FILE Comm 13
15 Sept. 1978

MEMORANDUM FOR: Deputy to the DCI for Resource Management

FROM: John F. Blake
Deputy Director for Administration

SUBJECT: Satellite Reconnaissance Security Policy Alternatives (C)

1. (C) We have reviewed the final issue paper on Satellite Reconnaissance Security Policy Alternatives and find the paper basically incorporates the conflicting views of the differing parties on this matter. It would appear that probably more weight was given in the editing process to the State/ACDA position of opting for declassification of "fact of" without further study.

1A

2. (C) We did note that under the heading IMPLEMENTATION CONSIDERATIONS, the final paper confines those concerns as solely related to release of imagery. The point was made more than once to OSTP that we believed that these considerations applied to both declassification of "fact of" and release of imagery, and that the original Work Group paper had stated it in that fashion. It was our belief that OSTP had agreed to incorporate that belief into the paper during a final consultation last week. 25X1A

3. (U) The paper contains some unfortunate redundancies which we attribute to hurried editing but, since the paper is now on the street, it is not worth dwelling on at this time.

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4. (C) We believe that the points that need to be addressed during the Space Policy Review Council (SPRC) meeting include:

a. Declassification of "fact of" solely for SALT II without proof of capability, i.e. release of imagery, is an empty shell which will not convert any Doubting Thomases.

b. The thought of merely informing the Soviets of our declassification intentions as opposed to entering into consultation with them strikes us as ill advised in view of past Soviet concerns. The State Department representative should be asked to shed light on this problem as well as advising if there have been any recent discussions with the USSR in this area. The same would apply vis-a-vis the allies and the lesser Developed Countries.

c. Assuming all agree that at least some imagery must be released to reflect the ability of the United States to monitor arms verification, an expression of concern should be made to reflect Intelligence Community concern about enabling the USSR to take action to take better protective and concealment action against observation.

d. We continue to be concerned with the possible loss of classified information with the declassification of "fact of." Although the paper suggests that a security plan to maintain intelligence discipline, there will remain a body of formerly cleared people who will react with a variety of interpretations over the meaning of declassification of "fact of" and some will undoubtedly believe that such declassification includes declassification of "facts about," and this may do serious harm to overhead collection programs.

e. Most importantly, we understand there are political reasons for desiring an immediate decision to delcassify, followed by development of an implementation plan. However, we are hard pressed to understand why any adviser would suggest to the President that he make a decision without adequate prior staffing. We would hope that the DCI, or his representative, would raise that point at the SPRC and recommend that the suggested two month study be undertaken prior to a decision to declassify "fact of."

5. (U) We will continue to follow this issue with interest as it makes its way toward decision.

/S/
John F. Blake

cc: D/Security

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ORIGINATOR:

25X1A [redacted]

Robert W. Gambino
Director of Security

11 SEP 1978
Date

Please LDX o

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7D18 CIA Hqtrs.
[redacted]

25X1A Deputy Director for Science and Technology
6E60 CIA Hqtrs.
[redacted]

25X1A Director, National Foreign Assessment Center
7E62 CIA Hqtrs.
[redacted]

Thanks,

Beverly, [redacted] 25

DD/A Registry
78-3498

5 SEP 1978

MEMORANDUM FOR: Under Secretary of the Air Force
Director, National Security Agency
Director of Intelligence and Research, Department of State
Director, National Foreign Assessment Center
Deputy Director for Administration
Deputy Director for Science and Technology
Deputy to the DCI for Collection Tasking
Director, Defense Intelligence Agency

25X1A FROM: [redacted]
Deputy to the DCI for Resource Management

SUBJECT: Satellite Reconnaissance Security Policy Alternatives (C)

1. (C) An issue paper on this subject is forwarded for your review and comment (see Attachment 1). It will be the basis for discussion at a special Space PRC meeting on 13 September.

2. (C) We have participated in the preparation of this paper and have submitted staff level comments on two previous drafts. However, some of our significant comments have not been incorporated. The comments we submitted were coordinated with your representative on the Intelligence Community Civil Space Policy Working Group (see Attachment 2).

