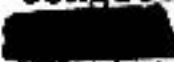



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ANALYSIS OF
"A \$1.5 BILLION SECRET IN SKY"
WASHINGTON POST, DEC. 9, 1973



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SUNDAY, DECEMBER 9, 1973

A \$1.5 Billion Secret in Sky

U.S. Spy Unit Surfaces by Accident

By Laurence Stern

Washington Post Staff Writer

In the arcane and heavily classified world of "overhead" reconnaissance and spy satellite intelligence, the existence of the National Reconnaissance Office has been one of the best kept trade top secrets.

The name of the organization, in fact, is top secret, and, according to intelligence officials, has appeared in public print only once before—by inadvertence.

Yet the NRO, which is funded primarily through Air Force appropriations, spends an estimated \$1.5 billion a year acquiring and managing the most sophisticated, elusive and expensive force of spies that has ever been recruited into the government's service.

Its customers include the Central Intelligence Agency, National Security Agency, Defense Intelligence Agency and the White House. Its operatives bear such names as SR-71, Samos, Agena, and "the Big Bird." Its activities are screened off from all but a relative handful of specialists in the national security bureaucracy who carry some of the highest and most specialized clearances issued by the government.

Curiously enough, the only reference to NRO that has been made in a public government document was last Oct. 12 in a report of the Special Senate Committee to Study Questions Related to Secret and Confidential Government Documents. The

drafters of the report unwittingly breached security by listing, along with CIA, DIA and NSA on the concluding page, the National Reconnaissance Office.

And, more obliquely, Sen. William Proxmire (D-Wis.) alluded to the NRO's mission in a recent statement challenging the appointment of Lockheed Aircraft Corp. reconnaissance satellite expert James W. Plummer as under secretary of the Air Force.

In questioning Plummer's nomination on conflict-of-interest grounds, Proxmire made a pointed observation:

"Normally, the under secretary of the Air Force has jurisdiction over certain intelligence matters and sits on a special committee that directs manned and unmanned overhead reconnaissance, including spy satellite programs. These critical projects have run into the billions of dollars—money that flows to defense contractors such as Lockheed."

Plummer has been with Lockheed since 1955. The California-based firm is the principal corporate contractor in the so-called "black" reconnaissance satellite programs carried out by NRO.

From the "skunk works," as specialists describe the facility, of Lockheed spy plane developer Kelley Johnson in Nevada also emerged the U-2 and SR-71. "The U-2 was perhaps the only government spy project to have a cost under-

run and to exceed the promised performance standards," said one expert on the program. Lockheed was also the prime contractor on the CSA, which was plagued by \$2 billion in combined cost overruns.

In addition to the conflict-of-interest issue in Plummer's appointment, congressional investigators are looking into the possibilities of overruns in the supersecret reconnaissance satellite programs under NRO's jurisdiction.

"I've never heard of one of these programs that didn't have enormous cost overruns," said one Defense Department official who has worked first-hand with some of the spy satellite operations. The opportunities for breaking cost and performance commitments are greater in spy satellite programs, this official said, because of the atmosphere of secrecy and narrow channels of accountability in which they operate.

NRO's existence is shielded from senior congressional intelligence overseers. Former high-ranking staff members of the National Security Council, who were cleared for some of the most sensitive intelligence material to reach the President's desk, acknowledged in interviews that they had not been informed about it.

"This is a black program and you're not supposed to know it exists," said one Pentagon administrator. For the past several years its supervision has nominally been in the hands of the under secretary of the Air Force. Operations and procurement have been handled through the office of the Secretary of the Air Force, according to Defense Department sources.

Its intelligence products labeled ELINT (for electronic intelligence) and COMINT (for communications intelligence) are parceled out under special code names to the government "consumers"—such as CIA or NSA. The users may get the product of the secret reconnaissance, such as monitoring of Chinese nuclear tests, or radio transmissions in the Soviet Union, without being told of the collection techniques. This is known as "compartmentalizing" of intelligence data.

Since the inception of the U. S. reconnaissance satellite program in the mid-1950s to 1970 some \$10 to \$12 billion had been spent on the spy birds, according to an estimate by aviation and space writer Philip J. Klass in his book, "Secret Sentries in Space." Since then the outlay may have grown by about \$5 billion.

Overhead reconnaissance has proven of enormous value in providing more realistic assessments of such things as Soviet ballistic missile capability, both offensive and defensive. It helped, in fact, to defuse public anxieties over the missile gap in the early 1960s. The most publicized use of the program was to support President Kennedy's contention that the Soviet Union was installing offensive missiles in Cuba.

But congressional investigators in yet unpublicized inquiries are raising questions about relationships between corporate contractors and the super-secret programs being carried out under the aegis of NRO and other military intelligence agencies.

Proxmire's concern about the Plummer appointment is one example of this. Air Force Secretary John L. McLucas came to the government from the Air Force think tank, MITRE. Assistant Air Force Secretary for procurement Frank Schrantz comes from Boeing.

"There has been a tendency, stronger than ever in recent months, to put executives of contractor agencies in these key positions," said one veteran Defense Department official. "Not that there is anything personally wrong with these men. But all their attitudes have been shaped by their experience working for contractors."

The late Allen Ellender (D-La.), former chairman of the Senate Appropriations Committee, was one of the few members of Congress privy to some of government's best-kept intelligence secrets, and rhubarbs.

"If you knew how much money we spend and how much money we waste in this area," Ellender said in a 1971 interview, "it would knock you off your chair. It's criminal."

Whatever that amount might be will probably never appear in the public domain.



Analysis of
"A \$1.5 Billion Secret in Sky"
Washington Post, Dec. 9, 1973

1. ALLEGATION: In the arcane and heavily classified world of "overhead" reconnaissance and spy satellite intelligence, the existence of the National Reconnaissance Office has been one of the best kept trade top secrets.

COMMENT: Essentially correct.

