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**UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY**

Summary Presentation to

**THE HOUSE FOREIGN AFFAIRS COMMITTEE**

**88th Congress, 1st Session**

**WILLIAM C. FOSTER**  
Director

State Dept. review completed

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UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

Status of Legislation  
(88th Cong., 1st Sess.)

FY 1964 Budget Request----- \$15,000,000

Senate Action:

Authorization (S. 777, passed June 17, 1963)-----

\$20,000,000  
for FY 1964  
and FY 1965

Effect: FY 1964 budget reduced by one-third (from \$15 million to \$10 million).

Comment: S. 777, the bill passed by the Senate, also included the amendment supported by ACDA to modify the personnel security procedures for contractor employees. In addition, the Senate added several other amendments to the Arms Control and Disarmament Act.

House Action:

H.R. 7063, the appropriation bill for the Departments of State, Justice, and Commerce, the Judiciary, and related agencies, (passed June 18, 1963), included \$1.6 million for ACDA which, in the language of the Committee report accompanying the bill, is "the full amount remaining of the present authorization /out of \$10 million originally authorized in the Arms Control and Disarmament Act/. No additional sum is authorized to be appropriated until such time as substantive legislation is enacted." (H. Rep. No. 388, 88th Cong., 1st Sess.).

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

WHY THE AGENCY WAS ESTABLISHED

Since the end of World War II, the United States has been engaged in a quest for international agreement to control and limit armaments as a means of averting war and strengthening world peace and security. The threat of nuclear devastation is as imminent as any question facing our nation and the world today. For this reason, there have been over 70 conferences and meetings, some of them extending over many months, in which the United States, the Soviet Union and other countries discussed disarmament and arms control on several occasions between the end of World War II and the creation of the Arms Control and Disarmament Agency in September 1961. Realizing that phase discussions and negotiations had progressed toward the Arms Control and Disarmament Agency which created the Agency as provided in the Act's statement of purposes:

"An ultimate goal of the United States is a world which is free from the scourge of war and the dangers and burdens of armaments; in which the use of force has been subordinated to the rule of law; and in which the national adjustments to a changing world are achieved peacefully. It is the purpose of this Act to provide impetus toward this goal by creating a new agency of peace to deal with the problem of reduction and control of armaments looking toward ultimate world disarmament.

"Arms control and disarmament policy, being an important aspect of foreign policy, must be consistent with national security policy as a whole. The formulation and implementation of United States arms control and disarmament policy in a manner which will promote the national security can best be insured by a central organization charged by statute with primary responsibility for this field." (Sec. 2, P.L. 87-297)

In the

In the same section of the Act, Congress assigned the Agency the following primary functions:

"(a) The conduct, support, and coordination of research for arms control and disarmament policy formulation;

(b) The preparation for and management of United States participation in international negotiations in the arms control and disarmament field;

(c) The dissemination and coordination of public information concerning arms control and disarmament; and

(d) The preparation for, operation of, or as appropriate, direction of United States participation in such control systems as may become part of United States arms control and disarmament activities."

Thus, the Agency was created to explore, develop, recommend and, if approved by the President, negotiate possible alternatives to the arms race in order to enhance our national security. Our Government cannot participate in discussions on arms control and disarmament without jeopardy to our security unless it is well-prepared to answer Soviet arguments and to judge those proposals which could weaken our security and those which would strengthen it. A vast fund of technical information must be available to our negotiators if we are to participate intelligently at the conference table. So that this important objective could be realized, Congress, in the Arms Control and Disarmament Act, charged the Agency with consolidating and coordinating our research in this field. The Act also provided for more clearly defined Congressional supervision over our Government's activities in this area than was the case prior to the passage of the Act.

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

INTERNATIONAL NEGOTIATIONS

Just prior to and at the time this Committee held hearings on the Arms Control and Disarmament Act in August and September 1961, the United States and the Soviet Union were engaged in a series of bilateral talks to explore the basis for a new effort toward disarmament. The United States was represented by Mr. John J. McCloy, then the President's Disarmament Adviser, and the Soviet Union by Deputy Foreign Minister V. A. Zorin. The primary objective of these talks was to reach agreement on basic principles for disarmament negotiations and the composition of the negotiating forum.

On September 20, 1961, agreement was announced on the U.S.-U.S.S.R. Joint Statement of Agreed Principles for Disarmament Negotiations. It states, among other things, that measures for general and complete disarmament must include:

1. " . . . establishment of reliable procedures for the peaceful settlement of disputes . . . and to strengthen institutions for maintaining peace."
2. " . . . disarmament . . . in an agreed sequence, by stages . . . and balanced so that at no stage . . . could any State . . . gain military advantage."
3. " . . . strict and effective international control . . . to provide firm assurance that all parties are honoring their obligations . . . the nature and extent of such control depending on the requirements for verification . . . in each stage."
4. " . . . an International Disarmament Organization . . . assured

of



FOI unrestricted access without veto to all places as necessary for the purpose of effective verification."

Out of the U.S.-U.S.S.R. discussions also arose the decision to establish the present Eighteen-Nation Disarmament Conference at Geneva as an appropriate negotiating forum. Eight additional nations, representing different areas of the world, were added to the five Western and five Communist nations which had taken part in the previous negotiations, thus reflecting the principle of equitable geographical representation which the U.S. had advocated.<sup>1/</sup>

Highlights of the negotiations since the McCloy-Zorin talks and the present time include:

January 16, 1962: American and British delegations at Geneva rejected the Soviet proposal of the preceding November for a ban on nuclear explosions in the atmosphere, outer space, and underwater, with an unpoliced moratorium on underground tests pending conclusion of a general disarmament agreement.

March 2, 1962: In a nation-wide radio-TV address authorizing a new series of atmospheric tests, President Kennedy stated that the U.S. would not carry out test plans if the Soviets would sign the comprehensive test ban draft treaty proposed by the U.S.  
and

1/The previous U.N. Ten-Nation Committee was composed of the United States, the United Kingdom, France, Canada, Italy, the U.S.S.R., Czechoslovakia, Poland, Bulgaria, and Rumania. The nations added were: Brazil, Burma, Ethiopia, India, Mexico, Nigeria, Sweden and the United Arab Republic.

and U.K. before the latter part of April. In urging agreement, the President said: ". . . our ultimate objective is not to test for the sake of testing. Our real objective is to make our own tests unnecessary, to prevent others from testing, to prevent the nuclear arms race from mushrooming out of control, to take the first steps toward general and complete disarmament."

March 14, 1962: The Eighteen-Nation Disarmament Conference held its first meeting at Geneva.

April 18, 1962: The U.S. introduced at the ENDC an "Outline of Basic Provisions of a Treaty on General and Complete Disarmament in a Peaceful World."

May 25, 1962: The U.S. and the U.S.S.R., taking into consideration the views of the other ENDC members, agreed on a draft declaration against war propaganda. Four days later, however, the Soviet Union, in an abrupt turnabout, refused to approve the draft declaration and insisted upon new amendments which were unacceptable to the U.S.

August 27, 1962: The U.S. and U.K. introduced two new draft test ban treaties (described below) at Geneva.

December 12, 1962: Ambassador Dean submitted to the ENDC a six-point working paper on measures to reduce the risk of war through accident, miscalculation, or failure of communication, and recommended establishment "at the appropriate time" of informal technical-military groups to study various methods for implementation of these measures. For the purpose of allaying fears of aggression, the paper suggests advance notification of major military movements, installation of permanent observation posts at major transportation centers, and establishment of additional types of observation. Further suggestions are: the exchange of military missions to promote improved communications and

understanding,

understanding, the establishment of communications links between major capitals to insure rapid and reliable communication in times of crisis, and the establishment of an international commission on reduction of the risk of war to consider such matters as the ways in which modern weapons and techniques may increase or reduce the risk of war and the steps which states might take to reduce the risk of war.

December 1962 - January 1963: Soviet re-acceptance of the principle of on-site inspections prompted new test ban talks in New York and Washington between the U.S., U.K., and U.S.S.R.

April 1, 1963: The U.S. and U.K. submitted a memorandum at the ENDC outlining our current position on the cessation of nuclear weapons tests.

June 10, 1963: President Kennedy announced high-level Moscow test ban discussions in July.

June 20, 1963: Conclusion of U.S.-Soviet agreement for a direct communications link between Washington and Moscow.

July 15, 1963: Harriman mission begins discussions in Moscow.

More extensive consideration of some of the most important highlights follows:

A. Test Ban

Negotiations for a nuclear test ban agreement were held in Geneva, New York and Washington. The need for an adequate number of on-site inspections with regard to underground tests continued to be the principal area of disagreement.

Indicative of their interest in reaching a test ban agreement, the United States and the United Kingdom introduced two new draft treaties on August 27, 1962: (1) a comprehensive

one providing for a total ban on nuclear testing in all environments based on internationally supervised, nationally manned control posts and on-site inspections, and (2) a limited ban ending nuclear testing in the atmosphere, underwater, and in outer space, without the need to establish any international verification machinery. President Kennedy and Prime Minister Macmillan, in a joint statement, emphasized the preference of their two governments for prompt action on the comprehensive treaty. However, if early agreement on a total ban was not possible, then they were prepared to conclude a partial agreement.

On April 1, 1963, the United States and the United Kingdom submitted a memorandum of our current position concerning the cessation of nuclear weapons tests. No draft treaty, however, has yet been tabled at the ENDC reflecting this position.

Under the present United States proposal for a treaty banning all nuclear tests, including those underground, the verification system for monitoring underground nuclear explosions inside the Soviet Union would be based primarily on a network of seismic stations operated or supervised by the United States and the United Kingdom and located outside the Soviet Union. In spite of an apparent disadvantage of greater distance, actually this permits effective long-range detection throughout the entire area of the Soviet Union by strategically placed stations in other parts of the world. This system would be supplemented by unmanned seismic stations in the Soviet Union, and by more than one hundred seismic observatories operated by other countries all over the world. On-site inspection within the Soviet Union would be required to discriminate between some of the tremors caused by earthquakes and those caused by nuclear explosions.

