

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF TELECOMMUNICATIONS MANAGEMENT
WASHINGTON, D.C. 20504

OFFICE OF THE DIRECTOR

January 24, 1969

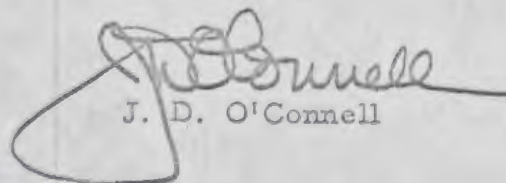
MEMORANDUM FOR MR. DANIEL HOFGREN
The White House

The attached papers provide condensed background information on the International Telecommunications Satellite Consortium (INTELSAT) in response to your questions.

The remainder of your questions pertain to the constitution of the U. S. Delegation to the INTELSAT Conference. With regard to the designation of Leonard Marks as Ambassador, this determination was made by President Johnson. A press release issued at that time is enclosed as Attachment 6. It is, of course, the President's option to make any changes in the Delegation which he might see fit. However, this matter has already been discussed within the State Department and with Secretary Rogers. It is my understanding that he has approved the Delegation membership as designated to date. Additional members of the Delegation will be designated before the Conference and these will, as a matter of course, be passed upon by Secretary Rogers. The additional members are intended to broaden the representation from both industry and government.

It would be my recommendation that questions as to the Delegation be discussed with Secretary Rogers. I feel strongly that the White House should be kept well informed on the remainder of the preparations for this Conference and on its progress once it convenes. The Secretary of State, the Chairman of the Delegation, and I will all be involved in this, but I will pay special attention to keeping you informed, as well as such other members of the White House staff who may become concerned in this Conference.

I believe the information in the footnote below will respond to your questions as to the jurisdictions within the United States Government that are involved in the INTELSAT Conference.


J. D. O'Connell

Attachments

Footnote

Extracts from relevant authorizing documents are quoted as follows:

The Communications Satellite Act of 1962

Title II -- Federal Coordination, Planning, and Regulation

Implementation of Policy

Sec. 201. In order to achieve the objectives and to carry out the purposes of this Act --

(a) the President shall --

(4) exercise such supervision over relationships of the corporation with foreign governments or entities or with international bodies as may be appropriate to assure that such relationships shall be consistent with the national interest and foreign policy of the United States;

(5) insure that timely arrangements are made under which there can be foreign participation in the establishment and use of a communications satellite system;

Executive Order 11191, "Providing for the Carrying Out of Certain Provisions of the Communications Satellite Act of 1962"

Sec. 3. Secretary of State. (a) The Secretary shall exercise the supervision provided for in Section 201(a)(4) of the Act and, in consonance with Section 201(a)(5) of the Act, shall further timely arrangements for foreign participation in the establishment and use of a communications satellite system.

(b) The Secretary shall have direction of the foreign relations of the United States with respect to the Act, including all negotiations by the United States with foreign governments or with international bodies in connection with the Act.

Summary of Background
Concerning the INTELSAT Conference

The formal structuring and declaration of United States national policy in the establishment, ownership, operation, and regulation of a commercial communications satellite system was initiated by Public Law 87-624, 87th Congress, H.R. 11040, August 31, 1962.

This Communications Satellite Act of 1962 declared in part as the policy and purpose of the United States:

"The Congress hereby declares that it is the policy of the United States to establish, in conjunction and in cooperation with other countries, as expeditiously as practicable a commercial communications satellite system, as part of an improved global communications network, which will be responsive to public needs and national objectives, which will serve the communication needs of the United States and other countries, and which will contribute to world peace and understanding." (See Attachment 3)

In achieving the objectives and carrying out its purposes, the Act assigned certain responsibilities and authorities to the President of the United States, the National Aeronautics and Space Administration, and the Federal Communications Commission.

It further (Title III) created a Communications Satellite Corporation and structured its organization, purposes, and powers.