2. ALLEGATION: The name of the organization, in fact, is top secret, and, according to intelligence officials, has appeared in public print only once before--by inadvertence.

COMMENT: The NRO is SECRET; the NRP is TOP SECRET, and in addition both terms are compartmented. The inadvertent disclosure referred to occurred in the Congressional Record on October 12, 1973 (See Tab F). Also, reference to the NRO appeared in the New York Times, January 22, 1971; reference to the NRP appeared in the New York Times Magazine, April 18, 1971 (See Tabs C and D). Until now the Executive Branch has not acknowledged the existence of the NRP or the NRO.

3. ALLEGATION: Yet the NRO, which is funded primarily through Air Force appropriations, spends an estimated \$1.5 billion a year.

COMMENT: [REDACTED]

4. ALLEGATION: Its customers include the Central Intelligence Agency, National Security Agency, Defense Intelligence Agency and the White House.

COMMENT: [REDACTED]

Final intelligence product flows to all intelligence agencies.

5. ALLEGATION: Its operatives bear such names as SR-71, SAMOS, AGENA, and "the Big Bird."

COMMENT: The SR-71 was developed and procured by the NRO for the Air Force. It is occasionally tasked for NRO missions; not owned by the NRO. The satellite names which appear here are in general not those used by the NRO. [REDACTED]

[REDACTED] NRO programs are not identified.

6. ALLEGATION: Its activities are screened off from all but a relative handful of specialists in the national security bureaucracy who carry some of the highest and most specialized clearances issued by the government.

COMMENT: [REDACTED]

7. ALLEGATION: Curiously enough, the only reference to NRO that has been made in a public government document was last Oct. 12 in a report of the Special Senate Committee to Study Questions Related to Secret and Confidential Government Documents. The drafters of the report unwittingly breached security by listing, along with CIA, DLA and NSA on the concluding page, the National Reconnaissance Office.

COMMENT: [REDACTED] (See Tab F).

8. ALLEGATION: And, more obliquely, Sen. William Proxmire (D-Wis.) alluded to the NRO's mission in a recent statement challenging the appointment of Lockheed Aircraft Corp. reconnaissance satellite expert James W. Plummer as under secretary of the Air Force.

COMMENT: [REDACTED]

9. ALLEGATION: "Normally, the under secretary of the Air Force has jurisdiction over certain intelligence matters and sits on a special committee that directs manned and unmanned overhead reconnaissance, including spy satellite programs."

COMMENT: [REDACTED]

10. ALLEGATION: The California-based firm is the principal corporate contractor in the so-called "black" reconnaissance satellite programs carried out by NRO.

COMMENT: [REDACTED]

11. ALLEGATION: "The U-2 was perhaps the only government spy project to have a cost under-run and to exceed the promised performance standards," said one expert on the program.

COMMENT: The SR-71 under NRP management also under-ran initial cost estimates. [REDACTED]

12. ALLEGATION: "I've never heard of one of these programs that didn't have enormous cost overruns," said one Defense Department official who has worked first-hand with some of the spy satellite operations.

COMMENT: This is an erroneous statement. [REDACTED]

[REDACTED] The NRO is now producing more and better intelligence information than ever before, and doing so despite ever decreasing real purchasing power of budgeted dollars (See Tab I).

13. ALLEGATION: The opportunities for breaking cost and performance commitments are greater in spy satellite programs, this official said, because of the atmosphere of secrecy and narrow channels of accountability in which they operate.

COMMENT: Not true. [REDACTED]

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14. ALLEGATION: NRO's existence is shielded from senior congressional intelligence overseers.

COMMENT: Not true. Chairmen of Senate and House Armed Services and Appropriations Committees are fully apprised at their pleasure. Committee members are briefed at the Chairman's desire.

15. ALLEGATION: Former high-ranking staff members of the National Security Council, who were cleared for some of the most sensitive intelligence material to reach the President's desk, acknowledged in interviews that they had not been informed about it.

COMMENT: There are numerous cleared people on the NSC Staff. As elsewhere, clearance here is based on a need-to-know determination, not on the basis of position alone.

16. ALLEGATION: "This is a black program and you're not supposed to know it exists," said one Pentagon administrator

COMMENT: No way of knowing if the statement was made. If so it was an unauthorized statement.

17. ALLEGATION: For the past several years its supervision has nominally been in the hands of the Under Secretary of the Air Force.

COMMENT: Partially true. Dr. Flax, the Assistant Secretary for R&D was the exception.

18. ALLEGATION: Operations and procurement have been handled through the Office of the Secretary of the Air Force, according to Defense Department sources.

COMMENT: 

19. ALLEGATION: Its intelligence products labeled ELINT (for electronic intelligence) and COMINT (for communications intelligence) are parceled out under special code names to the government "consumers"--such as CIA or NSA.

COMMENT: [REDACTED]

20. ALLEGATION: The users may get the product of the secret reconnaissance, such as monitoring of Chinese nuclear tests, or radio transmissions in the Soviet Union, without being told of the collection techniques. This is known as "compartmentalizing" of intelligence data.

COMMENT: [REDACTED]

21. ALLEGATION: Since the inception of the U.S. reconnaissance satellite program in the mid 1950s to 1970 some \$10 to \$12 billion had been spent on the spy birds, according to an estimate by aviation and space writer Philip J. Klass in his book, "Secret Sentries in Space." Since then the outlay may have grown by about \$5 billion.

COMMENT: See Tabs E and I for financial program. In summary: [REDACTED]

22. ALLEGATION: Overhead reconnaissance has proven of enormous value in providing more realistic assessments of such things as Soviet ballistic missile capability, both of- fensive and defensive. It helped, in fact, to defuse public anxieties over the missile gap in the early 1960s.

COMMENT: True. [REDACTED]

23. ALLEGATION: The most publicized use of the program was to support President Kennedy's contention that the Soviet Union was installing offensive missiles in Cuba.

COMMENT: Reference here is to the U-2.