Under the present United States proposal for a treaty banning tests in the atmosphere, in the oceans, and in space, the verification system would also consist primarily of control posts outside the Soviet Union which were operated or supervised by the United States. On-site inspection within the Soviet Union would not be required.

This

This is the kind of treaty which Chairman Khrushchev's July 2 speech refers to and the kind which is being discussed in Moscow by the Harriman mission.

B. Direct Communications Link

On June 20, 1963, the United States and the Soviet Union signed an agreement to establish a direct communications link between Washington and Moscow. This was one of six measures to reduce the risk of war by accident, miscalculation or failure of communication which were recommended in the Treaty Outline on General and Complete Disarmament. It was also recommended in the working paper on measures to reduce the risk of war which Ambassador Dean submitted to the ENDC on December 12, 1962.

The direct communications link was designed for the quick exchange of messages in time of emergency and will consist of:

- (1) Two terminal points with telegraph-teleprinter equipment between which communications are to be directly exchanged;
- (2) One full-time duplex wire telegraph circuit, routed Washington-London-Copenhagen-Stockholm-Helsinki-Moscow, which shall be used for the transmission of messages;
- (3) One full-time duplex radio telegraph circuit, routed Washington-Tangier-Moscow, which shall be used for service communications and for coordination of operations between the two terminal points.

The terminal points of the link shall be so equipped as to provide for the transmission and reception of messages from Moscow to Washington in the Russian language and from Washington to Moscow in the English language. To preserve security, special equipment at the terminal points of the circuits will scramble outgoing messages and unscramble incoming messages.

C. What

C. What Lies Ahead

Although neither a general disarmament agreement nor a safeguarded test ban agreement has been concluded, a valuable beginning has been made toward solving many and varied problems in the field of arms control and disarmament.

Our Government has no illusions that progress on general and complete disarmament would be swift. Provisions of the treaty outline such as those requiring that nations settle all their disputes peacefully would necessitate major changes by the Soviet bloc countries in their outlook toward world affairs. The Soviet Union has, however, indicated its concern over the need of control limitations on nuclear delivery vehicles and has somewhat clarified its position on inspection requirements related to comprehensive disarmament proposals. Even though progress has been limited, the United States, nevertheless, believes it useful to continue to let the world know the ultimate goal of its disarmament proposals and how it proposes to achieve that goal. The goal has been described as a "free, secure and peaceful world of independent states adhering to common standards of justice and international conduct and subjecting the use of force to the rule of law."

The negotiations in Geneva have provided the United States with an unusual opportunity to communicate this goal and its views to other nations of the world. The oversimplified Soviet propaganda slogan of "General and Complete Disarmament in 4 Years" has sometimes sounded impressive to other nations in the United Nations debates because procedural limitations prevented a probing analysis. At the Geneva Conference, however, adequate opportunity is provided for full analysis and lengthy debate by our negotiators. As a result, non-Soviet bloc participants at the Conference have been able to perceive the wholly unrealistic and superficial context of the Soviet slogan. The United States Treaty Outline for General and Complete Disarmament represents a comprehensive, realistic and specific series of proposals through which we have communicated to the other nations present our sincere desire for a meaningful disarmament agreement.

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The Geneva Conference will continue to serve a useful purpose in providing a forum for the discussion of comprehensive disarmament as well as more limited agreements such as those to reduce the risk of war. The recent agreement on a direct communications link was in fact negotiated and concluded at Geneva. As the White House statement of June 20 said: "This agreement on a communications link is a limited but practical step forward in arms control and disarmament. We hope agreement on other more encompassing measures will follow. We shall bend every effort to go on from this first step."

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

RESEARCH PROGRAM

In accordance with the Congressional mandate to conduct and coordinate research in the field of arms control and disarmament, as a basis for negotiations consistent with our national security, the Agency has embarked on an expanding research program. For fiscal year 1962, the Agency's budget provided \$600,000 for contract research, approximately one-third of its total budget. For fiscal year 1963, Congress provided \$4 million for contract research; this was roughly two-thirds of the Agency's total budget. For fiscal year 1964, \$11 million, or almost three-quarters of a recommended budget of \$15 million, has been requested for contract and grant research.

In order to assist him in administering this expanding research program, the Director established on September 20, 1962, the Agency's Research Council. The Council advises the Director on the three elements of the Government's program of research in the field of arms control and disarmament:

1. Studies undertaken by the ACDA staff;
2. ACDA contract and grant research studies; and
3. Staff and contract studies by other agencies in the field of arms control and disarmament.

The Council has been useful in giving direction to the Agency's research effort and in preventing duplication of effort in this field as between agencies.

A. What



A. What Has Been Done

During the first months following the establishment of the Agency, in September 1961, research activities consisted almost entirely of ACDA staff studies. Careful planning was required for the initiation of the research program. Staff research has continued to serve as the framework for the Agency's research program; in general, research conducted under contracts and grants is intended to support and supplement the in-house research program of the Agency. The purpose of the total research program, of course, is in support of our international negotiations on arms control and disarmament.

A complete list of the contracts and grants let by the Agency during fiscal year 1963 is contained in the Appendix to this booklet. All of these external studies have been designed either as springboards to further conceptual thinking within the Agency or to supplement, with detailed substantive research, conceptual planning in process within the Agency. Some of the more important studies contracted for since the creation of the Agency include:

(a) A study to develop techniques for monitoring declared production and for detecting clandestine production of strategic delivery vehicles within the framework of an arms control agreement to discontinue or limit such production. This study was the first step in an over-all project to design an inspection system for monitoring the production and deployment of strategic delivery vehicles. Other contracts have been let in furtherance of the project.

(b) A study to determine the suitability of zone-by-zone techniques of inspection to verify compliance with a disarmament agreement of general territorial application.

(c) A study of the application of statistical techniques for use in inspecting

arms

arms control arrangements. The purpose of this effort is to identify means of making inspections effective on a sample basis despite attempts of an inspected country to thwart the system.

(d) A study of verification arrangements for arms control and disarmament measures that prohibit the placing of weapons of mass destruction in orbit and restrict the flight testing of missiles.

(e) A study of verification methods for arms control and disarmament measures which limit conventional armaments and forces.

(f) A study to survey and assess data collection equipment and devices that could be used to verify arms control and disarmament measures. The starting point of the study is those elements subject to inspection which can be identified through physically measurable phenomena by sensors (devices that can detect, or "sense" tell-tale clues) used either in airborne or ground inspection systems. An index will be prepared of available equipment. The contractor will then suggest how various combinations of such sensors can be used in Project CLOUD GAP, a joint Arms Control and Disarmament Agency and Department of Defense undertaking designed to conduct field tests of arms control and disarmament inspection and verification concepts.

(g) A study, related to the preceding contract, of automated data processing methods. Based on available data processing equipment and techniques, as they relate to decisions which might have to be made as a result of inspections under current U.S. disarmament proposals, the study will recommend the development of mobile or transportable systems which could be field tested by July 1964. This study will also be used by the joint ACDA/DOD Project CLOUD GAP in the conduct of field tests of verification concepts.

As the

As the ACDA research program has acquired more clearly identified goals, contracts and grants have been let at an increasing pace. The Agency was, however, limited in incurring contractual obligations during the first part of fiscal year 1963 since the bill containing our appropriation for that fiscal year was not enacted until October 18, 1962, and the funds were not apportioned until November 16. This, in fact, was the principal reason for the greater rate at which Agency funds were obligated during the latter part of fiscal year 1963.

B. Future Research

As previously indicated, \$11 million of the \$15 million budget request for fiscal year 1964 is for contract and grant research. The remaining \$4 million is for "in-house" research by Agency personnel, for operating the machinery of our program, and for utilizing the results of research and study through informed negotiations.

There are sound reasons why the ACDA contract research program should be growing at the present time. The Agency is less than two years old. During much of this time, we have been planning the direction of the research program. Early work in the development of our program was, of necessity, exploratory and did not involve much detail, since specific concepts had not been developed and the specific technical problems had not been identified. However, as the concepts become more specific, a great deal of detailed supportive research and analysis is required to provide sound technical bases for U.S. negotiating positions.

To illustrate, it takes time, effort, and detailed technical information to plan a good detection system which will protect our security. If missile production, for example, is the thing one wants to detect under an agreement, one must first identify the "indicators" of foreign missile production. Then one must design a system which correlates the relevant indicators, devise a method of testing the system preliminarily, and

and finally, conduct actual field tests. Generally speaking, each of these successive steps costs more money than the last. In each, ACDA employs the capabilities of agencies such as CIA and DOD, as well as utilizing private contractors. The final step, the actual field test, may require "hardware research" and is likely to be expensive. But, it is also essential to prove out the system. ACDA will be getting into that kind of research during fiscal year 1964 in cooperation with DOD. ACDA's budget of \$11 million for fiscal year 1964, to include that kind of research, is modest in comparison with other comparable research efforts.

Thus, while the costs of the ACDA research program are going up, the increased appropriation we have requested is neither inconsistent with our stage of work nor extravagant. If we are to produce sound disarmament plans that are consistent with the security of the United States, we must be able to plan verification systems and test them. Otherwise much of the effort that has gone into basic research would be wasted.

The tendency of ACDA research to become more detailed and specific is clearly evidenced by the contracts let in fiscal year 1963, particularly in the latter half of the fiscal year. Some of the most important of these contracts have been previously noted in this statement. Even more indicative of the continuing development of the contract research program, and its increasing emphasis on specifics and details, is the appended list of proposed contract and grant studies programmed for fiscal year 1964.

