

*Telecommunications*

February 6, 1969

**FOR:** Mr. Flemming  
**FROM:** Robert Ellsworth  
**SUBJECT:** Director of Telecommunications Management

General George Edward Pickett has been suggested for the Director of Telecommunications Management. We may want to consider him, depending on what we decide to do with that office.

Would you please send me a list of other names you have received for this position.

Attachment: Photo of General Pickett

CTWhitehead:ed

## MAJOR GENERAL GEORGE EDWARD PICKETT

George E. Pickett has a long career in military communications, beginning in June, 1939, when he was commissioned as a Second Lieutenant in the Signal Corps of our regular Army after graduating from the United States Military Academy. Currently, he is the Assistant Chief of Staff for Communications - Electronics, Headquarters, Department of the Army, and is stationed at the Pentagon. His duties in this capacity are worldwide in character, and touch upon all phases of communications matters that this branch of the Service has responsibility for. The Southeast Asia complex in Vietnam and Thailand is typical of one of his out-of-the-country staff responsibilities.

Prior to this assignment, General Pickett was located with the Defense Communications Agency for three years, ending March, 1968. During this period he served as the Deputy Director, Defense Communications System, and from December, 1967 to March, 1968 he was Vice Director of the Agency. The Defense Communications System is a worldwide long lines network, supported by the three Services and managed by the Defense Communications Agency. It is a very sizeable undertaking, involving many problems with many Agencies and Departments at installations throughout the world. For the last several years, the annual operating costs of this network have been in the \$600 to \$700 million range, which gives some idea of the complexity of the problems involved in its management.

Prior to his coming to Washington, his communications experience included such things as being the Army Signal Officer at Eighth Army Headquarters, the Signal Officer of the United States Ordnance Missile Command, and similar assignments.

However, General Pickett's experience has not been limited to communications matters. He has been with the Department of the Army's Personnel Operations, serving as Chief, Combat Support Division and Director of Officer Personnel. In other assignments, he was with the Munitions Board, and served as Executive Officer. Prior to that, he was in the Office of the Under Secretary of the Army in the Pentagon, from 1952 to 1956.

General Pickett was selected for attendance at the National War College in 1956, and upon graduation was assigned to the Military Assistance Advisory Group in Taiwan. He occupied various positions, such as Assistant Chief of Staff, J-5, on the Joint Staff over there, as well as several communications assignments.



General Pickett served with the First Infantry Division throughout World War II, participating in eight campaigns, in North Africa, Sicily and Europe, including the D-Day landings in North Africa, Sicily and Normandy. He is a graduate of the United States Military Academy in 1939, and attended the Advanced Management Course at Harvard University in 1961, from which he graduated.

The following gives some personal data about him, and a list of citations and decorations that have been awarded to him.

Born: 26 May, 1918, Palestine, Texas  
Married: Jane M. Stanton, 14 June, 1939  
Children: George E., Jr. 25 years (Captain, U.S. Army,  
25th Division, Vietnam)  
Jane G., 14 years  
Thomas D., 12 years  
Sharon S., 7 years  
Residence: 2315 So. Arlington Ridge Road, Arlington, Va. 22202

#### EDUCATION

U.S. Military Academy - 1939  
Command and General Staff School (equivalent)  
Armed Forces Staff College - 1951  
National War College - 1957  
Advanced Management Course, Harvard University - 1961

#### GENERAL OFFICER RANK

Brigadier General - temporary 29 July, 1962.  
permanent 18 July, 1966  
Major General - temporary 1 August, 1964

#### CITATIONS AND DECORATIONS

Silver Star  
Legion of Merit with Oak Leaf Cluster  
Bronze Star with V device  
Army Commendation Ribbon with Oak Leaf Cluster  
Croix de Guerre, France  
War Cross, Czechoslovakia  
Fourragere, France  
Fourragere, Belgium



FEBRUARY 11, 1969

## Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced he intends to nominate James D. O'Connell as assistant director of the Office of Emergency Preparedness.

Mr. O'Connell also will serve as Special Assistant to the President for Telecommunications and director of the Office of Telecommunications Management in the Office of Emergency Preparedness.

Mr. O'Connell, who retired in 1959 as Chief Signal Officer of the U.S. Army, has held these posts since May 27, 1964.

