present this was a pragmatic description of our activities. If we were to get out of the reconnaissance business it would require a very major

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rethinking of the whole DD/S&T mission and staffing. Baker broke in at this point to say that I should not hinge my participation in the intelligence community, which they all held in the highest possible regard, on reconnaissance responsibilities for DD/S&T and hoped that I would continue to render my talents to the intelligence problem no matter how the decision came out. I glanced off at this point and reiterated that DD/S&T was now founded squarely on reconnaissance and that everyone connected with it would have to make a new assessment if the Agency's role in this field were not strongly reaffirmed.

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8. I then indicated that since I had taken over DD/S&T we had made a very major, and I thought successful, effort to strengthen the technological capabilities of the organiza-

out that these people had been placed in key positions and had already had a large effect on our programs new and old. I said it was hoped that these [redacted] squared but that of and by themselves they represented a major addition to our capability. I said that the Agency was no longer satisfied to conduct the security and contract portion of the programs, and that we expected to carry the technical responsibility in those programs for which we were responsible. I also said I was determined insofar as possible to remove the Agency from security and contracting responsibility for organizations in which it did not carry the technical responsibilities. They nodded their heads wisely. I stated that the most significant contribution these new people had made so far was to take an agnostic look at the intelligence needs in conjunction with the technical opportunities offered by new systems, and that this new technical strength provides the basis for such developments.

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9. I then explained that it was my practice at such discussions to assert my convictions, demonstrate and reassert them. It was stated that my goals were fivefold.

a. Recognize NRO as the competitive Air Force element in the CIA/AF tug of war and to try to convert

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this competition into a working partnership again. I clarified that I was talking about separate bedrooms not divorce.

b. It is absolutely essential to delegate both the technical and fiscal responsibilities for development programs to line agencies of CIA, Air Force, NSA, etc., and that we cannot continue to project these many programs out of the office of the Under Secretary of the Air Force.

c. We must partition the satellite development field; and give it all to the Air Force or give CIA the search systems represented by CORONA, ARGON and

d. The CIA unit responsible for all NRO programs must either have its own source of funding in the CIA budget or a clearly equal voice in preparing the NRO budget followed by a lump sum transfer each year to CIA for its own expenditures.

e. We must clarify the covert overflight franchise either giving it to the Air Force or the Agency. My strong recommendation is for CIA in view of its demonstrated sophistication.

10. I then went on to discuss satellite operations in a brief way. It was stated that I thought it was now general agreement that a single launching, tracking and recovery authority should be established to support all launchings. We agreed that the 6594th Satellite Test Wing now represents such a capability. I said that I understood your position that he wanted to have a single individual who can be held accountable on all launches. I then stated that there was a difference between R&D and operational launches, and that the real responsibility fell on the test director. In the case of R&D launches, I said that the test director must be the payload development team chief while in the case of operational launches of proven payload it must be the test director drawn from the 6594th. I stated that the payload development teams must be an active part of the launching and in-flight monitoring operations even for operational launches since no two payloads are the

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same and we will probably never be able to write a service manual for these devices which a person not connected with it can follow. I propose that the Space Systems Division buy all booster AGENAs and launch facilities. I stated strongly that the development teams should continue to buy the payloads even through operation launches and delivery of them to the launching authority to go with specialist teams who can support their operation. I said it was impossible to write two contracts with ITEK, one for CORONA procurement and the other for CORONA improvements. This is especially true in view of the different ways the Air Force and CIA operate. In the discussion which followed it was clear that Deolittle did not agree with this view and wanted the Air Force to buy payloads from ITEK hoping somehow that CIA could stimulate their improvement by a contract at ITEK. Baker realized the philosophy of this argument but was not prepared to commit himself.

11. I then turned to aircraft operation as reflected in covert overflights over a denied territory as opposed to overt flights over military situations. The group was reminded that the Air Force had repeatedly stated they felt the overflight job of the U-2 was theirs and that it was SAC's job. 1960 had begun an increasingly strong competition between the Air Force and the CIA for specific missions. This competition took on major proportions in the CIA/Air Force hassle over Cuban overflights in October 1960. It was apparent again when [redacted] was needed

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[redacted] ring which time both CIA and SAC deployed [redacted] The Air Force ambition was glaringly asserted when they deployed three U-2s and seven crewmen to [redacted] on the day a decision was to be made on SAC coverage of South Vietnam. I told the group that this was apparently the first time this had been discussed with the [redacted]

[redacted], that this had caused substantial embarrassment and that the planes had had to be quickly withdrawn [redacted] before they could be based [redacted] The group had not known of this and were quite genuinely surprised by the pre-emptive nature the competition had assumed. I then described the McKillan/Lokay proposal [redacted] It was pointed out that this proposal had been scrubbed at the last minute. Prior to that, no coordination with CIA/State

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had occurred, which caused concern because of the current

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I stated clearly I thought it was a swell idea to try to use these planes against Sary Shagan but that the approach here bespoke either a naivete or presumptive intent. I stated again that I did not blame the Air Force their desire to take on this charter, but that I felt it was a matter for the President, the DCI and the Secretary of Defense to settle and not a matter for unit commanders and middle level bureaucrats to deal with in Washington. I pointed out that this problem is surely being aggravated by the 15 Air Force RB-57s which really have no mission and would be further aggravated by the

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If they do not receive a clear cut overflight mission over the Soviet Union. I made a second plea for a clear resolution of this for whomever gets the job can establish an adequate structure to insure that we can perform overflights of all sorts for the next five years and get on with the job.