25X1A 3. (C) I would appreciate it if you would provide me with your formal comments on this issue by COB, Friday, 8 September 1978. Please
25X1A forward these comments to [redacted] (CHB, Room [redacted] telephone [redacted]. 25X

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[redacted]

Attachments:
1. Satellite Reconnaissance Security Policy Alternatives
2. Intelligence Community Civil Space Policy Working Group Representatives

CLASSIFIED BY [redacted] 25X
EXEMPT FROM GENERAL DECLASSIFICATION SCHEDULE OF E. O. 11652, EXEMPTION CATEGORY:
§ 5B(1), (2), (3) or (4) (circle one or more)
AUTOMATICALLY DECLASSIFIED ON
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(unless impossible, insert date or event)

SECRET

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

August 31, 1978

MEMORANDUM FOR: The Secretary of State
The Secretary of Defense
Director, Office of Management and Budget
Director, Arms Control and Disarmament Agency
Chairman, Joint Chiefs of Staff
Director of Central Intelligence
Administrator, National Aeronautics and Space Administration
Director, Office of Science and Technology Policy

SUBJECT: Space Policy Review Committee Meeting

The attached document was extracted from the ongoing civilian space policy review. Because of its national security elements, declassification of the "fact of" photoreconnaissance satellites will be discussed separately during a Space Policy Review Committee meeting on September 13, 1978.

Christine Dodson
Staff Secretary

SECRET XGDS (B)(2)

A. POLICY SETTING

When the United States started its space reconnaissance program in the late 1950's and early 1960's, there was considerable uncertainty as to foreign reaction. The Powers U-2 incident in 1960 emphasized the high potential for a major confrontation and embarrassment, yet the need for strategic intelligence was overpowering. The US strategy was to be as unobtrusive as possible, keeping the existence of the program covert and avoiding the necessity for foreign acknowledgment. In concert, the civil space program and benign applications were emphasized in public and led, over the years, to implicit general acceptance of remote earth sensing for a variety of purposes.

It is common knowledge that the US and the USSR use satellite reconnaissance monitoring techniques. For example, a recent book by former DCI William Colby--cleared by the CIA prior to publication--discusses the use of overhead photography for arms control verification purposes. Secretary of State William Rogers stated in 1972 that surveillance satellites were one of the means used to monitor SALT I. Back in the mid-1960's President Johnson in a speech in Tennessee extemporaneously stated that the US used satellite photography to observe Soviet ICBM deployment. He added that this activity alone justified the expenditures on our space program. Furthermore, President Carter stated during a March 1977 radio call-in program that "as you probably know, with space satellite photography we . . . guarantee the security of our country . . . ."

PD/NSC-37 revised the security policy for space intelligence activities by downgrading the fact that the US conducts satellite reconnaissance for intelligence purposes--without disclosing the generic type--to CONFIDENTIAL (XGDS). PD/NSC-37 specifies that the special product controls (over imagery and other space-derived data) is to be used sparingly by the DCI.

This section examines two possible revisions to the current policy:

-- First, a simple declarative declassification only of the fact that satellite photoreconnaissance is one of the national technical means used by the US for verification of compliance with SALT and other arms control agreements.

*On the recent Kampiles espionage case--involving alleged sale of sensitive reconnaissance satellite documentation to the Soviets--there is presently no decision on what must be presented during the trial as evidence. Presently, it is planned to enter evidence on the satellite document in question under protective seal. What must be divulged openly in court will be determined over time. It may be required not only to admit the "fact of" photoreconnaissance but also facts about the capabilities of US systems in order to prosecute Kampiles.

-- Second, a possible extension of this declassification to selectively declassify and release photoreconnaissance intelligence imagery for furthering economic, social, foreign policy, defense, and political objectives of the US.

B. DECLASSIFICATION OF THE "FACT OF"

Benefits and Risks. Claim is made in public forums that the SALT II agreement now being negotiated is unsound, in part because of public perceptions that the Soviets cannot be trusted to comply with its terms. Opponents of a SALT agreement charge that the Soviets have cheated on SALT I and that the US has an inadequate ability to verify compliance with SALT II. In answering these charges, government spokesmen are prohibited from "officially" stating that the US conducts satellite photography to monitor Soviet compliance with SALT. They are restricted to using the euphemism National Technical Means (NTM) when describing those elements of our verification capability. Members of Congress have been briefed on US monitoring techniques, however, and the fact that NTM includes satellite photography is widely recognized and accepted by the press and much of the informed foreign affairs community. The term NTM, however, may be lost on less-aware segments of the lay public. Direct referral to satellite photoreconnaissance can alleviate any feeling in the public mind that the Administration is being evasive and is trying to cover up an inherently weak case for SALT. This, however, may be inadequate and it may also be necessary to discuss facts about these capabilities to help allay public concern that we can adequately verify Soviet compliance with the terms of the agreement.

