TAB

Draft Response to PRM-11, Task 2

The following changes are recommended in the draft:

1. Page 54, last sentence of text; change to read: "There was no authoritative basis for the DCI to stimulate new initiatives or to direct trade-offs between programs."

2. Page 55, last line; insert between "accomplishment." and "But,": "The CFI supported by the IC Staff reviewed all major aspects of all elements of the NFIP--a scrutiny more intense than any other program or budget in the federal government. For the first time the Intelligence Community was forced to speak with one voice before the President and the Congress and as a result coordinate its activities to a greater degree than ever before."

3. Page 56, line five, two sentences beginning with "Progress"; change to read: "Progress was made in achieving decisions on major issues involving new initiatives and modernization efforts and in obtaining Community positions on issues highlighted by Congress and OMB interests. However, the compressed review cycle and internecine disputes disrupted efforts to examine complex cross-program issues and resource balances."

4. Pages 57-60; change "Conclusions" to "Opinions"; change "Opinion 1" and "Opinion 2" as follows:

Opinion 1:

The present system worked well for the first year. A learning curve will show improvement, especially as a full cycle of evaluation, planning, programming, and budgeting is implemented. Moreover, despite the cost in bureaucratic struggle, it is important that the future programs and budgets of the main national intelligence entities be thrashed out in a forum where a diversity of needs and views are authoritatively represented. To function with full effectiveness, the Community mechanism requires direct access to and influence over the entire programming and budget process, including program execution of all NFIP programs. PRC(I) decisions must be recognized as final, except for infrequent cases appealed to the National Security Council. In essence, the system can work if the members of the Community are clearly instructed that it must and will work if a rational informal structure is nourished by a spirit of cooperation.

Opinion 2:

The first opinion is correct in stressing the value of a collegial mechanism for airing the views of the members of

the Community. Diversity of demands on intelligence programs
that exist in the real world, and the variety of requirements
among the Departments/Agencies which make up the Community
must be coordinated to insure the most effective program
structure. However, in the final analysis, the ultimate
authority over the programs and budgets of departmentally based
intelligence programs rests--and must rest--with the Department
head. The DCI should lead by defining requirements and
priorities and the PRC(I) or a similar mechanism should review
and recommend how these priorities and requirements should
impact on programs. Those requirements and priorities can be
met with the voluntary cooperation of the departments that
run the collection programs.

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5 May 77

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Attached are OPBD comments on the draft of Task 2. He tried to give the more positive flavor Admiral Murphy desired especially in the rewrite of the "Opinions."

Yell if you need further help.

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ACTION