Excerpts from Presidential responsibilities are:

To aid in the planning and foster the execution of the national program;

Provide for continuous review of all phases of development and operation;

Coordinate the activities of governmental agencies;

Exercise supervision over the relationship of the Corporation with foreign governments or entities;

Insure arrangements under which there could be foreign participation;

Insure the availability and appropriate utilization of the communications satellite system for general governmental purposes;

Exercise his authority to attain coordinated and efficient use of the electromagnetic spectrum.

In carrying out the Presidential responsibilities, Executive Order 11191 was issued January 4, 1965. This Executive Order delegated certain of the Presidential responsibilities to the Director of Telecommunications Management and certain of them to the Secretary of State. (See Attachment 5).

On passage of the Communications Satellite Act described above, inquiries were received from foreign nations as to the way in which the U. S. would proceed to carry out the objectives and purposes of that Act. A number of bilateral meetings were held by State Department representatives with governmental representatives of foreign nations, among them Canada and the United Kingdom, and foreign views indicated that some new form of multilateral agreement and organization would be required rather than the numerous bilateral agreements between communication entities which had been traditional in the submarine cable field.

With the organization of the COMSAT Corporation and the appointment of a temporary Board of Directors by the President of the United States, international meetings began to formulate what turned out to be an international joint venture known as the International Telecommunications Satellite Consortium (INTELSAT). These discussions culminated in the preparation of Intergovernmental Agreement and Special Agreement (two copies of these Interim agreements are attached). This agreement was opened for signature and signed by 11 signatories on August 20, 1964. Including the United States, this international joint venture now consists of 63 nations which contribute over 90% of the world's international telecommunications traffic.

The Interim Agreement specified that the Interim Communications Satellite Committee (ICSC) would render a report not later than January 1, 1969, to all signatory members in which all shades of opinion would be presented with regard to permanent Definitive Arrangements. The Interim Agreement also stated that the United States Government would call an international conference within 3 months after the rendering of the report for the purpose of reviewing the report with the objective of reaching agreement on the form of the permanent Definitive Arrangements. The INTELSAT conference is to be held in the U. S. State Department between the dates of February 24 and March 21, 1969.

The principal governing body of the Consortium, known as the Interim Communications Satellite Committee, has completed a set of alternate proposals in a report to all signatories enclosed as Attachment 7.

In order to prepare the U. S. position, a Steering Committee consisting of certain members to be included in the U. S. Delegation was assembled in October 1968 and has held several meetings. The Delegation thus far designated consists of the following individuals:

Representative

The Honorable
Leonard H. Marks (Chairman)
Ambassador
Department of State

Alternate Representatives

Frank E. Loy (Vice Chairman)
Deputy Assistant Secretary of State
for Economic Affairs

Ward P. Allen
Deputy Assistant Secretary of State
for International Organization Affairs

The Honorable
Rosel H. Hyde
Chairman, Federal Communications Commission

John A. Johnson
Vice President, International
Communications Satellite Corporation

James McCormack (Vice Chairman)
Chairman, Communications Satellite Corporation

William K. Miller
Director, Office of Telecommunications
Bureau of Economic Affairs
Department of State

James D. O'Connell
Director of Telecommunications Management
Executive Office of the President

It is my understanding that this Delegation has the approval of Secretary of State Rogers.

The preparations for the conference are now well along and must be completed soon. Teams consisting of representatives of the State Department and COMSAT Corporation have made visits to a number of foreign nations for the purpose of determining views and soliciting support of U. S. positions.

A few of Ambassador Marks' qualifications for the chairmanship of this Delegation are that he was formerly with the FCC, a former Director of the COMSAT Corporation, and a highly respected attorney of many years standing in the communications field practicing before the FCC.

As Director of Telecommunications Management and a member of the Delegation, I have been coordinating the activities of this Steering Committee with the Department of Defense, NASA, and members of the White House staff.