Declassifying the "fact of" photo-satellite reconnaissance might enable government spokesmen to make a more effective case for a SALT II agreement. The ability to refer to credible intelligence capabilities might help allay public concern that we can adequately verify Soviet compliance with the terms of the agreement.

There are, however, risks associated with the declassification of the "fact of." They are:

-- The classification of the "fact of" satellite reconnaissance has served as the first line of defense for the security of overhead intelligence programs. After declassification, US agencies and officials could be under pressure, both legal (Freedom of Information Act (FOIA)) and otherwise, to provide ever increasing information about the reconnaissance programs, as well as imagery itself. Acknowledgment of imagery could lead to further probing and speculation about even more sensitive satellites. Some agencies believe this pressure may be virtually irresistible and irreversible. Other agencies believe that the line can be drawn in this case as in others (e.g., nuclear weapons deployments), especially since the "fact of" is already widely known, even if not officially acknowledged.

SECRET XGDS (B)(2)

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-- Even though declassification of the "fact of" carries the strong implications that the Soviets have a similar capability, there may be adverse Soviet reaction to a public statement to the effect that we use photoreconnaissance satellites. Subsequent harmful consequences in various arms control discussions (e.g., ASAT, CTB) and other outer-space issues also could result. At a high level we would need to inform or consult with the Soviets on the scope of and reasons for any change in US policy prior to any announcement that might ensue.

-- There may be adverse reaction in the UN Outer Space Committee to official US acknowledgment of its photoreconnaissance activities, particularly on the part of the developing countries. Some have already expressed concern that civil remote sensing activities pose a threat to their military and economic security. Such acknowledgment could result in increased pressures for controls on remote sensing from satellites and possibly demands that "military" satellites be banned. On the other hand, the fact is already widely known, and increased demand for access could likewise result. Acknowledgment in the context of SALT verification, however, would likely be applauded by developing countries.

C. ISSUE FOR DECISION ON "FACT OF"

Some believe that, with appropriate preparation, the "fact of" can be declassified now with real but acceptable risks to intelligence security and to US foreign and domestic policy. According to this view, we could proceed to publicly acknowledge that photo-satellite reconnaissance programs are among the means used by the US to verify Soviet compliance with SALT and other arms control agreements. They believe there is an obvious, commonsense value to the forthright admission of what is already widely known. Furthermore, they believe that implementation plans should be developed prior to public announcements on this matter. Such plans could be prepared within a few weeks and would include:

-- A Presidential directive that (1) declassification of "fact of" is limited to photoreconnaissance for verification of SALT and other arms control agreements and that (2) all data derived from overhead reconnaissance remain classified and compartmented in accordance with existing guidelines.

-- A security plan to maintain intelligence discipline.

-- A plan of action for informing Congress, our allies, and the Soviets prior to a public announcement.

-- Contingency planning to deal with reactions of other countries and a thorough set of Q's and A's.

Others believe that the "fact of" can be declassified but that not enough is presently known about the near- and long-term impacts on US satellite reconnaissance and suggest that a study of a few months is required to make the best possible decision in this matter. They further believe that benefits from acknowledgement of the "fact of," without some public use of information or imagery from space reconnaissance, is of limited value. Further, they believe that prior to a decision on implementation more study is needed over the next few months. This study would evaluate the ramifications of declassifying the "fact of" and develop a full and detailed execution plan that would include: a security plan to maintain intelligence discipline; a detailed consultation strategy with the Congress, our allies, the Soviet Union, and members of the UN Outer Space Committee; and contingency strategies by responsible agencies. They also believe that the implementation considerations outlined in the discussion on declassification of photographic imagery should be taken into account in any decision on the "fact of" as well. Essentially, under this approach the decision on declassification of the "fact of" in the context of SALT verification would be deferred for the few months necessary to complete the more detailed review.

