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DEPARTMENT OF THE AIR FORCE
WASHINGTON 20330



Handwritten initials

OFFICE OF THE SECRETARY

JAN 19 1968

AKK
MEMORANDUM FOR DR. FLAX

SUBJECT: MOL Program Structure Title Change

I have rewritten both the Confidential and BYEMAN classified rationale for moving MOL from Package 6 to Package 3 and I have incorporated your suggestions and corrections except for changing the title of Program Structure Code 3 (Intelligence and Communications). This is the official title for Package 3. The program structure codes and titles are established by OASD, Comptroller as part of their programming and documentation structure. DDR&E specifies the package to which each program element is assigned.

To answer your question in your marginalia with regard to where reference to MOL and Package 3 appear and to examine the difficulty of changing the Package 3 title, I have had my people do a little background work (Atch 3). Unfortunately, the Package 3 MOL relationship appears in a very wide variety of documents involving programming and budgeting. These include the Defense Structure Handbook, Five Year Defense Plan, the project listing to Congress and a number of others. To change the title, will certainly require your assistance. It seems that Package 3 was correctly titled Intelligence and Communications initially; it has now become somewhat of a catch-all for a variety of specialized activities. But this is not necessarily apparent to everyone. The courses of action available to us are as follows:

a. Do nothing. The advantage to this solution is that it would not draw undue attention to MOL or imply any great concern on our part as it is included in the Other Activities sub-category under Intelligence and Communications. The disadvantage is that a very wide audience will be exposed to an undesirable association between MOL and Intelligence and Communications should they only make a cursory examination of the Program Structure Code 3 content.

b. Take action to remove MOL from Package 3 and have it placed back in Package 6. This has the advantage of removing the intelligence stigma by placing MOL in the package where it technically and correctly belongs. The disadvantage is that it does not serve the purpose for which the present change was made and, therefore, it is probably not agreeable to Mr. McNamara to whom the change was attributed.

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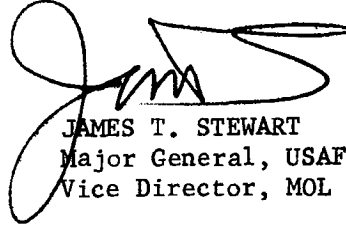
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c. Take action to retitle Package 3 to "Special Activities," "General Support," or "Activities (Other)." The advantages to this solution are that it eliminates the MOL intelligence association and it is more descriptive of the contents of Package 3 than the present title.

I recommend solution c. I have prepared a letter for Dr. Brown's signature which recommends this change.



JAMES T. STEWART
Major General, USAF
Vice Director, MOL Program

4 Atch

1. MOL from Package 6 to Package 3 (Conf)
2. MOL from Package 6 to Package 3 (BYEMAN)
3. Memo for Record, Jan 18, 1968
4. Ltr from Dr. Brown's signature

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Page 2 of 2 Pages
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29 January 1968

RATIONALE

MOL FROM PACKAGE 6 TO PACKAGE 3

The DoD Program Structure Code assigned to the Manned Orbiting Laboratory (MOL) Project has been changed to reflect its potential and significance in the Department of Defense. In the early phases of the project, MOL was assigned to the Advanced Development portion of Program Structure Code 6 (Research and Development). As of July 1, 1968, the MOL will be transferred to the Other Activities portion of Program Structure Code 3 (Intelligence and Communications). Package 3 includes not only intelligence, security, and communications items, but also command and control systems, and specialized missions such as weather service, aerospace rescue and recovery, air traffic control, satellite control, the Titan III, oceanography, and various other activities. Program Structure Code 3 consists of missions and activities directly related to the Strategic and General Purpose Forces on which independent decisions can be made; and it includes resources for primarily national or centrally-directed DoD objectives. The MOL meets those criteria.



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Page 1 of 4 Pages
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The principal objective of the MOL Program is to obtain [REDACTED] resolution photography of significant targets in denied areas for technical, strategic, and tactical intelligence purposes in response to national needs. This objective will be reached through the development of the necessary high resolution optical technology and space vehicles for either manned or unmanned use.

One of the attractive features of space system developments, as contrasted with many air, sea, and ground R&D efforts, is the achievement of useful operational functions on a first flight -- barring early payload failure.