Neither the USSR, nor any of the iron curtain countries, have yet joined INTELSAT. In May of 1968 the Soviet Union extended an invitation to all nations to join their system to be known as Intersputnik. There is little evidence that this invitation resulted in significant international interest. Yugoslavia has indicated interest in attending the forthcoming INTELSAT Conference and an invitation has been sent. Bulgaria has indicated it will attend as an observer, but that it cannot meet the conditions of the invitation that it have a serious interest in joining INTELSAT. The most recent and to some extent the most

surprising element has been the indication from the Soviet Union that they wish to send an observer to the conference. While reserving final decision, subject to further policy determination, it was the view that Soviet participation was a hopeful indication of their interest in becoming a member of INTELSAT. A copy of the minutes of the January 21, 1969, meeting of the Executive Committee of the Delegation is enclosed as Attachment 9.

A copy of the last annual report, prepared in this office, on Activities and Accomplishments under the Communications Satellite Act of 1962 is also enclosed as Attachment 8. The Act requires that this report be forwarded annually to the Congress. This report contains a brief history of the progress of the International Telecommunications Satellite Consortium (INTELSAT).

January 24, 1969

The INTELSAT Story

The Communications Satellite Act of 1962 (76 Stat. 419, 47 U.S.C. 701-744) created the Communications Satellite Corporation, established Government responsibility for promotion and guidance of the development of communications satellites and launched the U.S. as the world leader in the exploitation of this new technology.

The Act was a result of much study in the Executive Branch, an attempt to develop the technology within the framework of the existing common carrier structure and extensive negotiation and compromise in the Congress.

The operative portions of the Act which established basic policy and alerted foreign governments, particularly the foreign offices as well as the communications agencies, that the United States was embarking on a new role in communications are set out in Section 102 (a) and (b).

DECLARATION OF POLICY AND PURPOSE

Sec. 102. (a) The Congress hereby declares that it is the policy of the United States to establish, in conjunction and in cooperation with other countries, as expeditiously as practicable a commercial communications satellite system, as part of an improved global communications network, which will be responsive to public needs and national objectives, which will serve the communication needs of the United States and other countries, and which will contribute to world peace and understanding.

(b) The new and expanded telecommunication services are to be made available as promptly as possible and are to be extended to provide global coverage at the earliest practicable date. In effectuating this program, care and attention will be directed toward providing such services to economically less developed countries and areas as well as those more highly developed, toward efficient and economical use of the electromagnetic frequency spectrum, and toward the reflection of the benefits of this new technology in both quality of services and charges for such services.

The Act was approved on August 31, 1962.

Shortly after the Act was passed in August, requests for bilateral talks with the U.S. were initiated by the Canadians and the British.

There had been active European interest in the subject prior to the passage of the Act. In fact, in February 1961, the British Post Office entered into an understanding with NASA providing for the construction of receiving facilities in England. There was soon a similar agreement with the French. AT&T had already launched its TELSTAR experimental program and NASA was engaged in its Relay program.

During 1962 European telecommunications officials discussed regional European cooperation in that field and in December 1962 this was formalized within the European Conference of Postal and Telecommunications Administrations (short title, CEPT).

The Ad Hoc Committee of the CEPT met in Paris on March 11-15, 1963, set up a subcommittee structure and formulated a number of technical and traffic questions for transmittal to the Communications Satellite Corporation.

By this time a number of governmental departments, other than telecommunications administrations, were developing strong interest in the field of communications satellites. These included ministries of foreign affairs and those dealing with space technology. This interest

resulted in a meeting in Paris in May 1963 with foreign ministries of all CEPT member countries invited. This meeting considered communications satellites on an intra-governmental political level rather than on the telecommunications administration level. It considered a number of basic policy questions and decided to convene another meeting in London in July.

In London, July 16-18, 1963, the "European Conference on Space Communications" was established with a Steering Committee, Organizational Committee, Space Technology Committee, and CEPT Ad Hoc Committee. This meeting made the CEPT Ad Hoc Committee (representing the communicators) advisors to the Conference with organizational, financial and legal matters to be dealt with by the Conference.