Included in this list is the field test research project ACDA has programmed in cooperation with DOD. Out of the \$11 million requested for research during fiscal year 1964, we planned to allocate \$2.4 million to cover ACDA's share of the cost of this field test program. The program would involve undertakings of the following three types:

a. "Field

a. "Field Test Design Study"

The field test design study is intended to provide detailed recommendations for the design of a large-scale inspection field test. It will be one in which a number of alternative inspection concepts are tested and compared in a simulated environment where evasion teams are endeavoring to deceive the inspectors. The test design would be planned to cover an extensive geographic area including large military installations and extensive highway and railroad networks, commercial and military air facilities, and industrial production installations. The organization around which the inspection would be planned should include airborne integrated sensors, ground inspection teams and a command and control unit to coordinate the functions of these two major elements of the system.

b. "Field Test Data Processing"

The allocation for this project is to cover the estimated cost of utilizing a data processing center. While the DOD will carry the responsibility for the operational aspects of the early tests, ACDA is responsible for the planning, analysis and evaluation of the test. Large quantities of data will be collected which must be analyzed. In addition, in some of the tests it will be desirable to process data concurrently with the test operation to give the inspection teams a more rapid means of utilizing data acquired to plan later inspection operations. ACDA does not itself possess a data processing center and the equipment in the hands of DOD and other Government agencies is being utilized to its maximum capacity.

c. "Field Test Research"

In fiscal year 1964, ACDA will conduct a series of small field tests and experiments designed to test concepts on a limited scale. These tests in some cases will

provide

provide information needed for the design of larger scale tests. In other cases, they will allow the testing of sub-elements that it is not practical to include in a large-scale test. In addition, ACDA will sponsor a certain number of technical study contracts that are required for the development of future test plans.

Still other field tests, especially those for the inspection of retained levels of armaments, will be planned and conducted as joint exercises with the DOD.

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

IMPACT OF SENATE BUDGET CUT

If the Arms Control and Disarmament Agency is to carry out effectively the function of seeking safeguarded alternatives to the arms race, it will need more than the \$20 million for two years authorized in S. 777.

The main impact of limiting available funds to \$10 million per year for the next two years would be on the Agency's research program. Even if staff increases above the fiscal year 1963 level were restricted, \$3.7 million, as compared with the \$4 million requested, would still be required for program operations in fiscal year 1964. Thus, a \$10 million authorization for fiscal year 1964 would leave the Agency with \$6.3 million for external research. \$11 million was requested for fiscal year 1964 contract and grant research.

A cut of this magnitude in our research program would require us to reduce the level of support on some of our high priority projects and would require us to eliminate some other projects which are important for a comprehensive, coordinated research program. Such a limitation would have an even greater adverse impact in fiscal year 1965 when more specific and more detailed research and analysis will be required.

For example, during fiscal year 1964, the previously described Inspection Field Test Program would have to be substantially reduced in scope. This might well require the elimination of technical study contracts for the design of future inspection tests. Some of this effort was planned to deal with monitoring types of production where clandestine operations would be particularly threatening. In addition, the grant research program, to which ACDA looks for the development of some of its new ideas and concepts, would have to undergo more than a two-thirds reduction. Moreover, in order to continue the most urgent research related to major arms control concepts and inspection, we would be forced to drop much of our contract and grant work which is directed toward more modest, but

perhaps

perhaps more attainable, steps toward decreasing tension and reducing the risk of war by accident or miscalculation.

The following projects illustrate some of the more valuable research endeavors which would probably have to be eliminated if the Agency were limited to \$6.3 million for research in fiscal year 1964:

1. Operational Organization of an International Inspection Organization and the Role of Intelligence

The United States position on the merits of adversary, as opposed to international, inspection, which has undergone recent changes in connection with test ban inspection, presents an even more difficult problem of inspection under other types of arms control and disarmament agreements. The central problem is how to maintain the inspection as international. The study will deal specifically with the problem of handling information developed by such inspection teams. This type of study is required not only to clarify the United States position on the characteristics of inspection teams, but to assure that planning for inspection field tests is realistic.

2. Arms Control Implications of Technical Developments in the USSR and Arms Control Implications of AICBM and other Technical Developments in the United States

There is an urgent requirement for funds to support ACDA research programs concerning the arms control and disarmament implications of anti-ballistic missiles, chemical and biological weapons, and aerospace research and development. Future actions taken

by the



by the United States and the Soviet Union toward the development of a military capability in the above areas will make the disarmament problems even more complex than those which exist at the present time. It is extremely important that the implications of developments in these areas are understood and that means which might be utilized to control these systems are identified and evaluated.

3. Preliminary Design and Feasibility Studies of Special-Purpose Inspection Equipment

Detailed contract studies presently are being conducted concerning the capabilities of existing physical sensors which are applicable and effective to carry out the principal tasks of verification of arms control agreements. These contracts will result in the recommendation of a number of sensors and techniques applicable for the verification and inspection of a broad spectrum of arms control and disarmament agreements. There will, however, be a requirement for feasibility studies and the preliminary design of new sensors to make verification and inspection even more effective. Support of research for future special-purpose sensor equipment is urgently needed. Such studies are required if we are to be increasingly able to assure safeguarded arms control and disarmament agreements and if we are to derive maximum benefit from the previous research concerned with verification and inspection requirements and techniques.

4. The Use of Economic Data as a Part of the Verification Process

Records inspection may be able to play an important supporting role in connection with verification. In this study, it is proposed to analyze the nature, use, and reliability of economic data monitoring with particular reference to limitations on armaments production. The specific types of economic data required by various disarmament measures will be identified. Reliability will be assessed in terms of verifying compliance, revealing clandestine production, or deterring evasion.

5. Study

5. Study of Methods of Limiting Military Manpower Compatible with Inspection

Up to the present, no detailed consideration has been given to the problem of verification of declared levels of military manpower, partly because there is no very satisfactory way of defining, in a treaty, what is meant by "military manpower." The purpose of this study is to explore alternative ways of limiting military manpower; the study will include consideration of the types of definitions most consistent with U.S. security and of the feasibility of verification of manpower levels defined by the alternative criteria. The study would also include an analysis of the effectiveness of alternative verification techniques for the various types of manpower limitations.

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The importance we attach to these projects of more modest priority emphasizes the very high degree of importance we attach to the projects we would retain even though at a reduced scope and level of effort. However, the impact of the Senate cut in authorized appropriations cannot be measured solely in terms of individual contract reductions and eliminations. The reassessment and reorganization of our fiscal year 1964 research program that would be necessitated by such a budget reduction will be reflected as well in a reduced correlation among interrelated projects, many of which depend upon the successful conclusion of other projects for optimum effectiveness.

Our experience with the nuclear test ban negotiations illustrates the contribution a research program undertaken prior to negotiations could make to the formulation of sound negotiating policies and positions. In 1958, when the nuclear test ban negotiations began, and before the creation of the Arms Control and Disarmament Agency, there had been little research on the seismic techniques necessary to detect underground nuclear explosions. American scientists went to Geneva at the beginning of the negotiations and agreed to a report describing a detection system that was based on the best information

information available to them at the time. Later, when detection techniques were actually tested in conjunction with underground nuclear weapon tests, concern developed about the adequacy of the detection system to which our scientists had agreed. Clearly it would have been preferable if research, much of which has since been conducted, had been completed or at least under way before the international situation required discussion of, and agreement about, the details of a detection system.

We believe that most of the research tentatively proposed for fiscal year 1964 should be carried on in the near future if the United States is to continue to participate in international conferences on arms control and disarmament. This is not an area of endeavor in which we can engage safely without making every reasonable effort to assure ourselves that our proposals, if adopted, would enhance our security. Since the end of World War II these conferences have continued at an increasing rate and they will certainly continue in the future. Expanding world interest and activity in arms control and disarmament negotiations indicate that constructive progress can be made. The United States must be prepared to meet this challenge and be able to take full advantage of the opportunities that present themselves.

The Agency hopes the Committee will agree that the expanded research program for fiscal year 1964 is a sound investment in our future security.

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

A P P E N D I X

To

SUMMARY PRESENTATION TO THE HOUSE FOREIGN AFFAIRS COMMITTEE

88th Congress, 1st Session

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

Status of Research Contracts and Grants

FY 1963  
July 9, 1963

A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED

1. Techniques for Monitoring Production of Strategic Delivery Vehicles - Contract ACDA-1 (Bendix) (FY 1962)	
Same - Amendment No. 3 to Describe U.S. Strategic Missile Technology . . . . .	\$ 19,000
2. Design and Evaluation of Inspection Systems for a Ban on Weapons of Mass Destruction in Space and for Restrictions on Missile Flight Tests - Contract ACDA/ST-12 (Sylvania) . . . . .	354,000
Same - Amendment No. 1 provided for special report on Techniques of Verification for a Latin-American Nuclear-Free Zone . . . . .	5,726
Amendment No. 2 to provide for special report on Arms Reduction and the Use of Potsdam-Type Military Liaison Missions . . . . .	2,632

3. Implications

A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED (Cont'd)

3.	Implications and Inspection of Restrictions on Missile and Military Space System Research, Development, Test & Evaluation (RDT & E) Activity - Contract ACDA/ST-13 (Aerospace) . . . . .	\$ 217,700
	Amendment No. 1 to Analyze the Technical Problems involved in Converting Sounding Rockets to Surface-to-Surface Missiles . . . . .	4,418
4.	Progressive Zonal Disarmament - Contract ACDA/WEC-2 (Raytheon) (FY 1962)	
	Same - Amendment No. 1 provided for extension of work to "Develop Planning Principles for Field Tests of Inspection Techniques" . . . . .	78,120
5.	Evaluation of Combined Techniques for Monitoring Levels and Production of Strategic Vehicles - Contract ACDA/ST-16 . . . . .	218,500
6.	Problems of Subversion and Peaceful Change - ACDA/GC-11 (Richard A. Falk) (FY 1962)	
	Same - Amendment No. 1 to provide for Historical and Documentary Appendices . . . . .	1,000