Some examples are the VELA nuclear detonation detection satellites, the Initial Defense Communications Satellite Program (IDCSP) and the various unmanned photographic and SIGINT reconnaissance satellites of the NRO. While this latter group of spacecraft/payload combinations have characteristically shown marked improvement with time, they have consistently provided an important and highly useful intelligence collection source from the very beginning.

The manned version of the MOL system is being developed and will be flown first because this gives the highest

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assurance of meeting the resolution goal at the earliest reasonable date; will insure a useful reconnaissance product at the outset; and will contribute to the maturing of the unmanned system at a much earlier date than probably otherwise would occur. An unmanned version of the MOL is also being developed to insure a national capability to acquire very high resolution photography in denied areas should international objections, foreign threats, or some now unknown man-in-space physiological limitation preclude extended manned operations.

The MOL system is being developed as an operational reconnaissance system. Most of the components are standard items or modifications thereof (for example: the Gemini, Titan-III, space suits; environmental control system; fuel cells, etc.). Only the camera system and related systems which serve pointing functions constitute state of the art advances. A limited production base capability is necessary to support the presently-approved 7-launch program. The MOL will be operated from the outset in response to target coverage requirements of the United States Intelligence Board in conjunction with unmanned National Reconnaissance Program satellites.

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Page 3 of 4 Pages
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From the above, it is quite clear that the MOL
Program is properly located in Program Structure Code 3.
It has been placed in the Other Activities sub-category
rather than the Intelligence portion to avoid direct and
open confirmation by the Defense Department that MOL is in
fact an intelligence collection system.

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Page 4 of 4 Pages
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29 January 1968

RATIONALE

MOL FROM PACKAGE 6 TO PACKAGE 3

The DoD Program Structure Code assigned to the Manned Orbiting Laboratory (MOL) Project has been changed to more properly reflect its status and potential. In the early definition/feasibility phases, MOL was carried under the Advanced Development portion of the RDT&E appropriation in Program Structure Code 6 (Research and Development). Beginning in FY 69, MOL will be funded under the Operational Systems Development portion of the RDT&E Appropriation to reflect the approval of limited production. In accordance with standard DoD practice, once that decision is made, the project is thereafter included in the appropriate mission-oriented forces (e.g. Strategic, General Purpose Forces, etc.). MOL has been assigned to the Other Activities portion of Program Structure Code 3 (Intelligence and Communications).

Program Structure Code 3 consists of missions and activities related to the Strategic and General Purpose Forces on which independent decisions can be made; and it includes resources for primarily national or centrally-directed DoD

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2. There may be additional benefits from the experimental equipment in the MOL vehicle. In contrast to many air, sea, and ground R&D efforts, space system developments have frequently provided useful operational functions from the outset -- barring early failure of experimental equipment. Some examples are the VELA nuclear detonation detection satellites, the Initial Defense Communication Satellite Program (IDCSP), the experimental MIDAS missile launch detection satellites, and the Navy navigation satellites. In a similar manner, it is anticipated that the experimental equipment aboard the MOL will not only advance both manned and unmanned space technology, but may also provide worthwhile operational services on the first flights.

The MOL Project is a unique and specialized mission for the Air Force to meet DoD objectives of investigating manned and unmanned military space applications. In doing so, the MOL Project may also provide support to the combat forces. As such, it fits properly in Program Structure Code 3 which was established for the purpose of grouping together activities which have been approved for full or limited production, but do not fit properly with the combat forces grouped in other specific categories.

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objectives. Package 3 includes not only intelligence, security, and communications items, but also command and control systems, and specialized missions such as weather service, aerospace rescue and recovery, air traffic control, oceanography, satellite control networks, the Titan III, and various other activities. The general rationale for the MOL reclassification follows:

1. The basic MOL vehicle constitutes an operational test bed to develop and test advanced experimental military hardware for both manned and unmanned space applications; to explore fully the usefulness of man for military purposes in the space environment; and perhaps, to experiment in the future with other and more advanced military equipment. Much of the MOL system is either standard space-qualified hardware or modifications thereof (for example: Gemini; Titan-III; space suits; environmental control system; attitude control system; fuel cells; etc.). A limited production base capability is necessary to support the 7-launch project. The only significant advancement of technology is in the experimental military equipment carried aboard the vehicle.