Between the July meeting and the meeting of the Steering Committee in London, October 14-15, a number of meetings providing for preliminary exchanges of views with the U.S. took place. These were attended by representatives of Comsat Corporation and/or Department of State. Both of these organizations were represented at the London meeting, as well as the Corporation attending a meeting of the Ad Hoc CEPT committee in Bonn, November 14-15 and the Space Technology Committee meeting in London, November 19.

The position of the Director of Telecommunications Management being vacant at that time, the President on June 5, 1963, established an

Ad Hoc Group which was co-chaired by Dr. Jerome B. Wiesner, Director, Office of Science and Technology, and Nicholas deB. Katzenbach, then Deputy Attorney General, to coordinate U.S. participation in the international negotiations with the European Conference.

At a meeting in Rome, November 14-15, the Conference approved the actions of its subcommittees, decided to have a further meeting in Rome on February 10, and invited the United States and Canada to meet with them to discuss the organization of the global communications satellite system. A two-phase approach was contemplated: interim arrangements to get the system organized and off the ground in the next few years and more formal arrangements later on to reflect the broader international aspects of a global system.

A U.S. position paper for this meeting was worked out by State, Comsat and the FCC, and approved by the aforementioned Ad Hoc Group on Communications Satellites.

From this beginning, an extended series of international negotiations culminated in the Agreement between the United States of America and Other Governments and the Special Agreement concluded by certain governments and entities designated by governments done in Washington, August 20, 1964, establishing Interim Arrangements for a global communications satellite system.

This Agreement establishes the Interim Communications Satellite Committee which has adopted the short name INTELSAT. It established the following basic guiding principles:

The White House is definitely concerned with the success of the forthcoming INTELSAT Conference by reason of the responsibilities of the President set forth in Section 201 (a) of the Communications Satellite Act.

IMPLEMENTATION OF POLICY

SEC. 201. In order to achieve the objectives and to carry out the purposes of this Act—

(a) the President shall—

(1) aid in the planning and development and foster the execution of a national program for the establishment and operation, as expeditiously as possible, of a commercial communications satellite system;

(2) provide for continuous review of all phases of the development and operation of such a system, including the activities of a communications satellite corporation authorized under title III of this Act;

(3) coordinate the activities of governmental agencies with responsibilities in the field of telecommunication, so as to insure that there is full and effective compliance at all times with the policies set forth in this Act;

(4) exercise such supervision over relationships of the corporation with foreign governments or entities or with international bodies as may be appropriate to assure that such relationships shall be consistent with the national interest and foreign policy of the United States;

(5) insure that timely arrangements are made under which there can be foreign participation in the establishment and use of a communications satellite system;

(6) take all necessary steps to insure the availability and appropriate utilization of the communications satellite system for general governmental purposes except where a separate communications satellite system is required to meet unique governmental needs, or is otherwise required in the national interest; and

(7) so exercise his authority as to help attain coordinated and efficient use of the electromagnetic spectrum and the technical compatibility of the system with existing communications facilities both in the United States and abroad.

Executive Order 11191 dated January 4, 1965, delegated certain of these responsibilities to the Director of Telecommunications Management and the Secretary of State and charged the DTM with aiding and assisting the President with regard thereto.