7. European

A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED (Cont'd)

7.	European View of European Security and the Present General and Complete Disarmament Proposals - Grant ACDA/WEC-14 (Institute for Strategic Studies) . . . . .	\$ 21,064
8.	Responses to Violations of Arms Control and Disarmament Agreements - Contract ACDA/GC-17 (Historical Evaluation and Research Organization) . . . . .	162,000
9.	Peace-Keeping Panel Study - Contract ACDA/GC-19 (Johns Hopkins University; Washington Center of Foreign Policy Research) . . . . .	87,308
10.	Development of a Field Test Plan Regarding Production of Strategic Delivery Vehicles - ACDA/WEC-18 (Bendix Corporation) . . . . .	158,500
11.	Verification for Retained Levels of Ground Forces, Armaments and Tactical Nuclear Delivery Vehicles - ACDA/WEC-22 (Sylvania) . . . . .	202,000

12. Studies

A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED (Cont'd)

12.	Studies on Arms Control and International Communism - ACDA/IR-15 (M.I.T.) . . . . .	\$ 65,000
13.	Regional Arms Control Arrangements for Developing Areas - ACDA/IR-24 (M.I.T.) . . . . .	145,000
14.	Arms Control and Disarmament Concepts and the Military Environment in the European Area - ACDA/WEC-23 (Stanford Research Institute) . . . . .	267,688
15.	Interaction of Arms Control and Disarmament Measures with Capabilities of Ground Forces - ACDA/WEC-21 (Research Analysis Corporation) . . . . .	177,300
16.	Reciprocal Influences of Weapons and Political Systems - Grant ACDA/IR-20 (Rutgers University - Eagleton Institute) . . . . .	40,000
17.	The Non-Military Aspects of CENTO - Grant ACDA/IR-26 (Dr. Richard H. Pfaff) . . . . .	1,500
18.	Psychological Factors in Soviet Disarmament Positions - Grant ACDA/E-28 (Institute for the Study of National Behavior, Inc., Princeton, New Jersey) . . . . .	10,704
19.	Analysis . . . . .	



A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED (Cont'd)

19.	Analysis of Requirements for Automation of Data Processing for Inspection Field Tests - ACDA/WEC-29 (Burroughs Corporation) . . . . .	\$ 203,999
20.	Survey of Sensors and Techniques Applicable to Arms Control Inspection and Verification - ACDA/WEC-30 (North American Aviation) . . . . .	136,600
21.	Factors Affecting Soviet Attitudes on Disarmament (Summer Study) ACDA/DAS-25 (Columbia University) . . . . .	91,000
22.	Ground Inspectable Features of Soviet Armament Production Technology - ACDA/ST-31 (Arthur D. Little, Inc.) . . . . .	159,000
23.	Arms Control Concepts and the European Political Environment - ACDA/IR-32 (Yale University) . . . . .	90,000
24.	Enforcement of Arms Control and Disarmament Measures by the Imposition of Sanctions on Individual Officials - ACDA/GC-33 (President and Fellows of Harvard College - Prof. Roger Fisher) . . . . .	6,000

25. Future

A. CONTRACTS, AMENDMENTS AND GRANTS SIGNED (Cont'd)		
25.	Future Character and Role of Peace Observation Arrangements Under the United Nations - ACDA/IR-34 (Johns Hopkins University, Washington Center of Foreign Policy) . . . . .	\$ 139,000
	Sub-Total	\$ 3,064,759
B. REIMBURSEMENT AGREEMENTS WITH OTHER AGENCIES		
1.	Soviet Fiscal System - Alllocated to Department of Commerce. . . . .	\$ 10,000
2.	CW - BW Study (DOD) . . . . .	75,000
3.	Technical Analysis and Planning for Field Tests (DOD) . . . . .	294,300
4.	Preparation of New Digest of International Law (Dept. of State) (Contribution for Arms Control and Disarmament Section). . . . .	14,500
	Sub-Total	\$ 393,800
C. REIMBURSEMENT TO CSC FOR CONTRACT SECURITY INVESTIGATIONS		
	Amount Reimbursed	\$ 100,450
	Sub-Total	\$ 100,450
	<u>TOTAL</u>	\$ <u>3,559,009</u>

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

FY 1964 CONTRACT AND GRANT STUDIES

General Classification and Amounts

I. Concept Studies (Contracts and Grants).

A. Regional Security and Arms Control and Disarmament . . . . .	\$ 480,000
B. Preliminary Measures for General Arms Control and Disarmament. . .	610,000
C. Substantial Measures for General Arms Control and Disarmament. . .	900,000
D. International Security Arrangements for Disarmament and the Preconditions for Disarmament . . . . .	350,000
Sub-Total	<u>\$ 2,340,000</u>

II. Supporting Studies (Contracts and Grants).

1. Inspection System Studies. . . . .	\$ 750,000
2. Studies of Elements in an Inspection System. . . . .	1,000,000
3. Verification of Specific Armaments and Activities, . . . . .	1,300,000
4. Legal and Political Aspects of Inspection, Violation, and Response . . . . .	450,000
5. Inspection Field Test Program. . . . .	2,400,000
6. Strategy of Negotiations . . . . .	200,000
7. Relationship Between National Political Environments and Arms Control . . . . .	250,000
8. Historical Studies of Arms Control and Disarmament Experiences . .	410,000
9. Technical and Economic Dislocations Resulting from Arms Control and Disarmament . . . . .	350,000
10. Arms Control Implications of Technical Developments. . . . .	400,000
11. Computer Services and Methodological Studies . . . . .	1,000,000
12. Bibliographic Studies. . . . .	150,000
Sub-Total	<u>\$ 8,660,000</u>
GRAND TOTAL	<u><u>\$11,000,000</u></u>

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

FY 1964 CONTRACT RESEARCH PROGRAM

I. CONCEPT STUDIES

A. Regional Security and Arms Control and Disarmament

1. "Analysis of Specified AC&D Proposals for the European Area"

Justification. The European area continues to be a source of potential conflict and the origin of tensions. The search for negotiable and militarily and politically desirable concepts for arms control and disarmament which apply to the European area will be a continuing and high priority effort. Studies undertaken under the FY 1963 research contract program are expected to highlight certain AC&D measures which justify further research effort. This program of study is intended to provide careful analyses of the implications of such proposed concepts, including their effect on the European and on the over-all balance of power. The systematic study of AC&D in the European area should stimulate the development of new concepts, which on careful analysis, may be shown to be militarily secure and conducive to a reduction of tension and the potential of the European area for the initiation of an uncontrollable level of conflict. The study will include limited as well as general approaches to arms control and disarmament.

2. "Political Aspects and Impact of Arms Control in Developing Areas"

Justification. The study initiated during Fiscal Year 1963 under the title "Regional Arms Control Arrangements for Developing Areas" (RFP #13) represents an initial effort to consider the general character of political problems involved in limiting the emergence of possible regional arms races in the developing areas and the impact on such areas of possible arms control and disarmament agreements among the major powers.

The

The relevant factors in certain geographic areas will be identified and examined. During FY 1964, it is planned to examine key aspects of these problems in greater depth (in particular regional security aspects and the political pre-conditions for arms limitations) and to cover additional regions or sub-regions.

SUB TOTAL \$ 480,000

B. Preliminary Measures for General Arms Control and Disarmament

1. "Technical Aspects of Command and Control as Arms Control Measures"

Justification. A number of proposals designed to reduce the risk of nuclear war through accident or miscalculation need to be examined from the technical viewpoint. Sharing of information from satellites, cooperation in communications procedures, and determination of requirements for a U.S.-U.S.S.R. agreement on command and control procedures are examples of possible measures that need analysis in detail.

2. "Studies of Steps to Improve the International Environment for ACC&D (Grants)"

Justification. Analysis needs to be performed not only on concepts for general and complete disarmament, but also on the development of a more propitious arms control environment, primarily in the area of achieving more interaction and communication between the United States and the Soviet Union with respect to arms control matters. Study needs to be made of the feasibility of expanding the scope of the existing East-West Exchange Program to include students, instructors, or researchers familiar with arms control problems; the exchange of documentation in the arms control area; and exploration of the scientific and technical inspection bases of arms control measures. In addition

addition, in the light of a forthcoming exchange visit between a group of Soviet and U.S. certified public accountants, a study might be undertaken as to the types of information which would be most useful to ACDA.

3. "Economic Impact of Specific Arms Control and Disarmament Measures in the U.S.S.R."

Justification. The proposal is to evaluate the significance for the Soviet economy of the release of specific resources through disarmament measures. It is proposed to look at this not only in quantitative terms (the significance in relation to economic deficiencies, alternative uses, and economic objectives), but also in terms of the administrative and planning mechanism which would handle these shifts in the Soviet Union.

4. "Political Potentialities and Barriers to Limited Arms Control Arrangements"

Justification. Although experience has demonstrated the difficulties involved in arriving at agreement on major programs of arms control and disarmament, it has also shown that limited arms control measures are also difficult to design in a manner acceptable to all countries concerned. The proposed study will examine experience in latter efforts with a view to identifying more specifically political factors tending to encourage or inhibit agreement on limited measures.

SUB TOTAL \$ 610,000

C. Substantial

C. Substantial Measures for General Arms Control and Disarmament

1. "Interaction of Specified AC&D Measures With Strategic Military Capabilities, Including Analysis of Verification Requirements"

Justification. A key element in any major AC&D proposal is the control of strategic nuclear forces. Every such proposal must be thoroughly analyzed, both in terms of verification requirements and in terms of their impact on the relative capabilities of Western strategic nuclear forces, prior to any policy decision on its possible use in AC&D negotiations. This contract constitutes an extension and expansion of the FY 1963 contract concerned with the capabilities of strategic nuclear forces.