Mr. O'Connell's duties include formulating the nation's over-all policy and standards for telecommunications, in which the government invests an estimated \$12 billion annually. He also manages that portion of the radio frequency spectrum assigned to the federal government. In the Office of Emergency Preparedness, the nation's top nonmilitary war plans agency, he is charged with ensuring the emergency readiness of the national telecommunications network.

Mr. O'Connell, the only Army Signal Corps officer to attain the rank of lieutenant general, is a 1922 graduate of West Point and earned a Master of Science degree from Yale in 1930. He also attended the University of Chicago and pursued advanced graduate studies at Northwestern University.

Born in Chicago September 25, 1899, Mr. O'Connell has spent his entire professional career in the communications field. Following his armed forces career, during which he earned a Distinguished Service Medal for wartime service in North Africa and Europe, he became a communications consultant to a number of concerns: Page Communications Engineers; Data Dynamics; Northrop, Inc.; Stanford Research Institute; Granger Associates.

He was vice president of General Telephone and Electronics Laboratories from 1959 to 1962. From his army retirement until 1964 he served as member and then chairman of the Joint Technical Advisory Commission, ad hoc Subcommittee on Space Communications.

Recently he has assisted the State Department in preparing for an international conference to establish definitive arrangements for an international satellite consortium. He also is an alternate delegate to the conference, to be held in Washington later this year.

He is married to the former Helen Frampton of St. Louis. He has two children: Sally is a research associate with the Planning Research Corporation; Peter is an attorney in Washington, D.C.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF EMERGENCY PREPAREDNESS  
WASHINGTON, D. C. 20504

OFFICE OF THE DIRECTOR

May 17, 1969

MEMORANDUM FOR HONORABLE PETER M. FLANIGAN  
ASSISTANT TO THE PRESIDENT

SUBJECT: Telecommunications Management

Attached is my response to the Bureau of the Budget staff study on telecommunications management. You may wish to have a copy now, since Tom Whitehead is already engaged in assessing this issue.


There are some important considerations not included in my reply to BOB. Undoubtedly, the comments of other agencies will note at least some of them. One which they will not note -- and of which you are already aware -- is the necessity to find a new Director of Telecommunications Management (DTM).

The present DTM, General O'Connell, informed me yesterday that he wishes to retire soon. At any rate, he is required by law to retire prior to October 1 because of his age. His deputy died suddenly last year and has not been replaced. There is no apparent prospective director on his present staff. Indeed, two associate directorships have been left vacant. In fact, there are supergrade vacancies which would enable a new DTM to put in his own energizing managerial team -- providing the BOB would lift the personnel ceilings by a few spaces.

In an earlier conversation about personnel matters we anticipated O'Connell's retirement, but not in the context of uncertainties over a reorganization or the possibility of substantial changes in the DTM's duties. We will want to find a highly capable man to be DTM, no matter where his name is going to appear on somebody's organization chart. Recruiting such a man may require some assurances about whether he is going to have a job to do, what his responsibilities will be, and for whom he will work.

These requirements for effective recruitment may act to offset at least partially the arguments for leaving matters alone until we can judge more clearly the effects of our actions. Alternatively, they may reinforce the argument for leaving matters somewhat as they are for the time being, counting on getting a capable DTM by giving him the means to build an effective organization. Much depends upon the extent to which the advantages of freedom in personnel recruitment and the prospect of devices which insure some real policy influence (such as a "chop" on new telecommunications systems) must be assessed against considerations of "visibility".

Two things are clear to me. First, the DTM should not be placed within an executive department. He would be less effective there for reasons which have been recognized. Second, we need to make the organizational outlook known to any prospective DTM. I doubt that we can get the kind of man we want unless we make it clear to him that his office will remain within the Executive Office of the President and that he will have some independent status as a Presidential adviser. The precise location -- whether independent, in OEP, in OST, or some other location -- should be judged in terms of lines to the President and personnel recruitment as well as visibility.

  
G. A. Lincoln  
Director

Attachment



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF EMERGENCY PREPAREDNESS  
WASHINGTON, D.C. 20504

OFFICE OF THE DIRECTOR

May 16, 1969

Honorable Robert P. Mayo  
Director  
Bureau of the Budget  
Washington, D. C. 20503

Dear Mr. Mayo:

This is in reply to your letter of May 3, received in this office on May 8, requesting comments by May 16 on your staff's Study of Federal Communications.