Desiring to establish a single global commercial communications satellite system as part of an improved global communications network which will provide expanded telecommunications services to all areas of the world and which will contribute to world peace and understanding;

Determined, to this end, to provide, through the most advanced technology available, for the benefit of all nations of the world, the most efficient and economical service possible consistent with the best and most equitable use of the radio spectrum;

Believing that satellite communications should be organized in such a way as to permit all States to have access to the global system and those States so wishing to invest in the system with consequent participation in the design, development, construction (including the provision of equipment), establishment, maintenance, operation and ownership of the system;

Believing that it is desirable to conclude interim arrangements providing for the establishment of a single global commercial communications satellite system at the earliest practicable date, pending the working out of definitive arrangements for the organization of such a system;

Agree as follows:

Article IX of this Agreement provides as follows:

ARTICLE IX

(a) Having regard to the program outlined in Article I of this Agreement, within one year after the initial global system becomes operational and in any case not later than 1st January 1969, the Committee shall render a report to each Party to this Agreement containing the Committee's recommendations concerning the definitive arrangements for an international global system which shall supersede the interim arrangements established by this Agreement. This report, which shall be fully representative of all shades of opinion, shall consider, among other things, whether the interim arrangements should be continued on a permanent basis or whether a permanent international organization with a General Conference and an international administrative and technical staff should be established.

(b) Regardless of the form of the definitive arrangements,

(i) their aims shall be consonant with the principles set forth in the Preamble to this Agreement;

(ii) they shall, like this Agreement, be open to all States members of the International Telecommunication Union or their designated entities;

(iii) they shall safeguard the investment made by signatories to the Special Agreement; and

(iv) they shall be such that all parties to the definitive arrangements may have an opportunity of contributing to the determination of general policy.

(c) The report of the Committee shall be considered at an international conference, at which duly designated communications entities may also participate, to be convened by the Government of the United States of America for that purpose within three months following submission of the report. The Parties to this Agreement shall seek to ensure that the definitive arrangements will be established at the earliest practicable date, with a view to their entry into force by 1st January 1970.

WASHBURN, STRINGER ASSOCIATES, INC.

4622 BROAD BRANCH ROAD, N. W.

WASHINGTON, D. C. 20008

362-9494

ABBOTT WASHBURN

WASH 27 694
CALLE RIO SENA NO.63-A
MEXICO 5, D. F., MEXICO
PHONE: 14-55-21

January 24, 1969

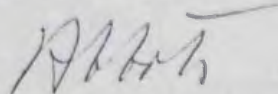
✓
Dear Bob,

After our phone conversation today the thought occurred to me: how about appointing a co-chairman along with Leonard Marks, at the same time adding another Nixon delegate or two to the group?

This would make it wholly bi-partisan in character (useful on the Hill if a resulting treaty has to be ratified), would retain Marks' expertise, and likewise insure that the new Administration's ideas are cranked in.

As we discussed, to give adequate time for thorough study the Conference might be adjourned for 90 days and re-convened for substantive action at that time. But this may not be necessary. The Conference opens here in Washington on Feb. 24. This allows about a month of preparation if the new people are assigned soon.

Sincerely,



Abbott Washburn

Hon. Robert Ellsworth
Assistant to the President
The White House
Washington, D.C.

RE
February 12, 1969

MEMORANDUM FOR THE PRESIDENT

The attached memorandum for the Secretary of State is forwarded for your signature.

Mr. Abbott Washburn is being added to the U. S. Delegation because of his past experience and his loyalty to the Administration. All other members of the Delegation are holdovers from the previous administration.

signed

Robert Ellsworth
Assistant to the President

Attachment

cc: Mr. Ellsworth ✓
Mr. Hofgren
Mr. Whitehead

CTWhitehead:ed

MEMORANDUM FOR

THE SECRETARY OF STATE

I request that you take the necessary action to appoint Mr. Abbott Washburn to the U. S. Delegation to the Conference on Definitive Arrangements for the International Telecommunications Satellite Consortium.

Mr. Washburn's address is 4622 Broad Branch Road, N. W., Washington, D. C. 20008.

cc: Mr. Ellsworth
Mr. Hofgren
Mr. Whitehead

CTWhitehead:ed

May 5, 1969

MEMORANDUM FOR

Dr. Kissinger
Dr. DeBridg
Mr. Flanigan

Attached is a draft memorandum for the President and a draft letter for the Secretary of State on the provision of launch services for the Canadian domestic communications satellite.