2. "Interaction of Specified AC&D Measures With Capabilities of Naval Forces"

Justification. There are frequent AC&D proposals which in one way or the other involve the naval balance of power. Every such proposal must be thoroughly analyzed in terms of its impact on the relative strengths and capabilities of Western and Communist bloc naval forces prior to any policy decision on its possible use in AC&D negotiations. Such subjects as the impact of proportional reductions, the effect of the current GCD Outline Treaty on future U.S. naval plans and programs, and the implications of destruction and conversion of naval armaments to peaceful uses need to be considered in detail.

3. "Interaction of Specified AC&D Measures With Capabilities of Ground Forces"

Justification. Almost any AC&D proposal to stabilize the strategic military environment tends to put greater emphasis on the Western capability to provide an adequate defense at the non-nuclear, or at least the tactical nuclear, level. Every such proposal must be thoroughly analyzed in terms of its impact on the relative strengths of Western and Communist bloc ground forces prior to any policy decision on

its

its possible use in AC&D negotiations. This contract constitutes an extension and expansion of the FY 1963 contract concerned with the capabilities of ground forces.

4. "Exploratory Studies of New AC&D Concepts" (Grants)

Justification. A program of grants to outstanding scholars and research organizations will be developed to insure that the intellectual resources of the nation are applied to the search for arms control and disarmament approaches for a secure and more peaceful world. These grants will support those qualified individuals and organizations interested in disarmament research but requiring financial support for their activities. The aim of this research is to develop new concepts and to illuminate the factors which stand in the way of the successful path to negotiated agreements on AC&D.

SUB TOTAL \$ 900,000

D. International Security Arrangements for Disarmament and the Preconditions for Disarmament

1. "Role of Alliance Systems in a Disarming and Disarmed World"

Justification. Political-military alliance systems play a central role in preserving security under existing world conditions. They are, in some cases, moving toward an increased degree of integration, and the effects of arms control and disarmament proposals must be measured not only in terms of the interests of individual members of such alliances but in terms of potential impact on the alliance as a whole. It cannot be assumed that the need for alliance systems would disappear in the presence of arms control measures or that such systems would be made unnecessary by the achievement of major disarmament programs (at least during some stages of disarmament they might be more, rather than less, important). However, it is clear that the character of the problems



problems, confronting alliance systems will change as well as the conditions under which new types of problems might have to be resolved through the alliance. The proposed study will examine the changing forms and functions of alliance systems under assumptions as to varying degrees of arms control or disarmament.

2. "The Legal Structure and Financial Support of an International Disarmament Organization and its Relationships to the United Nations"

Justification. The United States Treaty Outline of April 18, 1962 proposes the establishment of an International Disarmament Organization and outlines the composition of that body, its various organs, and its functions. The Outline deals only briefly with the relationship between the IDO and the United Nations, and not at all with the financing of the IDO. This study should consider, in great detail, three areas:

- a. The proposed organs that would comprise the IDO, their inter-relationship in terms of checks and balances, and their individual functions and procedures;
- b. The relationship of the IDO to the United Nations and to various existing United Nations subsidiary bodies; and
- c. The financial requirements of the IDO and of the means of fulfilling those financial needs.

SUB TOTAL \$ 350,000

II. SUPPORTING

II. SUPPORTING STUDIES

1. Inspection System Studies

- a. "Development and Evaluation of Alternative Graduated Access Inspection Concepts"

Justification. Preliminary evaluation of the concept of progressive zonal inspection (the subject of a FY 1963 contract) indicates that present difficulties (political and negotiating) with zonal inspection which arise because of the high degree of access required in the first zones and the shortage of direct assurance concerning activities in other zones, are sufficiently severe so that a major effort needs to be concentrated on the development of the graduated access approach. In-house study of the graduated access concept indicates a very large number of alternatives and a great difficulty in selecting specific examples which can be analyzed in detail.

- b. "Inspection Theory and Concept Studies (Grants)"

Justification. This category is intended to cover a substantial number of separate research grants on this general subject. The specific content will be governed in large measure by the nature of the proposals received. The purpose is to provide ACDA with ideas and concepts which may be utilized in developing fresh approaches to the inspection problem. These studies should serve to stimulate interest in this problem outside ACDA and provide a larger fund of ideas from which to draw, particularly with respect to inspection purposes and functions, the relation of inspection to the military and political environment, and problems of access.

- c. "Operational

- c. "Operational Organization of an International Inspection Organization and the Role of Intelligence"

Justification. The organization of an inspection commission must be studied further in order to provide an adequate basis for conducting inspection field tests and for making inspections as effective as possible with a limited number of inspectors. This study is intended to deal with the dilemma of national versus international control, and to try to work out an appropriate and workable compromise. The study will deal specifically with the problem of handling information within the international organization for use in providing guidance to the inspection teams.

SUB TOTAL \$ 750,000

2. Studies of Elements in an Inspection System

- a. "The Role of Electromagnetic and Mechanical Sensors in Inspection"

Justification. Many inspection techniques have been widely developed in connection with normal military activities. ACDA therefore needs to proceed directly to the quantitative evaluation of inspection capabilities of those techniques. The possible role of aerial photography, radar, and other techniques in inspection operations will require extensive analysis. This contract is provided to follow a FY 1963 study on inspection techniques related to measures affecting the use of outer space. It will provide a detailed evaluation of the potential utility of a variety of electromagnetic and mechanical sensors in an arms control environment.

b. "The

b. "The Use of Economic Data as a Part of the Verification Process"

Justification. Records inspection may be able to play a critical supporting role in a verification system. In this study, it is proposed to analyze the nature, use, and reliability of economic data monitoring with particular reference to the limitation of armaments production in the context of the Soviet planning and record-keeping system. The specific types of economic data required by various disarmament measures will be identified. Reliability will be assessed in terms of verifying compliance, revealing clandestine production, or deterring evasion.

c. "Analysis of Non-Physical Inspection Techniques (Grants)"

Justification. One of the most important unpredictable factors in any inspection effort concerns the effectiveness of non-physical inspection techniques which deal with the information obtained whether purposely or inadvertently in conversation with the local population. The effectiveness of this type of inspection could make a great deal of difference in the amount of useful information obtained from any U. S. inspection effort. This study effort is provided in order that an exploration of such techniques can be undertaken.

d. "Preliminary Design and Feasibility Studies for Special-Purpose Inspection Equipment"

Justification. A detailed study of the capabilities of existing physical sensors will have been completed in the FY 1963 program. It is anticipated that this analysis will indicate a requirement for special studies concerning the feasibility or the design of new special-purpose physical sensors for the inspection process.

SUB TOTAL \$1,000,000

3. Verification

3. Verification of Specific Armaments and Activities

a. "Inspection for Clandestine Military Activities"

Justification. Most of the previous inspection studies have dealt with the detection of fairly large-scale military activities. However, in the later stages of a disarmament agreement it can be expected that even rather small-scale clandestine military activities would constitute a significant threat. This study therefore will be concerned with the detection of clandestine military activities on a very small scale, such as might be appropriate for guerrilla-type aggressive action in an environment where all nations are mostly disarmed.

b. "CW/BW Verification and Control Problems"

Justification. The control of chemical and biological weapons and materials has for some time been recognized as an extremely difficult undertaking. Because (in the early stages of a disarmament program) it is less critical than the nuclear program, it has been postponed until now. The proposed FY 1964 contract therefore provides for a study of the feasibility of verifying agreements affecting chemical and biological weapons and materials.

c. "Study of Methods of Limiting Military Manpower Compatible with Inspection"

Justification. Up to the present, no very serious consideration has been given to the problem of verification of declared levels of military manpower, partly because there is no very satisfactory way of defining, in a treaty, what is meant by "military manpower." The purpose of this contract is to explore alternative ways of limiting military manpower; the study will include consideration of the types of definitions most consistent with U.S. security and of the feasibility of verification of manpower

manpower levels defined by the alternative criteria.

d. "Verification and Control of Nuclear Weapons Production and Stockpiles"

Justification. In connection with the monitoring of nuclear warheads and nuclear materials, a considerable amount of work has already been done by the AEC in the area of nuclear materials production. There has also been one small ACDA-sponsored study group which dealt to some extent with the monitoring of the warheads themselves. The work so far has not been encouraging about the feasibility of monitoring nuclear warheads because they can be easily hidden with little requirement for maintenance over a long period of time. However, the requirement to provide some reasonable verification procedure for the retained levels of warheads is so urgent that continued effort seems to be required. This study will deal with the feasibility of monitoring records as a verification aid and with the control of fabrication, storage, and maintenance of such warheads in an attempt to determine which approaches might be most useful.

e. "The Structure of Soviet Industry With Reference to the Production of Specified Weapons"

Justification. In planning and assessing proposals for the control of armaments production, it is essential to be able to judge what a particular measure would mean in terms of the Soviet industrial structure. This study will analyze Soviet productive capacity and structure for the ten categories of armament in the U.S. Treaty Outline. It will be designed to provide both specific information (location and description of plants, sources of supply, etc.) useful in the design of an inspection system and an over-all summary of resource use (materials, management, capital, etc.) by which the economic impact of production controls can be judged.

f. "Feasibility

f. "Feasibility of Control of RDT&E"

Justification. There has been considerable discussion about the desirability of placing limitations on various aspects of research, development, and testing. Up to the present time, it has been generally assumed that this is not feasible, with a few possible exceptions such as controls on nuclear testing, on missile flight tests, or over the development of prototype weapons systems. This study is part of a continuing effort designed to investigate the feasibility and desirability of broader controls on general research, development, and testing activities.

g. "Fiscal Systems of the Soviet Bloc with Reference to Military Expenditures"

Justification. This project will continue a research program which got underway in FY 1963 with specific reference to the Soviet Union and will expand the study to other countries of the Bloc. The plan is to investigate Soviet Bloc financial organization and record-keeping in such detail as to yield a blueprint of the mechanism of the budgetary and fiscal systems. This information will guide the evaluation of design of controls over military expenditures.