24. ALLEGATION: The late Allen Ellender (D-La.), former chairman of the Senate Appropriations Committee, was one of the few members of Congress privy to some of government's best-kept intelligence secrets, and rhubards.

COMMENT: Senator Ellender was fully briefed on the NRO.



Foreign Policy: Disquiet Over Intelligence Setup

Following is the fifth in a series of articles exploring the Nixon Administration's style in foreign policy:

By BENJAMIN WELLES

Arrived in the New York Times

WASHINGTON, Jan. 21 — President Nixon has become dissatisfied with the size, cost and loose coordination of the Government's worldwide intelligence operations.

According to members of his staff, he believes that the intelligence provided to help him formulate foreign policy, while occasionally excellent, is not good enough, day after day, to justify its share of the budget.

Mr. Nixon, it is said, has begun to decide for himself what the intelligence priorities must be and where the money should be spent, instead of leaving it largely to the intelligence community. He has instructed his staff to survey the situation and report back within a year. It is hoped—with recommendations for budget cuts of as much as several hundred million dollars.

Not many years ago the Central Intelligence Agency and the other intelligence bureaus were portrayed as an "invisible empire" controlling foreign policy behind a veil of secrecy. Now the pendulum has swung.

The President and his aide are said to suspect wide, spread overlapping, duplication and considerable "boon dogging" in the secrecy shrouded intelligence community.

In addition to the C.I.A. they include the intelligence arms of the Defense, State and Justice Departments and the Atomic Energy Commission. Together they spend \$3.5 billion a year on strategic intelligence about the Soviet Union, Communist China and other countries that might harm the nation's security.

When tactical intelligence in Vietnam and Germany and reconnaissance by overseas commands is included, the annual figure exceeds \$5-billion, experts say. The Defense Department spends more than 30 per cent of the total, or about \$4-billion, about \$2.5-billion of it on the strategic intelligence and the rest on tactical. It contributes at least 130,000 members of the intelligence staff, which are estimated at 200,000 people.

Overseeing all the activities is the United States Intelligence Board, set up by secret order by President Dwight D. Eisenhower in 1956 to coordinate intelligence exchanges, decide collection priorities, assign collection tasks and help prepare what are known as national intelligence estimates.

The chairman of the board who is the President's representative, is the Director of Central Intelligence, at present Richard Helms. The other members are Lieut. Gen. Donald V. Bennett, head of the Defense Intelligence Agency, Ray S. Cline, director of intelligence and research at the State Department; Vice Adm. Noel Gayler, head of the National Security Agency; Howard C. Brown Jr., an assistant general manager at the Atomic Energy Commission, and William C. Sullivan, a deputy director of the Federal Bureau of Investigation.

Intelligence men are aware of the President's disquiet, but they say that until now—half-way through his term—he has never seriously sought to comprehend the vast, sprawling conglomeration of agencies. Nor, they say, has he decided how best to use their technical resources and personnel—much of it talented—in formulating policy.

Two Cases in Point
Administration use—albeit, tardy use—of vast resources in spy satellites and reconnaissance planes to help police the Arab-Israeli conflict of last August is considered a case in point. Another was poor intelligence coordination before the abortive Sooty prisoner-of-war raid of No. 21, at which time the C.I.A. was virtually shut out of Pentagon planning.

By contrast, the specialists point out, timely intelligence helps in decision-making.

It was Mr. Cline who spotted in U-2 photographs a sign of a Soviet nuclear submarine buildup at Cienfuegos, Cuba, last September. His suspicions, based on the arrival of a mooring ship, plus two inconspicuous barges of a type used only for storing a nuclear submarine's radioactive effluent, alerted the White House. That led to intense behind-the-scenes negotiation and the President's recent

warning to Moscow not to service nuclear armed ships "in or from" Cuban bases.

Career officials in the intelligence community resist talking with reporters, but interviews over several months with Federal officials who deal daily with intelligence matters, with men retired from intelligence careers and with some on active duty indicate that President Nixon and his chief advisers appreciate the need for high-grade intelligence and "consume" it eagerly.

The community, for instance, has been providing the President with exact statistics on numbers, deployment and characteristics of Soviet missiles, nuclear submarines and airpower for the talks with the Russians on the limitation of strategic arms.

"We couldn't get off the ground at the talks without his extremely sophisticated information base," an official commented. "We don't give our negotiators round figures—about 300 of this weapon. We get it down to the '284 here, here and here.' When our people sit down to negotiate with the Russians they know all about the Russian strategic threat to the U.S.—that's the way to negotiate."

Too much intelligence has its drawbacks, some sources say, for it whets the Administration's appetite. Speaking of Henry A. Kissinger, the President's adviser on national-security affairs, a Cabinet official observed: "Henry's impatient for facts."

Estimates in New Form

In the last year Mr. Nixon and Mr. Kissinger have ordered a revision in the national intelligence estimates, which are prepared by the C.I.A. after consultation with the other intelligence agencies. Some on future Soviet strategy have been ordered radically revised by Mr. Kissinger.

"Our knowledge of present Soviet capabilities allows Henry and others to criticize us for some sponginess about predicting future Soviet policy," an informed source conceded. "It's pretty hard to look down the road with the same certainty."

Part of the Administration's dissatisfaction with the output and organization of the intelligence community stems from the President's tidy mental habits and pressing budget problems; part comes from the intellectual acuity of Mr. Kissinger, a counterintelligence sergeant in World War II and a specialist on Soviet strategy and on disarmament.

On the other hand, the Administration recognizes that it must share the blame for not having come to grips with intelligence problems until now.

The President is said to have had difficulty ascertaining precisely what all the Federal intelligence agencies do — and with how much money and manpower.

"Trying to draw up an organization chart is a nightmare," a senior aide remarked. "No one person seems to be in charge. That's part of the problem. Whoever winds up running this thing is clearly going to have to be someone with the President's confidence."