Could I please have your comments by May 7th?

Signed

Clay T. Whitehead
Staff Assistant

Attachments

cc: Mr. Hofgren
Mr. Whitehead ✓
Mr. Rose
Central Files

CTWhitehead:ed

DRAFT 5/5/69

MEMORANDUM FOR THE PRESIDENT

The Canadian government has requested that the United States provide launch services for their proposed domestic communications satellite. There are two issues to be resolved:

- (1) Whether the launch should be provided bilaterally or through INTELSAT;
- (2) Whether the Canadian government can arrange a bilateral launch directly with NASA or should be required to go through COMSAT Corporation.

State, NASA, FCC, and our representative to the INTELSAT Conference (Governor Scranton) agree that we should not insist that the Canadians go through INTELSAT. The Canadian government has stated that such a requirement is unacceptable to them. Further, it would be undesirable to establish a precedent that could require us to establish our own domestic satellite system under INTELSAT. The Director of Telecommunications Management in OEP disagrees on the grounds that the United States is committed to a single global communications satellite system and that proliferation of domestic and regional systems is detrimental to INTELSAT. However, changes in communications

satellite technology in recent years have eroded the economic arguments for a single global system, and the United States will seek provisions for both regional and domestic systems in the INTELSAT negotiations, subject only to technical compatibility requirements.

If the decision is made to provide launch services bilaterally, the Canadian government has expressed a preference for dealing with NASA directly rather than being required to go through COMSAT. COMSAT has taken the position that the Communications Satellite Act gives them sole rights to obtain launch services from NASA for communications satellites. NASA and FCC disagree with that interpretation, and we have just received from the Office of Legal Counsel in Justice an opinion that NASA may provide such launch services independently of COMSAT if the President so directs. Granting COMSAT the sole right to launch communications satellites would have two adverse effects: (1) reduce our flexibility in deciding on the best arrangements for a United States domestic satellite system and (2) detract from our goal of establishing NASA as a provider of launch operations to the world community on a cost-reimbursement basis.

Recommendation

That you sign the attached letter to the Secretary of State authorizing bilateral launch arrangements and authorizing NASA to deal directly with the Canadian government.

Attached are supporting documents. Dr. Kissinger
and Dr. DuBridge concur in this recommendation.

THE WHITE HOUSE
WASHINGTON

DRAFT 5/5/69

Dear Bill:

I have approved your recommendation that the United States undertake to provide launch services for the proposed Canadian domestic communications satellites on a bilateral cost-reimbursed basis, without going through INTELSAT for the launch. The provision of these launch services must be conditional upon a determination by INTELSAT of technical compatibility with the INTELSAT system.

The Canadian government may deal directly with NASA or the Communications Satellite Corporation in obtaining launch services. NASA is hereby authorized to provide these services directly if the Canadian government so desires.

Honorable William P. Rogers
Secretary of State
Washington, D. C.

Attachments

- Tab A. Memorandum from Secretary Rogers
- Tab B. Memorandum of Conversation
- Tab C. Aide Memoire
- Tab D. Proposed public statement
- Tab E. Memorandum from Mr. O'Connell
- Tab F. State Department comments on (E)
- Tab G. Legal opinion from Justice Department

OTP
Background

September 22, 1970

MEMORANDUM FOR

Mr. Charles C. Joyce, Jr.
National Security Council

I would appreciate it if you would undertake the following tasks for me:

1. An analysis of policy alternatives with respect to the future role of satellites and submarine cables for international communications.
2. A review of U. S. emergency preparedness policies, procedures and facilities in the telecommunications area.

The purpose of these activities should be to develop the issues and information necessary for me to decide what OTP activities should be in these areas over the near term.

Please draw upon the staff of this Office to assist you as needed.

Clay T. Whitehead
Director

cc: Mr. Whitehead

Dr. Mason

CJoyce/Whitehead:jm