SUB TOTAL \$1,300,000

4. Legal and Political Aspects of Inspection, Violation, and Response

a. "Studies of the Legal and Political Implications of the Inspection of Industry"

Justification. The need for some amount of on-site inspection in connection with nearly every arms control or disarmament measure is almost certain in light of

United

United States policy on verification. It is equally certain that there will be some degree of conflict between existing domestic laws of states and the rights of inspectors. In this connection, two studies are contemplated:

(1) "Legal and Political Aspects of Inspecting United States Industry"

Some analysis of the United States body of law relating to search and seizure has been made. However, this preliminary work could profitably be expanded by a more detailed consideration of both the legal and political problems involved. Not only the fundamental legal problems require analysis, but related problems, such as the protection of proprietary rights and the implications of local political autonomy, need to be dealt with.

(2) "Legal and Political Aspects of Inspection Under Foreign Legal Systems"

It would be highly desirable for the United States, in formulating the details of an arms control and disarmament inspection scheme, to have more extensive knowledge of the laws of other states which might conflict with, or inhibit, the rights of inspections deemed necessary and appropriate. Consequently, a study of the bodies of law on search and seizure of states other than the United States is also proposed for Fiscal Year 1964. The scope of the study would parallel (1) above.

b. "Response to Indirect Aggression and Subversion"

Justification. This study would, in effect be a follow-up to the present

general



general survey study being conducted on the problem of indirect aggression and subversion. The more detailed study of violations of an agreement to refrain from indirect aggression and subversion, and on responses thereto, might include, among other facets, the following:

- (1) An historical analysis of a number of situations involving various types of indirect aggression and subversion;
- (2) An analysis of appropriate procedural mechanisms for determining whether there has been a violation of an agreement not to engage in indirect aggression and subversion; and
- (3) An analysis of possible unilateral and multilateral responses to violations of an agreement not to engage in indirect aggression and subversion.

c. "The

c. "The Development of Rules of International Law"

Justification. An important element of the study of violation and response is the over-all context in which the pattern will take place, namely, with or without recourse to the use of force or threats of force. To the extent that force, or threats of force, may, by agreement, be eliminated as diplomatic devices, we may assume that rules of international law will acquire greater import in the give and take between nations when disputes arise. It will be important to know a great deal more about such rules and the part they can and will play when nations have abjured force. Consequently, a study of the rules of international law along two lines is contemplated:

- (1) To identify with precision areas where the existing substantive rules of international law are not accepted or followed by many states; and
- (2) To consider the establishment of any appropriate mechanism or mechanisms for the development (as contrasted with the codification) of rules of international law.

SUB TOTAL \$ 450,000

5. Inspection Field Test Program

a. "Field Test Design Study"

Justification. This field test design study is intended to provide detailed recommendations

recommendations for the design of a large-scale inspection field test. This test will be one in which a number of alternative inspection concepts are tested and compared in a simulated environment where evasion teams are assigned to deceive the inspectors. It is expected that by the end of FY 1963, ACDA will have acquired considerable experience in small-scale field tests. This experience combined with the results from other inspection contracts, should provide a sound basis for initiating the design of a large-scale field test. This test would be planned for an extensive geographic area including large military installations and extensive highway and railroad networks, commercial and military air facilities, and industrial production installations. The organization around which the inspection would be planned should include airborne integrated sensors, ground inspection teams and a command and control unit to coordinate the functions of the two major elements of the system.

b. "Field Test Data Processing"

Justification. This allocation is to cover rental costs for a data processing center. While the DOD will carry the responsibility for the operational aspects of the early tests, ACDA is responsible for the planning, analysis and evaluation of the test. Large quantities of data will be collected which must be analyzed. In addition, in some of the tests it will be desirable to utilize the data processing concurrently with the test to give the inspection teams a more rapid means of utilizing their own data to plan later inspection operations. ACDA does not itself possess a data processing center and the equipment in the hands of DOD and other Government agencies is being utilized to its maximum capacity. No allocation of time for the use of these machines in other Government agencies is currently possible.

c. "Field Test Research"

Justification. In FY 1964 ACDA will plan and conduct a series of field tests and

and experiments to develop information which will permit the design of an effective inspection and verification system. Certain of these will be through contract:

- (1) Control of the production of strategic nuclear delivery vehicles, and
- (2) Control measures against clandestine production of conventional arms.

Other field tests, especially those for the inspection of retained levels of armaments, will be planned and conducted as joint exercises with the DOD.

SUB TOTAL \$2,400,000

6. Strategy of Negotiations

- a. "Political Factors Bearing on Abrogating, Renegotiating, or Extending Arms Control Agreements"

Justification. One of the problems involved in designing effective measures of arms control and disarmament is the impossibility of forecasting with precision all the problems which might arise in implementing them. The world situation will continue to be dynamic, and, even leaving aside the question of possible violations, it may be desirable to effect changes in specific measures or programs which are being implemented. Not all such changes would present political difficulties, but since some might, it is important to obtain a better understanding of the international political pressures working for or against change in such circumstances, and the manner in which reasonable accommodations of interests might be reached.

b. "Tactics

b. "Tactics and Techniques of Negotiating Arms Control and Disarmament Arrangements"

Justification. The process of negotiating arms control and disarmament arrangements proceeds simultaneously on many levels and presents many faces to the negotiators themselves, the governments they represent, and non-participating governments and observers. It requires interaction with allies, the Soviet Bloc, and the non-aligned countries. It is in part an educational process and in part a bargaining process. It affects and is affected by negotiations (or the absence of negotiations) in other areas. Although the success or failure of specific negotiations is in many respects beyond the control of the negotiating process itself, the effectiveness of the process is carried on. Accordingly, the process itself merits objective examination. Studies of negotiations frequently tend to adopt historical rather than analytical approaches, and some such studies may be biased by the investigator's attitude toward the issues under negotiation. In any case, no studies are available which take into account recent experience in arms control and disarmament negotiations. The proposed study would be designed to fill this void.

\$ 200,000

7. The Relationship Between National Political Environments and Arms Control

a. "Soviet Political Environment in Relation to Arms Control and Disarmament"

Justification. During FY 1963, ACDA is initiating preliminary studies to clarify factors bearing on Soviet attitudes toward arms control and disarmament. The proposed study would supplement these initial efforts by examining such specific aspects of the problem as factors tending to facilitate or hinder changes of governmental positions and policy within the Soviet Union; the Soviet Union's record of compliance

with

with (in contrast with violation of) international agreements and the factors which have encouraged compliance in some cases but not others; and incentives and disincentives for Soviet compliance with arms control and disarmament agreements.

b. "Arms Control and Disarmament Arrangements and National Expectations"

Justification. This study will analyze the differing views (both positive and negative) of various nations toward determining how such nations believe their own national interests would be affected by arms control and disarmament. The study should lead to a clearer understanding of the types of arrangements which might be required to meet such national interests, the degree of compatibility and incompatibility of conflicting interests, and the possibility of reaching a reasonable accommodation of interests in specific cases. The focus of this study would be on nations other than the Soviet Union although the study would consider how the views of other nations toward the Soviet Union may affect their views concerning arms control and disarmament.

c. "Soviet Attitudes Toward ACSD"

Justification. This study proposes to assess Soviet attitudes toward disarmament and particular aspects of arms control through the systematic analysis of Soviet published materials over a specified period of time. One objective will be to evaluate Soviet understanding of Western motives and official positions on disarmament. Systematic content analysis may offer guides to misconceptions, objectives, changes in attitudes, or preoccupations which could have a bearing on the most effective approaches to the Soviet Union in the area of arms control.

SUB TOTAL \$ 250,000

8. Historical

8. Historical Studies of Arms Control and Disarmament Experiences

a. "Analyses of International Disputes"

Justification. Most international disputes of significant proportions include two elements: one relates to the interpretation of a legal rule or rules; the other relates to the desire for a change in an existing legal or political situation. In other words, disputes between states are likely to be a mixture of legal and political issues. As a means of determining what mechanisms might be most appropriate to resolve disputes peacefully, it would be useful to examine in detail a number of past and present disputes in order to determine if any pattern exists in the mixture of legal and political elements, and especially, if the legal issues can be decided, whether the whole dispute might not be more readily resolved. At least four types of disputes would be considered:

- (1) Border disputes - e.g., India-China.
  - (2) Disputes over the status of colonial territories - e.g., India - Portugal, re Goa.
  - (3) Expropriation disputes - e.g., United States - Cuba.
  - (4) Disputes over the status of individuals - e.g., the status of indigenous natives in South Africa.
- b. "Interaction of the Post-World War II Arms Race With Political Tensions"

Justification. It is commonplace to say that the post-World War II arms race

has

has both reflected and generated political tensions. However, it is important not to take this truism for granted but to try to understand how this interaction has operated in specific cases in the past and how it might operate in the presence of an arms race continuing into the future. The proposed study will examine a number of specific political-military events which have occurred during the post-World War II period and will seek to identify the manner in which such events have affected political tensions, on the one hand, and the course of the arms race, on the other.

c. "Historical Analysis of Issues in Disarmament Negotiations Under the League of Nations."