The intelligence units have their own problems in figuring out the White House's mode of operation. Recently an intelligence unit in the Pentagon spent a good deal of time and effort investigating, then charting, what functions each member of Mr. Kissinger's 110-man staff was supposed to perform.

Helms Said to Rate High

Sources close to the White House say that Mr. Nixon and his foreign-policy advisers — Mr. Kissinger and Secretary of State William P. Rogers and Secretary of Defense Melvin R. Laird — respect the professional competence of Mr. Helms, who is 57 and is the first career head of the Central Intelligence Agency.

Appointed by President Lyndon B. Johnson in June, 1966, Mr. Helms has been essentially apolitical. He is said to have brought professional ability to bear in "lowering the profile" of the agency, lightening discipline and divesting it of many fringe activities that have aroused criticism in Congress and among the public. His standing with Congress and among the professionals is high.

According to White House sources, President Nixon, backed by the Congressional leadership, recently offered Mr. Helms added authority to coordinate the activities of the other board members. He is reported to have declined.

A major problem, according to those who know the situation, is that while Mr. Helms is the President's representative on the Intelligence Board, his agency spends only about 10 per cent — \$500-million to \$600-million — of the annual intelligence budget. It employs about 150,000 Americans, plus a few thousand foreigners.

"When you have the authority but you don't control the resources," a senior Pentagon official explained, "you tend to walk very softly."

As for the State Department, which has constitutional responsibility for conducting foreign policy, it has seen its intelligence arm gradually whittled away; in 1945 it had about 1,200 intelligence officers and now it has 300. Its annual intelligence budget is \$6-million, or 0.25 per cent of spending on intelligence. Recently Mr. Rogers has directed Mr. Cline to take a more vigorous part at Intelligence Board meetings, asserting the department's "primacy" in foreign policy, and specifically in intelligence collection and evaluation.

Mr. Nixon is said to feel the need to settle the question of ultimate leadership but to be willing to wait until the study he ordered is completed.

Mr. Helms's control over intelligence activities is indirect and his powers are circumscribed. He is an adviser on intelligence, not on policy. He points out the likely conclusions from policy acts but he does not recommend policies unless specifically asked to by the President.

Moreover, the director, like other intelligence chiefs in the Federal bureaucracy, must "sell" his product to Cabinet-level consumers and get decisions.

"Helms has been trying awfully hard to stay out of trouble," remarked a former agency official with White House contacts. "He's had the feeling that the C.I.A.

was a place that might become a focal point of trouble in this Administration and his policy has been very cautious."

His associates also fear that his usefulness as an impartial intelligence adviser may be jeopardized if the wrangling between Secretary Laird and Senator J. W. Fulbright continues. Each has taken to citing Mr. Helms's secret testimony to buttress his case.

Bearer of Bad Tidings

In addition the C.I.A. must sometimes report facts that the Administration is loath to hear — as happened last May when it told the White House, State Department and Pentagon that Vietnamese Communists had infiltrated more than 30,000 agents into the South Vietnamese Government, endangering its ability to last after an American troop withdrawal.

The slack use of the intelligence community's resources during the Middle East crisis last year illustrates a problem bothering the White House.

On June 19 Mr. Rogers urged a cease-fire; it was accepted by the Egyptians on July 22 and by the Israelis on Aug. 1. All parties agreed that it would take effect at midnight Israeli time on the seventh.

According to sources in and out of the intelligence community, Mr. Rogers and his principal deputy on the matter, Joseph J. Sisco, Assistant Secretary for Near Eastern and South Asian Affairs, were unwilling to consider the possibility of violations. It was not until Aug. 10 or 11 that the first U-2's began flying from British bases on Cyprus. Even then there were problems. Weather delayed the first photographic runs; Israel resisted air activity — even by the United States — over her territory.

The delays permitted the Egyptians to continue introducing missile batteries into the standstill area after the truce, infuriating Israel, threatening the cease-fire and embarrassing the White House.

Administration Embarrassed

Faulty coordination prior to the abortive Sonay raid also embarrassed the Administration. There is evidence that the C.I.A., at Mr. Helms's direction, furnished the Pentagon with what information it had on North Vietnam during the early planning stages last summer. However, the Pentagon took over the planning. What went wrong is still a mystery.

Rapid intelligence specialists insist, can afford protection to policy interests.

Before dawn on Jan. 23, 1968, President Johnson was awakened to learn that the U.S.S. Pueblo, an electronic-intelligence ship carrying vital code-breaking devices, had been seized by North Korean gunboats. His immediate reaction was to order an attack on North Korea to free the ship.

C.I.A. analysts in the White House situation room warned him that the North Koreans had 450 jets and 15 surface-to-air missile batteries. They also reported that a North Korean broadcast just intercepted indicated that the Pueblo had been seized 23 miles off the coast.

With that information Mr. Johnson decided against the risk of a second war on the Asian mainland and took the issue of "piracy on the high seas" to the United Nations.

"In the missile age, the most dangerous enemy of the United States is an uninformed President," Bromley Smith, a former White House aide, wrote not long ago.

A President, of course, may choose to use the intelligence resources at his command, or not. Whatever the choice, they are substantial.

The C.I.A. is the "central" arm, created under the National Security Act of 1947 to coordinate all overseas intelligence activities and to winnow for the President intelligence, from whatever source, affecting national security. As its head Mr. Helms is the senior intelligence advisor to the President and Congress.

The agency can conduct espionage anywhere outside the United States. It has no powers of arrest and interrogation but cooperates with the Federal Bureau of Investigation.

Congress has empowered the agency to perform services of "common concern" to other branches of government as ordered by the National Security Council. That is its charter for "covert actions": flying U-2's over the Soviet Union from 1956 to 1960; ferrying agents in and out of enemy-held areas of Southeast Asia; organizing, training and supplying 35,000 anti-Communist Meo tribesmen in Laos, where President John F. Kennedy ordered it in 1962.

Dean Rusk, former Secretary of State, once told friends: "Dirty tricks form about 5 per cent of the C.I.A.'s work—and we have full control over dirty tricks."

