

TRANSMITTAL SLIP		DATE 8 March 1982
TO: ICS Registry		
ROOM NO.	BUILDING	
REMARKS:		
FROM:		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241

REPLACES FORM 36-8
WHICH MAY BE USED.

(47)

The Director of Central Intelligence

Washington, D.C. 20505

Intelligence Community Staff

DCI/ICS 82-3010
8 March 1982

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16 MAR 1982

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Dear [Redacted]

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Thank you for your letter dated March 1, 1982. The ideas you presented will be carefully considered. We have included a copy of your letter in the package prepared for Mr. Casey's participation in the Cabinet Council meeting.

It is our understanding that the meeting is now scheduled for the week of March 15, 1982.

Sincerely,

[Redacted Signature]

STAT

Deputy Director

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DCI/ICS, [Redacted] 8 March 1982

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COMSAT GENERAL CORPORATION

DENNIS JAMES BURNETT
General Attorney

March 1, 1982

[Redacted]

Deputy Director
Intelligence Community Staff

[Redacted]

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Dear [Redacted]

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We understand that the Cabinet Council on Commerce and Trade will consider the commercialization of civilian weather and land satellite remote sensing this Wednesday. We would like to share with you a few ideas which may be helpful in preparation for your agency's participation in the Cabinet Council meeting.

The basic policy issue -- commercialization of the weather and land satellite systems -- should be made now. The subsidiary issues related to the commercialization have been discussed and debated for more than a decade. Further study or debate of these issues will not result in their resolution, but will serve only to delay indefinitely the basic policy issue. We assert that the basic issue should be resolved now in favor of commercialization and leave the detailed issues to be worked out later. Without a basic policy statement by this Administration in favor of the commercialization of the weather and land systems it is doubtful that the private sector would have any incentive to make the sizeable investment necessary to resolve the detailed issues of commercialization.

Simultaneous transfer of the weather and land systems should be one of the options of commercialization to be examined further. The combination of the weather and land programs, as proposed in our EARTHSTAR document of December 14, 1981, would make it possible to achieve operating economies which would greatly benefit the

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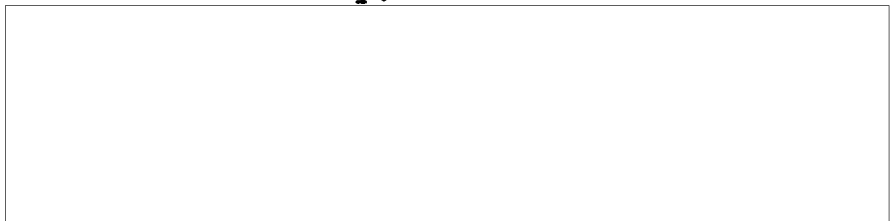
Government in the form of reduced outlays. Furthermore, we believe that these economies are essential to the successful commercialization of the LANDSAT system. Without these economies, it may not be possible to transfer LANDSAT out of the Government. Finally, the transfer of the weather and land systems involves the same fundamental issue: Whether civil remote satellite sensing should be conducted by the Government or the private sector. Policy makers should have to address this issue only once, especially since there do not appear to be any issues of public policy which would preclude transfer of either system.

Civil weather and land satellite remote sensing is an activity appropriate for transfer to the private sector. Private enterprise is the primary source of our economic strength. Accordingly, the Government should procure goods and services from the private sector whenever possible. The operation of civilian weather and land sensing satellites is not an inherent Government function and there are no overriding policy factors which require civil weather or land satellite sensing to be conducted by the Government. The efficiencies and economies of private operation, combination of the weather and land systems and development of the commercial markets would result in reduced Government outlays if the programs transferred. Commercialization of remote sensing would also benefit U.S. balance of trade and space technology leadership.

We therefore urge you to actively encourage the Cabinet Council to come to a policy decision with regard to the simultaneous transfer of the GOES, NOAA, and LANDSAT systems to the private sector and assign responsibility for implementing that decision.

If you have any further questions regarding our EARTHSTAR proposal or any of the issues presented by its consideration, I would be pleased to provide you with further information.

Sincerely,



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