Justification. There were extensive negotiations in the 1920's and 1930's on disarmament under the auspices of the League of Nations. In addition to the discussions in the principal League organs, which began as soon as the League was organized, these included negotiations in the Preparatory Commission for the Disarmament Conference (1926-1930) and the Disarmament Conference itself (1932-1937). The issues and problems in these inter-war conferences, as well as the attitudes and positions taken by various governments, in many cases have similarities to those in current negotiations. A detailed study of this extensive earlier experience, with careful analysis of the many factors involved, is expected to furnish instructive guidance for present-day policy formulation.

d. "Analysis of Past ACC&D Agreements (Organizations, Control, Compliance, Violations and Response)"

Justification. It is highly pertinent in formulating current proposals for international arms control and disarmament agreements to examine those agreements of the past with which there has been experience. These include a number of naval agreements in the 1920's and 1930's, such as the Washington and London treaties, and other arrangements



arrangements like the Treaty of Versailles which contained arms control provisions. In this study these and other agreements and arrangements would be given detailed examination in regard to forms of control organization, procedures and methods: the extent of compliance with the agreement and the reasons therefor; the kinds and number of violations; the reactions of governments and peoples to the violations; and an analysis of the general success or failure of the agreements. Such a study is expected to be instructive in indicating what factors should be stressed and what should be avoided in framing present-day proposals.

e. "Origin and Operations of the Armistice Organization in Korea"

Justification. One of the most important examples of an agreement with the Communists involving arms regulation and control is that for the armistice in Korea, which has now been in operation for about a decade. It should be given close study for the kind of conduct that might be expected from the Communists in negotiating and carrying out an arms control agreement. Questions to which answers would be sought in this study include: what international factors stimulated agreement, what problems handicapped negotiations, why were certain types of arms control provisions included and others omitted, what factors led to observance of certain parts of the agreement and to violations of other parts. The study would also look into the control mechanism established by the agreement: its structure, functions, achievements and failures. The latter information is expected to be helpful in connection with the proposed establishment of a control organization for general or partial disarmament.

SUB TOTAL \$ 410,000

9. Technical and Economic Dislocations Resulting From Arms Control and Disarmament

a. "Effect of Arms Control and Disarmament in the Electronics Industry (U.S.)"

Justification.

Justification. The essential purpose of this project is to examine the extent and manner of the involvement of the electronics industry in defense production and the possibilities for the industry to reallocate its resources to commercial production in the event of a disarmament agreement. The effects of disarmament on the aircraft industry are reasonably apparent and there is considerable data available with which to make a more precise analysis. Involvement of the ordnance industry in defense production is obvious and pertinent data regarding the location of facilities and employment can be readily developed. Similar considerations apply in the case of the ship-building industry. Of the principal industries involved in the defense program, the electronics industry is the only one for which there is a very significant scarcity of information. Furthermore, the industry's involvement in the program is complex and there is a large number of small suppliers in the field. Finally, the industry's production is roughly divided equally between defense and commercial so that the impact of disarmament is more difficult to estimate. Given the nature of the product of the industry, there are substantial possibilities for reconversion to peaceful production which require evaluation. To the extent feasible, the project should endeavor to identify the number, size, and geographical distribution of firms in defense electronics, with particular attention to identification of employment and should analyze some of the possibilities for conversion to peaceful production.

b. "Methods for Analyzing Defense Employment (a Feasibility Study)"

Justification: The general purpose of this study is to examine possible methods of evaluating the impact of arms reductions on defense employment, taking account of such considerations as the availability of data, limitations on data by virtue of security or proprietary interests, feasibility from the viewpoint of economic analysis, and manpower requirements. The project should endeavor to suggest alternative methodologies and to evaluate them in terms of the foregoing considerations.

c. "Regional

c. "Regional Case Study (Economic Impact)"

Justification. The purpose of this study is to examine in detail the problems of economic adjustment to a disarmament process for a particular region with a heavy concentration of defense employment. It is intended that the project would examine such problems as alternatives for economic development, the mobility of manpower, the possibilities for conversion of defense facilities to commercial production, and the respective roles of the federal, state and local authorities in facilitating adjustments. The study should be conducted in such a way as to provide information of value in considering adjustment techniques for other defense-impacted areas.

SUB TOTAL \$350,000

10. Arms Control Implications of Technical Developments

a. "Arms Control Implications of Technical Developments in the U.S.S.R. "

Justification. This study is designed to explore the implications, for arms control policy, of the trend of technological development in the U.S.S.R. over the next several years. Soviet progress in the AICBM field, in communications, and in advanced weapons will be assessed.

b. "Arms Control Implications of AICBM and Other Technical Developments in the United States"

Justification. An in-house ACDA study of the problems and issues in the area of future weapons technology has indicated that more intensive study should be given to the significance of the development of various weapons systems such as the AICBM, ASW, manned

manned space forces, and all-fusion weapons. This contract is designed to further the study effort in this general area.

SUB TOTAL \$400,000

11. Computer Services and Methodological Studies

a. "Computation Laboratory"

Justification. The Computation Laboratory is a continuing facility which provides ACDA with the capability to carry out quantitative analyses as required for ACDA in-house evaluations of the military implications of arms control and disarmament concepts. The facility allows ACDA to carry out both theoretical analysis and machine simulations and computations. The facility may also be utilized to simulate and analyze specific proposals for verification and inspection in an arms control context.

The contractor provides a staff capable of developing the computational models, conducting the analyses and performing the necessary programming and computing services. When the required computing equipment is not available in existing Government facilities the contractor also provides the necessary computing facility.

b. "Development of a General Purpose Military-Political Arms Control and Disarmament Game to Test Arms Control Concepts"

Justification. The use of gaming techniques has been found very useful as a method of improving understanding of possible future military situations. The technique has been used successfully within the Department of Defense to explore alternative courses of action in various crisis situations. While such games in and of themselves cannot provide reliable answers, they do sharpen concepts by providing an opportunity to

think

think through possible consequences in a more realistic environment and they aid the policy maker by illustrating plausible contingencies which might otherwise be overlooked. There is at present no well-developed game approach which is appropriate for exploring the strategy of negotiations or the kind of political military environment which might exist following an arms control agreement. The purpose of this contract is to provide for the development of a game concept and the compilation of necessary data to provide a workable technique specifically designed to explore alternative arms control or disarmament strategies. The game will be developed primarily to serve as an educational tool for ACDA and for senior personnel of other Government organizations.

c. "Basic Research on Methodology for Analysis of Arms Control Problems (Grants)"

Justification. There is a widespread interest among military-political analysts and behavioral scientists in improving the methodology which can be utilized to analyze arms control concepts. This item will provide for the support of the basic research which is required to improve our analytical capability in the future.

In connection with inspection problems, there is a need for the development of appropriate statistical and psychological concepts that can be used to aid in the design and evaluation of specific techniques. Similarly, there is a need for basic behavioral studies in the psychology of conflict and the role of negotiations. This program thus will provide for some of the basic research that is necessary to allow long-term growth in our basic understanding of the international conflict arena.

SUB TOTAL \$1,000,000

12. Bibliographic

12. Bibliographic Studies

- a. "Maintenance of Bibliographic and Abstracting Services on Unclassified Literature and Research Relating to Arms Control and Disarmament"

Justification. To carry on the Agency's in-house and contract research program, as well as its policy formulation and negotiating functions, it is necessary to have bibliographic control over the large amount of literature pertaining to arms control and disarmament and many related subjects in the field of the social and physical sciences. This requires the identification, indexing and abstracting of books, articles, pamphlets, and other literature, past and current, as well as a systematic survey of relevant research still in progress. This applies not only to output in the United States but also in other countries.

It is intended that this operation be mechanized (using data processing equipment) to the extent that it is feasible.

	SUB-TOTAL <u>\$150,000</u>
TOTAL - Concept Studies	\$2,340,000
TOTAL - Supporting Studies	<u>8,660,000</u>
GRAND TOTAL - - - - -	\$11,000,000

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

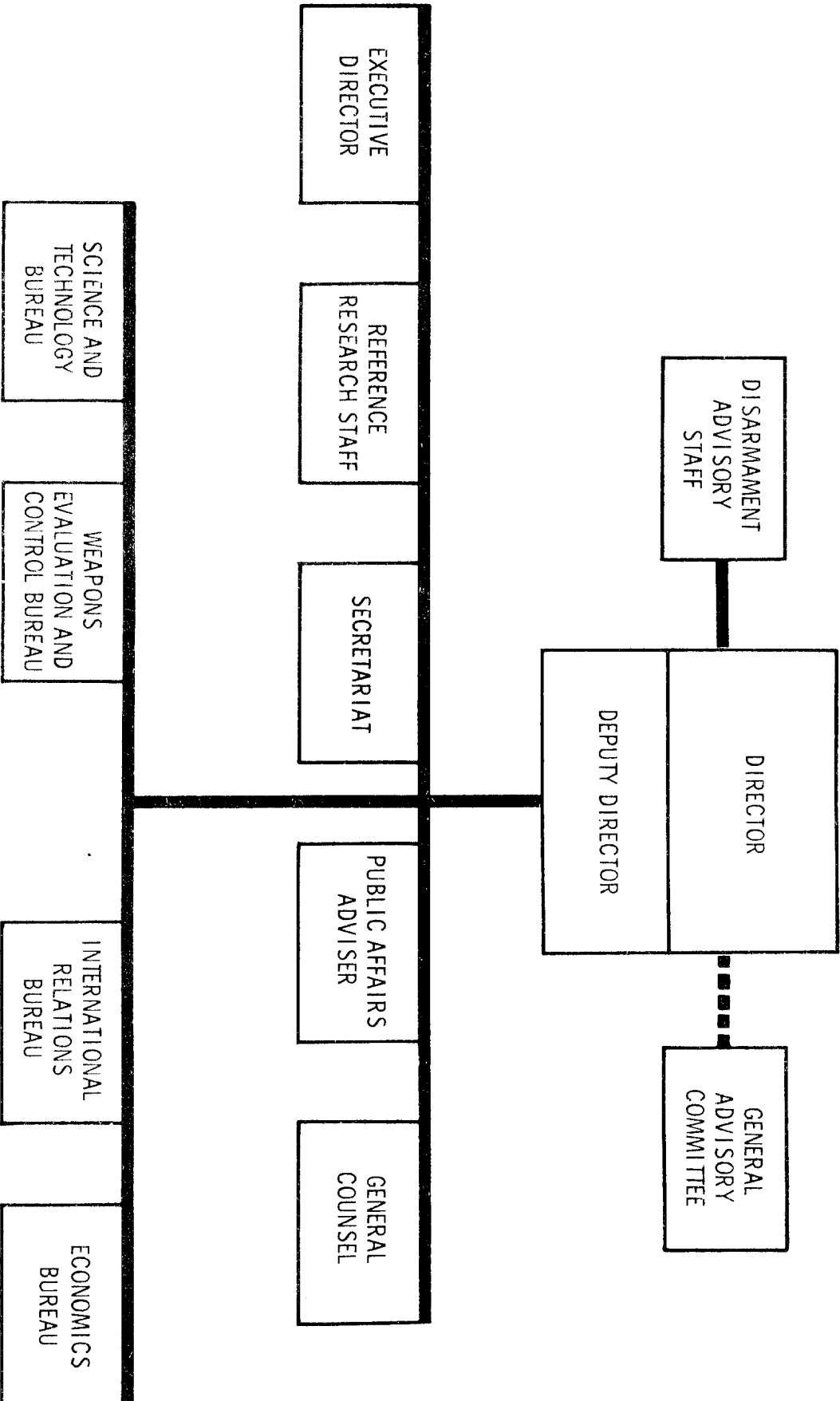
Summary of Obligations Under FY 1963 Budget and FY 1964 Budget Request