Proposals for covert actions come from the White House, the State, Defense or Justice Department and from ambassadors and military commanders overseas. All must eventually be approved by a little-known White House panel whose designation is periodically switched for cover purposes.

Known at present as the Forty Committee, for the number of the memo constituting it, it consists of Mr. Helms, Attorney General John N. Mitchell, Deputy Defense Secretary David Packard, Mr. Kissinger and U. Alexis Johnson, Under Secretary of State for Political Affairs. If all agree on a proposal it goes forward; if not the President decides.

On the overt side the C.I.A. employs several thousand social and physical scientists to study the flood of information pouring in daily—half from open sources, a third from satellites and telemetry and 10 to 15 per cent from spies.

The other agencies, notably those at the Pentagon, have less developed evaluation facilities but far greater collection tools. The Pentagon is authorized to run its own agents abroad after clearance from the C.I.A. Mr. Helms is said to have little control over its activities.

The Administration has also been embarrassed by recent disclosures that Army intelligence, assigned by the Johnson Administration to spy on civilians during civil disturbances starting in the summer of 1967, virtually ran wild and by late 1969 had fed 18,000 names into its computers, dossiers and files.

Intelligence Board had any connection with this domestic counterespionage. It was an example of overlarge staffs using excessive facilities under too little civilian control.

The Pentagon's Defense Intelligence Agency has a staff of 3,000 and spends \$500-million yearly—as much as the C.I.A.—to collect and evaluate strategic intelligence.

It uses Air Force planes to monitor foreign nuclear tests and collect air samples. Its National Security Agency at Fort Meade, near Baltimore, spends \$1-billion yearly and employs nearly 100,000 cryptanalysts and supporting staff to crack codes and eavesdrop on world communications. Its National Reconnaissance Office spends another \$1-billion yearly flying reconnaissance airplanes and lofting or exploiting the satellites that constantly circle the earth and photograph enemy terrain with incredible accuracy from 100 miles up.

The results of the President's coming management survey remain to be seen of course, but Secretary Laird has already ordered General Bennett to report to him instead of to the Joint Chiefs of Staff. Moreover, an Assistant Secretary of Defense, Robert F. Froehke, is expected in time to take all the Pentagon's massive intelligence machinery under his control and to sit in as the Pentagon's main representative at Mr. Helms's weekly meeting of the Intelligence Board.

Many intelligence men concede the need for "trimming the fat," tightening up coordination, making intelligence more responsive to the formulation of foreign policy. Some, citing successive studies since World War II, see little change beyond "tinkering and tampering."

Others feel that an "in house" reorganization, as distinct from an outside panel studded with politically prominent but substantively ineffectual people, may do good and may strengthen Mr. Helms's guidance of the intelligence community.

Whatever the outcome, many career experts regard the United States system as still markedly superior to its principal rivals in the Soviet Union.

One official asked his reaction to the coming study, quoted Cardinal Maury, an 18th-century French prelate who was elected to the Academy but then refused certain dignities he considered his due.

"When I look at myself I am nothing," the Cardinal remarked, "but when I look at the others I am great."



INSIDE of the CIA

By BENJAMIN WELLES

WASHINGTON

I CAN tell when he walks in the door what sort of a day it's been," says his wife, Cynthia. "Some days he has on what I call his 'Oriental look'—totally inscrutable. I know better than to ask what's happened. He'll talk when he's ready, not before, but even when he talks he's terribly discreet."

The Director of the Central Intelligence Agency, Richard Helms, apparently brings his problems home from the office like any other husband—at least to hear Cynthia Helms tell it. And these days Helms's job is definitely one of the most problem-ridden in Washington.

Successive budget cuts, balance of payments restrictions, bureaucratic rivalries and press disclosures that have hurt the CIA's public image have all reduced its operations considerably. President Nixon has recently ordered a fiscal and management investigation into the intelligence "community," a task which may take longer and prove more difficult than even Nixon suspects because of the capacity of the intelligence agencies to hide in the bureaucratic thickets. Both Nixon and his principal foreign affairs adviser,

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Henry Kissinger, are said to regard the community as a mixed blessing: intrinsically important to the United States but far too big and too prone to obscure differences of opinion—or, sometimes, no opinion—behind a screen of words.

Considered a cold-blooded necessity in the Cold War days, the agency now seems to many students, liberal intellectuals and Congressmen, to be undemocratic, conspiratorial, sinister. The revelations in recent years that have made the agency suspect include its activities in Southeast Asia, the Congo, Guatemala, the Bay of Pigs; the U-2 flights; its secret funding through "front" foundations of the National Student Association plus private cultural, women's and lawyers' groups, and, finally, two years ago, the Green Berets affair.

The 58-year-old Helms knows all this, better than most. As the first career intelligence officer to reach the

top since the CIA was created in 1947, his goal has been to professionalize the agency and restore it to respectability. In fact, one of his chief preoccupations has been to erase the image of the Director as a man who moves in Jewish mystery, jettisoning secretly around the world to make policy with prime ministers, generals and kings, and brushing aside, on the pretext of "security," the public's vague fears and Congress's probing questions. If Helms rules an "invisible empire," as the CIA has sometimes been called, he is a very visible emperor.

While he tries to keep his lunches free for work, for example, he occasionally shows up at a restaurant with a friend for lunch: a light beer, a cold plate, one eye always on the clock. He prefers the Cardinal, a tourist-frequented restaurant near the White House where, if he happens to be seen, there is likely to be less gossip than if he were observed entering a private home.

He likes the company of attractive women—young or old—and they find him a charming dinner partner and a good dancer.

"He's interesting—and interested in what you're saying," said Lydia Katzenbach, wife of the former Democratic Attorney General. "He's well-read and he doesn't try to substitute flitting for conversation, that old Princeton '63 routine that some of the columnists around town use."