D. DECLASSIFICATION OF PHOTORECONNAISSANCE IMAGERY

Any decision to go beyond declassification of the "fact of" and to additionally include a selective and phased public release of photoreconnaissance imagery or information from space reconnaissance increases both risks and benefits. Any steps taken in this area either measured or decisive would represent a significant Administration initiative in space that would have worldwide impact. Unlike other major space initiatives--Apollo or solar power satellites--declassification would not have a budget impact. It is believed that the risks and the potential long-term benefits of such a policy revision warrant a careful assessment of this possibility before acceptance or rejection. But, of course, such an assessment would be pursued only if the "fact of" were declassified.

Potential Benefits and Risks. The broader use of presently-classified data could well be an efficient means of meeting certain domestic needs for an authoritative data base supplementing (or in some cases replacing) imagery sources currently available to the private and public sector. For example, stereoscopic imagery of cartographic quality has already been collected over much of the world. Its exploitation has been largely limited to government intelligence and mapping functions. Its value to mineral and petroleum exploration--either in raw image form or as analyzed thematic geological map products--is likely to be high, representing a quantum increase in the exploration data base.

Other potential economic applications of such data include: land use, disaster assessment and relief, environmental monitoring, forestry inventories, and crop productivity. Some of these applications require the repetitive coverage being offered by civil systems and not envisaged for intelligence systems which might be available to the civil community. Some civil uses would benefit from the availability of a high-quality imagery data base in many instances even if it were quite old. If a decision were made to do so, much stored imagery could be made available today from lower performance reconnaissance systems no longer in operation as well as currently collected imagery.

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While declassifying solely the "fact of" may enhance public confidence in SALT II, flexibility could be provided in the US in international affairs by less-constrained use of remote sensing data. Verifiability and verification could be more credibly demonstrated with the release of imagery or information derived therefrom. Peacekeeping possibilities might include private or public release of visual evidence or information and analysis of impending crisis, hostile actions, or threatening situations (weapons shipments, border violations, nuclear capabilities); economic development information could be provided without subterfuge as to data sources.

The risks associated with limited declassification of satellite imagery can be categorized as follows:

-- Imagery from intelligence systems provides information on militarily significant targets such as airfields, missile deployments, etc. With frequent monitoring, military deployment and levels of military production can be determined. As these capabilities are appreciated--more directly relevant to the national interests of the non-major powers--we could expect resistance and pressure for restrictions by other countries.

-- Such disclosure could be expected to lead to questions as to the legitimacy of military uses of outer space systems. The Outer Space Treaty reserves the use of space for "peaceful purposes." Some states, such as Japan, have already called for demilitarization of space. The release of imagery could exacerbate these demands.

-- The Soviets have maintained the basis for flexibly distinguishing between legitimate and illegitimate remote earth sensing. They recognize a sanctuary only for "NTM's." Use of cameras in space for other purposes than arms control monitoring they consider espionage. Disclosure of the imagery surely would stimulate discussion throughout the international community--not just the communist bloc, but the non-alligned countries as well as our allies--of limitations on remote sensing. The Soviets may also use the release of imagery to attempt to justify their ASAT activities.

-- Disclosure of selected imagery provides some information on the design and capabilities of the imaging system. For film return systems, this may be more acceptable, although the implications could cause adversary nations to increase concealment measures.

-- The security risk in unclassified use of the products of the latest operational systems would be high. A policy of unclassified release of the most current imagery could not be readily reversed. Thus, the extent to which the decision to declassify satellite imagery would impact on a later option to provide special security protection for new systems must be carefully weighed.

E. IMPLEMENTATION CONSIDERATIONS

Should the additional decision be taken to selectively release imagery, a number of additional factors would have to be taken into account in formulating an implementation plan. Certain of the factors are summarized below.

The USSR. The USSR is sensitive to world opinion about the relative technological capabilities of the US and the Soviet Union. Comparisons between Soviet and US imagery capabilities produced by US release of imagery, would tend to cast the USSR in an unfavorable light. Second, the Soviets could view a public policy change as casting doubt on their ability to prevent "espionage" from outer space. For internal and international prestige reasons, they might choose to take a hard line, including a more negative posture in ASAT negotiations, augmented development of their ASAT systems, and renewed efforts in the UN to establish stringent limitations on the conduct of remote sensing activities. Last, declassification could be viewed as a form of international "one-upsmanship" by the US, especially in light of current US-USSR tensions. If imagery release were contemplated, any assessment would have to examine whether to inform the Soviets beforehand of the scope, purposes, and timing of any release. The Soviets would react more strongly to a US decision to release imagery than to declassification of the "fact of." High level prior consultation with the USSR may be necessary in view of our tacit agreement with them on photoreconnaissance use. As such, a risk-benefit analysis of declassifying imagery must take Soviet reactions into account.