	1963	1964 <u>Estimated</u>
A. <u>Contract Research Program</u> <sup>1/</sup>	<u>\$3,559,000</u>	<u>\$11,000,000</u>
B. <u>Operating Expenses</u>		
Personnel Compensation and Benefits	1,761,000	3,074,000
Travel and Transportation of Persons and Things	97,000	130,000
Printing and Reproduction	31,000	42,000
Administrative Support Functions Performed by State and Other Agencies	657,000	749,000
Supplies, Materials and Equipment	<u>2,500</u>	<u>5,000</u>
	<u>\$6,107,500</u>	<u>\$15,000,000</u>
	<u>TOTAL</u>	<u></u>

<sup>1/</sup> See pp. 1 and 8 (Appendix) for detailed analysis of FY 1963 and proposed FY 1964 contract research programs.

UNITED STATES ARMS CONTROL  
AND DISARMAMENT AGENCY

JAN. 2, 1963





UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

Permanent Staff by Organizational Unit

	Actual No. FY 1962	Estimated No. FY 1963	Estimated No. FY 1964	Increase- Decrease
Office of the Director . . . . .	12	12	12	-0-
General Counsel . . . . .	5	10	13	+ 3
Public Affairs Adviser . . . . .	5	5	8	+ 3
Executive Staff . . . . .	10	17	21	+ 4
Secretariat . . . . .	16	21	25	+ 4
Disarmament Advisory Staff . . . . .	11	14	19	+ 5
Reference Research . . . . .	11	19	20	+ 1
International Relations . . . . .	26	32	32	-0-
Science & Technology . . . . .	15	30	43	+13
Economics . . . . .	5	11	15	+ 4
Weapons Evaluation & Control . . . . .	<u>10</u>	<u>49</u>	<u>69</u>	<u>+20</u>
Totals	<u>126</u>	<u>220</u>	<u>277</u>	<u>+57</u>

LETTER TRANSMITTING  
ARMS CONTROL AND DISARMAMENT ACT  
AMENDMENTS TO CONGRESS

January 31, 1963

The Honorable  
John W. McCormack,  
Speaker of the House of Representatives.

Dear Mr. Speaker:

Enclosed for your consideration and appropriate reference is proposed legislation to amend the Arms Control and Disarmament Act (1) to authorize appropriation of "such sums as may be appropriate" to carry out the purposes of the Act, and (2) to revise slightly the requirements for personnel security investigations of research contractor personnel.

This Act became law sixteen months ago. Its purpose, as described in Section 2, was to create "a new agency of peace to deal with the problem of reduction and control of armaments . . ." It authorized the appropriation of up to \$10 million to establish the Arms Control and Disarmament Agency, and to provide it with operating and research funds for an initial period.

During this period the Agency has been bringing together the elements of a Government-wide research program to acquire a fund of knowledge, including knowledge

of

of effective verification methods, which can form the basis for informed negotiations. This knowledge has formed the basis for the new proposals made at the Geneva Disarmament Conference which began in March of 1962. These proposals form a part of the Agency's continuing search for realistic measures to enhance our security through arms control and disarmament.

The period since the Agency was established has produced fruitful discussions which have enhanced awareness of the complexity of the problems and isolated specific areas where agreement may be possible. We did not expect progress toward agreement to come quickly and it has not. However, common interests exist on both sides in curbing the arms race and in specific measures to that end. We believe that it will continue to be in the United States interests to seek realistic arms control and disarmament measures.

To support this effort, additional appropriations for the Agency are needed. Of the original \$10 million authorization ceiling, \$8.33 million has been appropriated and only \$1.67 million remains for future appropriations. The Budget for the next fiscal year requests an appropriation of \$15 million. Elimination of the \$10 million ceiling is obviously necessary. The first amendment contained in the proposed legislation would remove this ceiling and authorize the appropriation of "such sums as may be appropriate".

This would place the Agency's funding on the same permanent basis as most other Government agencies. A specific dollar ceiling implies a temporary or "one-time" activity. But, the experience in this field shows clearly that a long-term effort is necessary if progress is to be made. The sincerity of our commitment as a Nation to the goals stated in the Act can well be evidenced by Congressional authorization of a continuing effort without specific dollar limitation.

The

The Bureau of the Budget has advised that the enactment of this, the first proposed amendment, would be in accord with the President's program.

The second proposed amendment would change the requirements for personnel security investigations for Agency contractor personnel while retaining the existing strict requirements for Agency employees. Personnel of contractors and potential contractors may not now have access to any classified information until they have been investigated in accordance with the Act which provides for arrangements for full-field background loyalty and security investigations by the Civil Service Commission or the Federal Bureau of Investigation. In many cases, contractor employees have current clearances from the Department of Defense or other Government agencies based upon full-field investigations which were not conducted by the Civil Service Commission or the Federal Bureau of Investigation. The purpose of the amendment is to permit clearance to be based upon such investigations, if another Government agency has already granted clearance, rather than arranging for new investigations by the Civil Service Commission or the Federal Bureau of Investigation. The language is largely based upon language enacted by Congress in 1961 to provide the Atomic Energy Commission with similar authority. § 6 of P.L. 87-206, 42 USC § 2165(c) (1958 ed. Supp. III) ]

This change would not result in investigations which are less intensive or complete than the Act presently requires. It would simply eliminate the requirement for a new investigation in the case of contractor personnel who are already thoroughly investigated, and thereby eliminate needless delay and duplication of effort.

The security amendment would also authorize the granting of access to information classified no higher than confidential to contractor personnel without a full-field investigation but with a check of the files of the Federal Bureau of Investigation, intelligence agencies and other agencies maintaining personnel security files. This would

simply

simply authorize the Agency to follow a practice commonly utilized by the Department of Defense, the Atomic Energy Commission and other agencies. In many cases, such as bidders' conferences, a quick clearance for low-classification material is essential to initiate discussions to see whether potential contractors are interested or qualified to perform a proposed contract research program. In other cases, low-classification material is all that a contractor needs, and the Government's interests would be better served by providing for a low-cost, expeditious national agency check rather than an expensive and lengthy full-field investigation.

Neither of the changes in personnel security procedures would affect the requirement of full-field loyalty and security investigations by the Civil Service Commission or the Federal Bureau of Investigation for employees of the Agency. Neither would prevent the Agency from continuing to maintain the highest standards with respect to personnel security.

The Bureau of the Budget has advised that there is no objection to the submission of the proposed amendments to change personnel security procedures for contractor personnel.

In submitting this proposed legislation may I urge it be given early attention so that the appropriation hearings on the Agency's requests for the next fiscal year may proceed in a regular course.

Sincerely,

sgnd. William C. Foster

Enclosure:

Proposed legislation to amend the  
Arms Control and Disarmament Act.

UNITED STATES ARMS CONTROL AND DISARMAMENT AGENCY

A BILL

To amend the Arms Control and Disarmament Act in order to increase the authorization for appropriations and to modify the personnel security procedures for contractor employees.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,  
That Section 49(a) of the Act entitled "Arms Control and Disarmament Act", approved September 26, 1961 (75 Stat. 639) is amended by striking out "not to exceed \$10,000,000" and inserting in lieu thereof "such sums as may be necessary and appropriate,".

Sec. 2. Section 45 of the Act entitled "Arms Control and Disarmament Act", approved September 26, 1961 (75 Stat. 637), is amended by re-designating Subsection 45(b) as Subsection 45(c) and by inserting after Subsection 45(a) the following new subsection:

"(b) In the case of contractors or subcontractors and their officers or employees, actual or prospective, the Director may accept, in lieu of the investigation prescribed in subsection (a) hereof, a report of investigation conducted by a Government agency, other than the Civil Service Commission or the Federal Bureau of Investigation, when it is determined by the Director that the completed investigation meets the standards established in subsection (a) hereof, provided that security clearance had been granted to the individual concerned by another Government agency based upon such investigation and report. The Director may also grant access for information classified no higher than confidential to contractors or subcontractors and their officers and employees, actual or prospective on the basis of reports on less than full-field investigations, provided that such investigations shall include a current national agency check."