Some of his critics complain that he is too close to the press—even though most agree that he uses it, with rare finesse, for his own and his agency's ends. Some dislike the frequent mention of Helms and his handsome wife in the gossip columns and society pages of the nation's capital.

Yet, if he gives the appearance of intouchance—he is witty, gregarious, friendly—the reserve is there, like a high-voltage electric barrier, just beneath the surface. Helms is a mass of apparent contradictions: lawfully self-disciplined and outwardly relaxed, absorbed in the essential yet fascinated by the trivial. A former foreign correspondent, he observes much and can recall precisely what few American husbands ever note in the first place—what gown each woman wore to a dinner or whose shoulder strap

was out of place. Nevertheless, if one is more conscious than Helms—who also has the broader role of Director of Central Intelligence, of the strict security laws that designate him the official responsible for setting and enforcing security standards throughout the intelligence community.

These responsibilities often create tense moments for him, as Helms acknowledges in a story he told about himself: He had taken his wife to an alumnal fund-raising evening at his alma mater, Williams College. After cocktails and dinner for three, and their ladies crowded together on small wooden seats for speeches by John Sawyer, the Williams president and other luminaries, Helms and his wife were seated in the midst of the attentive throng when, to their hor-

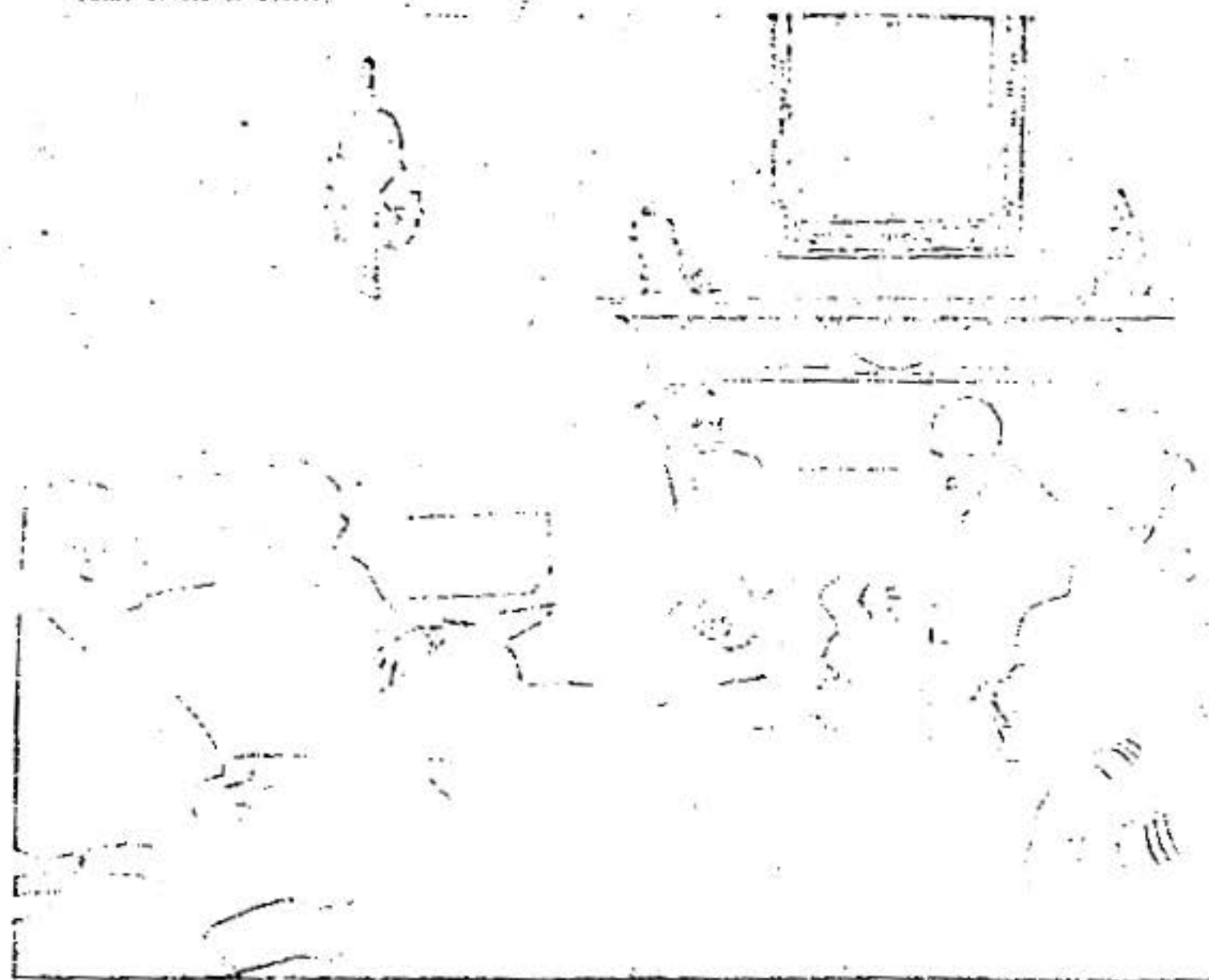


Ray S. Cline, Director of the Bureau of Intelligence Research



Lieut. Gen. Robert E. Caselman Jr., Deputy Director of the CIA

the President on developments abroad. Probably because of his agency's sensitive position, he tries to stick to plain facts without recommending policy; in that area, one source says, Helms "tends to hunker down." Here, he is seen, far left, at a meeting with Henry Kissinger, Secretary of State Rogers, Mr. Nixon, Secretary of Defense Laird, and Adm. Thomas Moorer, the chairman of the Joint Chiefs of Staff.



Intelligence and Research (I.N.R.); the Atomic Energy Commission (A.E.C.); the Federal Bureau of Investigation (F.B.I.) and the National Security Agency (N.S.A.) which eavesdrops electronically on foreign government broadcast communications.

