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NOTES ON PRM-11 MEETING, 15 JUNE 1977

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Authority: EO 13526
Chief, Records & Declass Div, WHS
Date: APR 08 2015

PRELIMINARY DISCUSSION

Zbig:

- (1) PRM-11, Part 1, Issues and Counterintelligence should be dealt with first by a working group.
- (2) PRM-11, Part 3 - 8 options - 5 issues to discuss today:
 - (a) Resource Allocation
 - (b) Line Authority
 - (c) Tasking
 - (d) Requirements - Accountability
 - (e) Output - diversity of analysis
- (3) Options 1 and 2 - Incremental Improvements; 3-8 move toward a different system. Within incremental - two choices. Hopes for agreement. If not, option paper for the President supported by statements from participants, if necessary. Wants at least to reduce the number of options for President.

CIA
EO 13526
3.3(b)(1)>25Yrs

HB: Should start with objectives; reserves right to offer other options; would want to discuss options in detail.

Zbig: Agrees options aren't exclusive; fears too much abstraction and detail in discussion.

Atty Gen: Legislative abuse items - working group OK.

Zbig: Abuse items will be brought promptly to SCC after group meets.

V/P: Tactically ought to get abuse issues up to Hill first - so as not to get them embroiled in structure argument.

- must focus on and achieve effective counterintelligence program - this is problem which needs most immediate attention.
- talked to Inouye yesterday - 6 weeks ago a lot of pressure re structure - now attitude is changed - Inouye would like to get structure recommendations next fall, act next year.

Turner: Organization issue needs resolution so he can deal with morale in CIA.

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ENCLOSURE PER EO 12958, Sec. 1.4(b)
OSD E.S. 2002 Date: 26 February 2003
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OSD 3.3(b)(1)

RESOURCE ALLOCATION

Turner: Goals should be adequate trade-offs among collection systems; focus on future needs - mechanism today is reasonably good; information flow is not good; system is not in habit of making trade-offs.

Randy Jayne: We already know how to do analysis; organization should facilitate information re nature, cost, effectiveness measures, and objectives of program. Organizational chart not at fault - just way it works.

HB: IC staff is supposed to make trade-offs but according to PRM-11 response it hasn't done so - is this due to lack of information - or is it the difficulty of the problem? Also, earlier this year we granted access to IC staff and NSC staff to program data; HB doesn't understand assertion that information not available.

Turner: Under HB situation is much better; but DCI is in a vulnerable position if access is dependent on personalities. Can't get CIA to offer up [redacted] to NSA even though he runs CIA.

[Chris: Vance would say that major problems are (1) choice of priorities is inadequate, needs work, (2) far too much is collected, (3) analysis is not what it might be, (4) costs are excessive. These lend to structural suggestions he will discuss later. |

Smith: Need diversity (competition) in resource allocation. Also danger in defining resource allocation too finely - commander needs to control his assets.

[Aaron: Tendency on Hill is towards consolidation on a program basis, e.g., SIGINT, etc., but not to make cross-walks. Also we are facing major decisions on costs - very expensive systems coming up, all of which can't be bought; effective management going to be necessary. Need also better to marry budget with requirements. Finally question is how to make consumers pay for information they get.

Atty Gen: Is problem mainly with NSA?

Turner: No - biggest problem re getting program information is from reconnaissance office.

Turner: Options 4, 5 or 6 are adequate; from resource point of view view need common arbiter whose view is not departmental. Also, we'd better respond to increasing Congressional role - divided authority will permit Congress to divide and conquer.

Randy: Wholly neutral - sees good arguments both ways - OMB would be for anything between 4 and 8.

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NSA 3.3(b)(1), 3.5(c), Pub. L. 86-36, § 6;
50 U.S.C. § 3605
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Atty Gen: Concerned re NSA - amalgamation between NSA and CIA? ←

HB: Responsiveness to users very important; don't see how make the system more responsive to users by centralizing in an organization that is not a user. There is virtue in having a strong chairman of PRC(1) - DCI, given users' priorities, could do this more effectively than in the past. SecDef shouldn't be chairman of the PRC(1). Should give #1 or #2 a chance - might change it to make sure priorities aren't made by intelligence community - but by user community. L

V/P: Argument pro-centralized: More efficient, save money and time.
con- : Silence dissent or reduce responsiveness to other agencies and their ability to do their work. Asks Turner - If you controlled budget, what would you still need?

Turner: Would still be unable to assure vs abuse and to get near-term (time?) control.

V/P: Characterizes Turner arguments as saying he has inadequate authority to go with responsibility. If you had control over budget, wouldn't this give a lot more influence?

Turner: Yes, but can't get hold of budget without line authority. Wants to preserve collegial mechanism. Line authority is to get budget information.

V/P: Doesn't sufficient new influence flow from budget control, based on VP's experience in Congress (e.g., appropriations subcommittee)?

Chris: Prefers permutation of Option 6 in which DCI would play central role with strong advisory committee - SecState; SecDef; Zbig.

Smith: Try what we have now - i.e., Option 1 or 2; way to avoid abuses is to get diversity - best way to control analysis is to control collection.

Atty Gen: Raises NSA again - why not transfer? [

HB: NSA assets responsive both to Washington and local commanders.

Duncan: Not enough in PRM paper on advances in technology - need to keep this in mind re structure.

LINE MANAGEMENT AND TASKING

Zbig: Is related to tasking and resource management.

HB: Important to note that the present arrangements in NRO and NSA allow large savings because of military overlap in people and facilities. [

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Hard to see how, e.g., launch at Vandenberg, could be split. NSA somewhat different - but clear that if NSA gets moved elsewhere there will be duplication. Line management should remain as now. A crucial issue is nature of CIA reporting channel re covert operation - should go directly to top - abuses more likely if operations are buried in the organization. Transition to peace/crisis/war makes movement of line authority dubious. Cites UK experience. As to tasking - now centralized in DCI - may be some advantage in putting committees together. Biggest problem is that priorities for tasking are set by intelligence community. - This is bad.

Atty Gen: No comment.

OMB: No comment.

Turner: On monetary savings, question is accountability. Line authority for all collection should be centralized - breakthroughs pending - decision makers should not be the departmental interests - but at Presidential level.

Doesn't want line authority over INR/DIA.

On tasking - agrees with HB re peace/war - therefore, need a system which transits over to SecDef without change.

Wants collegial tasking - with DCI deciding vote.

Zbig: Why should DCI be chairman?

Turner: He is the adjudicator to look after President's interests.

Zbig: Perhaps persons involved in delivery shouldn't be responsible for tasking - consumers ought to task.

Turner: OK in terms of setting priorities/guidance on advisory basis.

Zbig: Sees self as consumer, as is HB.

HB: Has DCI tasking ever been challenged?

Turner: No, but demand generated by new systems may change this.

Is for Option 6, except also wants advisory collegial body.

Smith: Status quo - line authority.

Chris: Centralize responsibility - Option 6 - need board of directors to control tasking and resource allocation.

V/P: Would benefit from another meeting - wants to try to resolve differences.

Zbig: Looks as though we should concentrate roughly on Options 1 and 6 and a middle position.

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