12. It was then pointed out that the franchise could only be given to CIA or the Air Force; that it should be reviewed by each new President but once reviewed, should stay put. I pointed out that the equipment available to both organizations is essentially the same. I offered that I put very little stock in the plausible denial argument and felt the decision should be made on the basis of operational sophistication and who could do the job with the least amount of fanfare. I said that the State Department and the CIA both felt that the CIA had clearly demonstrated the best performance and

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I said that I doubted that the U-2 carrier program would be exploited if the Air Force took over the franchise. I then said that the job was a delegated one and that CIA had the only demonstrated ability to handle the operations with any degree of finesse. I said that more important than assigning it to CIA or the Air Force is the need to assign it clearly to one Agency. I said the essential thing is to establish a consistent and controlled capability to perform covert overflights in denied territory and emphasized the word "controlled" several times.

13. I then turned to the development programs of CIA hoping to make a major impact in terms of our thoughtful and creative efforts thus far. I pointed out that I had had negligible NRO support for research and development activities in CIA, that almost all of the money went for procurement and operational programs, and that I hoped to change this pattern in the future by establishing large R&D line items in the CIA portion of the NRO budget similar to those now enjoyed by General Greer.

14. I said I was particularly proud of the job our group had done in developing the OXCART supermarket of sensors and jammers. I stated that we felt this capability would allow OXCART to fly successful though detected missions over the Soviet Union. I stated that it was a refreshing interaction between the intelligent appreciation of Soviet defenses, the operational consideration of Ledford's group and the new development capability we have established within CIA. I pointed out that the most refreshing part was that it had been done quickly and effectively and convinced me we were well along the road to invigorating and enhancing the tradition in CIA development programs.

15. It was pointed out that I wished to talk tomorrow only about satellite programs. I said that my first step had been to establish last summer the Systems Analysis Staff whose purpose it was to try to establish clear qualitative appreciations of both the needs and capabilities of their systems. I said that they had established cost vs. value trade-offs for a variety of new systems and had identified the critical research areas to bring these developments into being. They have successfully analyzed all of the aspects of real operations in conjunction with our operations people and have prepared jointly systems design for three new systems. I added that it was our SAS that had clearly defined the CORONA improvement problem and had sponsored the Drell/Chapman inquiry into the distribution of CORONA resolution. I pointed out that this group is at the beginning and at the heart of our on-going programs and introduced Mr. Maxey as its head. Mr. Maxey then spoke warily for several minutes about the need for appreciating the real value of improved resolution in the photo interpreters, their intelligence analysts and

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the questioning his group had done on the concept, effectiveness of new systems vs. their potential value to the intelligence community. Dr. Baker responded immediately to this and said this entire reasoning had often bothered the PFIAB and was glad to hear the intelligence community was finally addressing themselves on a continuing basis to this problem. I frankly had trouble turning this off and getting the subject back on schedule.

16. I then described and showed them on a blackboard the satellite matrix showing search, spotting, indications

[redacted] I pointed out that COMONA now fills the search need and that McMillan's proposals were the possible successors for our next generation. I said the spotting requirement [redacted]

[redacted] LANYARD and that [redacted] although I knew little of

it. I pointed out that we have not yet satisfied ourselves that we could do the indications photography job with the satellite but were working on this in detail under the

[redacted] which was founded under NRO in CIA at the level of [redacted] I pointed out that the

[redacted]

[redacted]

[redacted]

17. I then launched into a discussion of the [redacted] system pointing out that the original COMONA solution had been an easy one in that any photography of the Soviet Union had been a tremendous windfall. I stated, however, that the next step was a difficult one because COMONA had grown to be a very effective system. I said it was by no means clear to us what a given system improvement would buy in terms of a search capability and were inclined to explore

[redacted] could be desirable adjuncts to an improved panoramic camera system. I told them that

we now have study contracts with [redacted] for approximately

[redacted] which I was paying for out of CIA funds to explore the physics of these various sensor operations and that we

would probably have an initial system description by [redacted]

I pointed out that there was a parallel effort done by our in-house group to evaluate the various trade-offs, orbital

watch, targeting techniques and repeated coverage of the

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target so as to get the present limitations of bad weather. We said we thought we would be prepared to proceed with hardware development programs some time [REDACTED] I said that while it was too early to promise them a specific system it now looked like the system would be reliving on:

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I said I thought it was absolutely essential to couple this deliberation with CORONA so as not to place an unduly high premium on developing of new systems. I reminded the group that the Purcell Panel had recommended substantial improvement of CORONA before starting large scale development of a new system, and that while we might be inclined to modify this recommendation now we felt it was sound to proceed from one search system to another. I stated quite clearly that this continuity of understanding and development was my choice for insisting that CIA control both the CORONA and [REDACTED] if it is to be in the satellite business at all.

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18. I was about ready to discuss the [REDACTED] satellite system and the [REDACTED] when the DCI appeared for his presentation. I was forced to postpone a detailed discussion of why CORONA should go to CIA rather than the Air Force and was not able to indicate the effect that separate funding would have on the CIA

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budget. Neither was I able to recapitulate my points, but I do not think it was necessary. It was quite inappropriate to follow Mr. McCone's remarks with further detailed presentations and we settled for a less formal exchange of views for some time as we prepared to leave.

Dictated But Not Read By

ALBERT D. WHEELON
Deputy Director
(Science and Technology)

(The circumstances of the
dictation have been explained
in a note from [REDACTED] to
[REDACTED])

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cc: General Carter
Mr. Kirkpatrick
Mr. Bross

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The contents of the attached memorandum were dictated in my presence by Dr. Wheelon enroute from Washington to New York City on 2 April prior to his departure for [REDACTED] I have asked Mr. Maxey to review the transcription and make minor alterations to insure the correctness of the context. However, it does not represent the final prose or grammatical standard which Dr. Wheelon would desire.

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[REDACTED] EO/DD/S&T

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