In addition, the Intelligence Board exercises a vaguely defined step-parental supervision over the National Reconnaissance Program, which runs the spy-in-the-sky satellites, and the National Photo Interpretation Center in Washington, which studies the reels of photographs that are beamed

overboard periodically by the orbiting monsters and collected in mid-air by highly-trained Air Force crews.

The intelligence community's size and spending are, of course, secrets, but competent authorities say the C.I.A. employs about 15,000 Americans, plus several thousand foreign agents, and spends slightly less than \$500-million yearly. By contrast, according to Robert F. Froehke, Assistant Secretary of Defense for Administration, the Defense Intelligence Agency spends \$2.9-billion yearly. Its code-crack-

Baltimore spends more than \$1-billion of this and employs 110,000 persons. The satellite program, in which the C.I.A. has a voice but not control, is said to spend at least \$500-million a year.

In his role as Director of Central Intelligence, Helms must be constantly prepared to give the President, on short notice, the latest information on what's really happening in such matters as Soviet-Chinese tensions, Soviet naval activities in the Caribbean and arms shipments to the militant Arab states, Arab moves against Israel, Chile's



10 Dec 73

Statement on Total NRP Funding (Million \$)

Since FY 1966, the NRP has not only stayed within appropriated funds each fiscal year, but has volunteered or accepted significant reductions in relation to the President's Budget. This is shown by the following tabulation:

	<u>President's Budget</u>	<u>Reduction</u>	<u>Net Appropriation</u>
FY 1967	\$ [REDACTED]	[REDACTED]	\$ [REDACTED]
FY 1968	[REDACTED]	[REDACTED]	[REDACTED]
FY 1969	[REDACTED]	[REDACTED]	[REDACTED]
FY 1970	[REDACTED]	[REDACTED]	[REDACTED]
FY 1971	[REDACTED]	[REDACTED]	[REDACTED]
FY 1972	[REDACTED]	[REDACTED]	[REDACTED]
FY 1973	[REDACTED]	[REDACTED]	[REDACTED]
FY 1974	[REDACTED]	[REDACTED]	[REDACTED]
Totals	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

UNCLASSIFIED



QUESTIONS RELATED TO SECRET AND CONFIDENTIAL
DOCUMENTS

OCTOBER 12, 1973.—Ordered to be printed

REPORT

of the

SPECIAL COMMITTEE TO STUDY QUESTIONS RELATED TO SECRET
AND CONFIDENTIAL GOVERNMENT DOCUMENTS

In accordance with the provisions of S. Res. 13, the Special Committee to Study Questions Related to Secret and Confidential Documents submits the following report and recommendations.

The Committee was aided in its work by the Legislative Reference Service of the Library of Congress and wishes to commend Mr. Robert Lauck and Mr. David Sale of that service for their contributions.

This report covers questions relating to (1) access to classified information by Members of Congress, (2) legal rights of an individual Senator with respect to classified documents in his possession, (3) legal rights of a Senate Committee with respect to classified documents in its possession, (4) legal rights of individual members with respect to documents on information received from foreign emissaries, (5) the declassification of documents in the possession of an individual member, (6) pending bills and proposals for Congressional machinery to oversee classified information matters and (7) recommendations by the Committee.

I. ACCESS TO CLASSIFIED INFORMATION BY MEMBERS OF CONGRESS

The Freedom of Information Act (FOIA), Pub. L. 89-487, 80 Stat. 250, 5 U.S.C. 552, amending the Administrative Procedure Act, (5 U.S.C. 551, *et seq.*), enunciates a policy of public disclosure and access to information generated by Federal agencies.

Beginning with the access problem in the context of the Freedom of Information Act, the first two questions are: (1) What limitations are provided by the Act on public disclosure of classified information? and, (2) do these limitations apply to Members and committees of Congress?

that decision might have been." The Committee suggests that the machinery be set up for questioning in an orderly manner these executive decisions to classify for reasons of National security, and we urge the Government Operations Committee to give priority consideration to bills now pending before it and discussed herein designed to accomplish this objective. We make no detailed evaluation of these bills, leaving that to the judgment of the substantive committee but urge that a complete overhaul of the classification system be undertaken at the earliest possible time.

II. The question of procedures to be followed by a member who has classified documents in his possession, prior to his disclosure of those documents, was discussed by the Committee.

The Committee recommends that individual members who have such documents and wish to disclose them, consult with the Senate Ethics Committee prior to such disclosure.

The Committee wishes to make it clear that although it recommends consultation with the Ethics Committee, any determination by the Ethics Committee would not be binding on the member. The reason for the recommendation of consultation is to permit a member the opportunity of getting the additional thinking and precedents available to him before making a final decision regarding disclosure.

III. At the request of Senator Cranston, the Committee discussed providing the Senate the overall sums requested for each separate intelligence agency. The release of such sums would provide members with the minimal information they should have about our intelligence operations. Such information would also end the practice of inflating certain budget figures so as to hide intelligence costs, and would insure that all members will know the true cost of each budget item they must vote upon.

Accordingly, the Committee recommends that the Appropriations Committee itemize in the Defense Department Appropriations bill the total sums proposed to be appropriated for intelligence activities by each of the following agencies: Central Intelligence Agency, Defense Intelligence Agency, National Security Agency, National Reconnaissance Office and any separate intelligence units within the Army, Navy, and Air Force. The Committee does not request that any line items be revealed.

The Committee also recommends that the committee reports indicate the total number of personnel to be employed by each of the above agencies. The Committee does not request any information about their duties.



OFFICE OF

SENATOR WILLIAM PROXMIRE

WISCONSIN

FOR RELEASE AFTER 6:30 P.M. SATURDAY, DECEMBER 1, 1973 FOR SUNDAY AMs

Sen. William Proxmire (D-Wis.) in a statement from his Washington office Saturday said he had written the Chairman of the Armed Services Committee suggesting that "a possible conflict of interest makes it essential that the Committee conduct an in depth examination of James W. Plummer before accepting his nomination as Under Secretary of the Air Force.