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January 18, 1968

MEMORANDUM FOR RECORD

SUBJECT: The MOL Program Element in Package 3

On January 17, I met separately with Mr. Tom Everett of the Office of the Assistant Director, Programming, DDR&E, and Mr. Alexander Sinclair of the Office of the Deputy Assistant Secretary, Management Systems Development, OSD Comptroller. These meetings were generated in response to Dr. Flax's continuing concern with the difficulties which might result from the inclusion of MOL in the Package 3 category because of the title "Intelligence and Communications." Their purpose was to explain the desirability and justification for changing the Package 3 title from "Intelligence and Communications" to something like "Specialized Activities," "General Support," "Activities (Other)," or something else which would be more properly descriptive of the program elements which are now in this group.

Mr. Everett was in total agreement with the need and propriety for the change, but admitted that although DDR&E was responsible for determining to what RDT&E program an element would be assigned, OSD Comptroller was responsible for assigning the program element number, category titles and just about all else having to do with program structuring and documentation.

My meeting with Mr. Sinclair was a rather interesting one. At the outset, he pointed out that he didn't understand why the Air Force had moved MOL into Package 3 to begin with. I recited to him the actual sequence of events, as we knew it, (Atch 1), to establish that this was not an Air Force generated change. He then permitted me to read a short position paper, written by him, in which he disagreed with the DDR&E directed transfer of our program to Package 3. The basis of his objection was that inclusion of MOL in Operational Systems Development violated the basic criteria established for this class of program elements. This criteria requires that the program be related to efforts involving RDT&E and Production/Procurement. His position was that the remedial action required was not to change the title of Package 3, but to remove MOL from the Operational Systems Development category. We discussed the applicability of the title to programs other than MOL, such as T-III, Aerial Targets, Aerospace Rescue/Recovery, etc. Mr. Sinclair observed that many of these program elements were new

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additions to the Package 3 group and although he agreed that perhaps some other general title would be more accurate, each action had the very specific knowledge and approval of Mr. McNamara.

I asked whether in view of the fact that there were now a substantial number of Package 3 elements for which the title "Intelligence and Communications" was a misnomer, he thought that at some near future date he might propose a title change. His response was that before he would consider changing the title he would argue that the elements which did not meet the DODI 7045 series criteria be removed from the group. He indicated that any title change at this time would have to come from "topside."

My conclusion is that there is no quick and easy way to officially remove MOL from the danger of the "Intelligence and Communications" label. We can only rationalize that there are other programs included which are obviously not intelligence or communications, and that the title is an unfortunate catch-all for a pot pourri of program elements.

For the long view, however, it seems almost mandatory, but certainly desirable that we initiate action for an official change to the record. The MOL program element under the "Intelligence and Communications" label will appear in many, many documents with rather wide circulation, i.e., the Defense Structure Handbook, the Table 32 program/budget listings, the Five Year Defense Plan, the Project Listing to Congress, in fact in almost every detailed or definitive programming/budgeting document.

I recommend that this change action be initiated by a memorandum from Dr. Brown to Mr. McNamara. A suggested memorandum accompanies this report.



BERTRAM KEMP
Lt Colonel, USAF
SAFSL

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January 4, 1968

MEMORANDUM FOR RECORD

SUBJECT: Program Element Number Change

On 3 January, I spoke with Mr. Knutson, Assistant Director (Programming), DDR&E, to try to determine the basis for transferring MOL into the Operational Systems Development category. According to him, the story goes as follows.

During the week preceding Christmas, there were a series of discussions between Mr. McNamara, Dr. Foster, Mr. Anthony and Dr. Brown. After one of these sessions, Dr. Foster came out of the meeting with a hand written note, which was given to Mr. Knutson, and which had words to the effect "transfer MOL into Program 3." Mr. Knutson then asked the OSD Comptroller to assign a mission element number for MOL, and the 3.51.21F came into being.

It is Colonel Ford's view that the perturbations which would be required to try to get the P.E. number changed might be interpreted as an overreaction, and might be suspect to persons not having access to the program. This, together with the fact that the decision was apparently made at a very high level, would suggest that accepting the change without comment might be the lesser security risk.

Bertram Kemp

BERTRAM KEMP
Lt Colonel, USAF
Program and Policies Div,
SAFSL

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Memo for Dr. Flax

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