Intelligence Security. The classification of the "fact of" satellite reconnaissance has served as the first line of defense for the security of overhead space intelligence programs. After declassification, US agencies and officials would be under considerable pressure to provide more information. More importantly, however, information obtained from photography alone is often ambiguous; intelligence judgments are derived from analysis of data from a variety of sources. We should not compromise other intelligence sources and methods as a result of releasing photography. Well-thought-out strategies of information release and management of requests are necessary preconditions to even take steps toward declassification of imagery.

Impact on Other Issues. Decisions on the future organization of the US remote sensing program would be impacted by decisions to release previously classified imagery. If the US sets up a new organization structure for remote sensing from space, for example, this could raise issues concerning the future management of satellite reconnaissance, particularly if the imagery presently classified were declassified for wider civil application. Selective release of imagery would also blur the line between civilian and military-intelligence remote sensing. Our heretofore highly touted international policy of open dissemination of remote sensing data (based on acknowledgment only of NASA data) would lose credibility, and new policies would have to be examined.

SECRET XGDS (B) (2)

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There is no question that data on space intelligence would be sought under the FOIA and that, in all probability, legal proceedings could force disclosures inimical to the intelligence discipline and national security. Even if impeccable guidelines were established and maintained as to what is classified and why, the courts would not be bound to adhere to them in deciding FOIA cases. Such guidelines could be established by Presidential Directive.

Allies. Given that US friends and allies are either direct or indirect beneficiaries of the US intelligence programs, their interest in preserving unimpeded access to valid intelligence information would have to be assured through consultations that outlined the limits and extent of planned disclosure and the political assessment of external (i.e., Soviet and other) reactions. Particular care would have to be given to the question of possible imagery release by the US of data taken over Allied countries. Much of the foreign intelligence supplied to NATO about Warsaw Pact countries comes from US overhead sources. As such, diplomatic repercussions might arise when it became known that some allies in the past had received satellite-derived data and others had not.

International Reactions. With the release of imagery, countries previously quiescent about overhead reconnaissance might decide to take a stronger position on the basic questions concerning sovereignty and exploitation by more powerful states. Many developing countries (LDC's) increasingly recognize that they can benefit from remote sensing. However, the LDC's generally have in the past argued for a restrictive legal regime governing these activities. The effect of a US release of imagery could be to stiffen their resolve toward a restrictive regime. One might expect that the obvious international benefits of strategic arms control would soften such arguments. Many, indeed, recognize that satellites are essential for arms control. The record of the LDC's in the United Nations may not be an accurate measure of real LDC responses. In fact, some LDC's may in the long run see it in their interest to gain access to better quality imagery.

US Public Reactions. The announcement of the "fact of" would serve to affirm the commitment of the Administration to greater openness in government and the promotion of space operations for keeping the peace. Without public examples of data quality, however, there will be many questions as to the degree of public confidence in verifiability.

F. RECOMMENDED ACTION ON DECLASSIFICATION OF IMAGERY

Preliminary review suggests the need to study a new national policy in the use of remotely-sensed imaged data for a spectrum of US interests, both domestic and foreign. This cannot be decided now without a thorough review. The focus will be on the use of remotely-sensed data and the information that can be derived therefrom, not on the management of the collection systems which acquire such data. Further study is necessary that would include full and detailed execution and contingency plans developed well in advance of policy revision to release photoreconnaissance imagery. Analyzing the concept of a space intelligence policy which looks beyond the "fact of" will fall into four phases:

1. An intensive analysis of the points and possibilities noted in this paper by selected individuals from the Departments of Defense and State, the Intelligence Community, the Executive Office of the President, and others as appropriate under the direction of the Space Policy Review Committee. This will be accomplished in 3 months.

2. Presidential review and decision on desirability of change and appropriate scope.

3. Detailed development and setting in place of the implementation elements--consultation strategies, security planning, contingency plans--by the responsible agencies over a period of at least 3 months.

4. Execution after final Presidential review and approval.

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CIVIL SPACE POLICY IC WORKING GROUP

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