"As Under Secretary of the Air Force, Mr. Plummer will be managing many programs he previously worked on at Lockheed Aircraft Corporation," the Senator said.

"Because of his unique background, his responsibilities as Under Secretary should be examined in great detail. There is a strong possibility of a substantial conflict of interest in this nomination.

"Without prejudging the case or the information to be developed in the confirmation hearing, extreme care must be taken in reviewing the official responsibilities of Mr. Plummer as Under Secretary. Normally, the Under Secretary of the Air Force has jurisdiction over certain intelligence matters and sits on a special committee that directs manned and unmanned overhead reconnaissance including spy satellite programs. These critical projects have run into the billions of dollars --- money that flows to defense contractors such as Lockheed."

"The Under Secretary-designate is one of the foremost experts on satellite technology in the country. Since his first employment with Lockheed Aircraft Corporation in 1955, he has provided managerial and technical support to a series of satellite programs that have been used by the intelligence community.

"As Vice President of Lockheed Aircraft Corporation and General Manager of the Space Systems Division, and as a Lockheed man for over twenty years right up until his appointment as head of the very agency that would buy from Lockheed there is a serious possibility of a conflict of interest. Based on past experience, arrangements to insulate Mr. Plummer from procurement decisions involving Lockheed are unlikely to work.

"I am writing to Senator John Stennis, the Chairman of the Armed Services Committee, to ask that careful consideration be given to this nomination in view of the apparent interlocking relationships."

W. H. ...



FY-72 PROGRAM

TOTAL PROGRAM

[REDACTED]

(Total Obligations)

[REDACTED]

[REDACTED]

100.0%

FY-73 PROGRAM

TOTAL PROGRAM

[REDACTED]

Total Obligations)

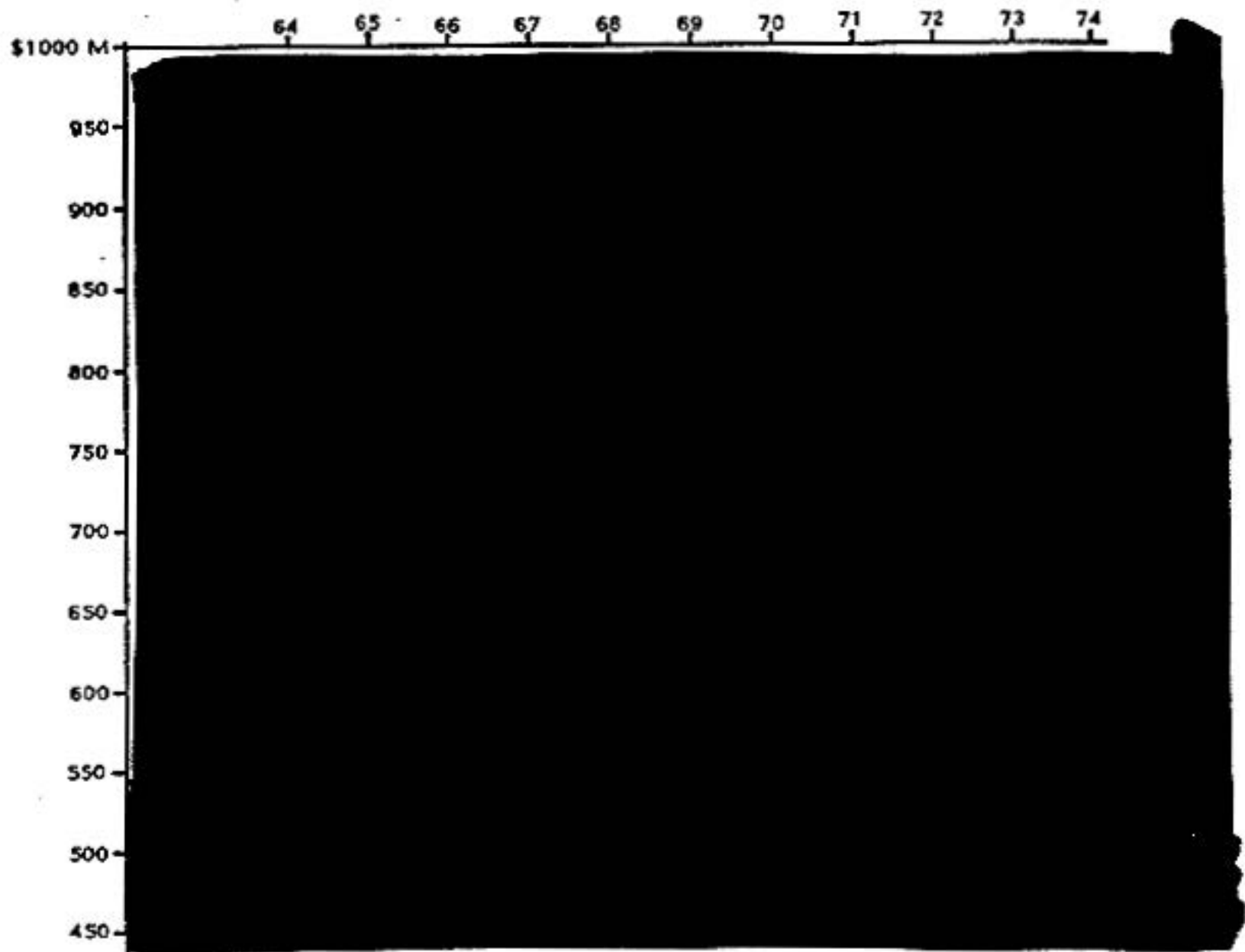
[REDACTED]

[REDACTED]

100.0%

11
12
13





COMPARISON - THEN YEAR APPROPRIATED
VS. FY 1964 CONSTANT DOLLARS
THEN YEAR DOLLARS ARE
IN TERMS OF NET APPROPRIATIONS

950
900
850
800
750
700
650
600
550
500
450
400
350
300
250
200

64 65 66 67 68 69 70 71 72 73 74