The study is clearly written; it reflects a commendable effort to come to grips with an exceedingly complex set of problems. I do not reject its recommended solutions but neither can I, for the reasons set forth below, accept them as sufficiently persuasive to indicate the need for a Presidential decision at this time. There are important issues relating to the scope of the study, to changes in direction since it was made, and to questions of organizational feasibility which prompt me to recommend for the time being a course of action which is not explicitly examined in the study.

This study, originated and completed under the previous administration, does not examine the emergency preparedness aspects of telecommunications management. It reflects an earlier situation in which less emphasis was placed on emergency preparedness.

The conditions of 1968 are not, of course, those of 1969. President Nixon gave me very clear guidance even prior to his inauguration that OEP should refocus emphatically on its primary mission -- emergency preparedness. Two former Presidents of the United States -- one from each of our political parties -- impressed upon me the same need in vigorous language.

Telecommunications, insofar as they directly affect our ability to exercise command and control in emergency situations, are an essential component of such preparedness.



To the extent that emergency telecommunications are dependent upon plans and preparations made in the absence of an emergency, there are sound arguments for the continuing presence of telecommunications management in OEP. I do not suggest that these reasons necessarily outweigh whatever considerations might indicate that the present ODTM should be located some place other than within OEP. I do strongly recommend that relocation not be considered until after we have thoroughly examined emergency preparedness implications.

Your study proposes to place ODTM within an executive department -- Commerce or Transportation -- as the nucleus of an expanded activity which would be the focus for interagency policy determinations and guidance. This strikes me as a step which ought to be approached with the utmost caution, for four reasons. The first reason, to which I have already referred, is that of emergency preparedness considerations. Second, I have considerable difficulty envisioning interagency coordination and policy-making being effective if ODTM is lodged in any executive department. (The staff study concludes that such coordination and policy-making is the "principal issue raised in the policy area.") I cannot conceive, for instance, that the National Communications System -- even as it is now organized, much less as the staff study proposes it be reorganized -- could receive effective policy guidance from a telecommunications agency located in, say, the Department of Commerce.

Third, to place telecommunications management within an executive department would be in some ways a retrogressive step. The staff study notes that every President since Truman has depended on a staff office at the Presidential level for government-wide policy formulation and coordination of telecommunications. The study correctly lists some shortcomings of this persistent choice but omits to mention why four consecutive Presidents regarded lodgment in an executive department to be undesirable.

Finally, in view of the considerations already touched upon, a reorganization now and in the face of unexamined aspects and unanswered questions would be inadvisable because it would be difficult to undo were it later determined to have been unwise.



Attached hereto are the comments on your study provided me by the Director of Telecommunications Management. His observations embrace several aspects which I have not mentioned, but I note that his general recommendations parallel my own.

I am fully aware that these reasons why we should not reorganize now, while they help to avoid errors of commission, do not answer the questions as to the best arrangement of telecommunications activities. I propose that we leave ODTM under OEP for the time being. This will give OEP an opportunity to continue its efforts to solve the problems facing telecommunications management, including the government's emergency needs.

Sincerely,

*G. A. Lincoln*  
G. A. Lincoln  
Director

Attachment

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

OFFICE OF THE DIRECTOR

May 15, 1969

MEMORANDUM FOR GENERAL LINCOLN

SUBJECT: BoB Report - "Study of Federal Communications Organization"

I have carefully reviewed the "Study of Federal Communications Organization" prepared in December 1968 by staff members of the Bureau of the Budget. My impression is that its central thesis is basically contrary to the ways in which our economic machinery and political institutions function. The BoB concept envisages a unified and greatly expanded Federal Government role in national telecommunications, within both the Government and private sectors; one which would establish telecommunication management as too dominant over Government agency missions and the satisfaction of public and private needs.

The study implies that transfer of the telecommunications management function to the Department of Commerce or the Department of Transportation would in itself significantly improve the environment in which this function is performed. This is an assumption which cannot be supported by available evidence. There are many studied judgments to the contrary.

In the 1934 Communications Act Congress clearly stated its intent to discharge its constitutional responsibility to "regulate commerce" and its intent that the President perform his constitutional responsibilities to administer the Government. In my judgment, separation of the authorities of the FCC and the President will and should continue, regardless of how we organize. Effective cooperation between the FCC and the Executive Office has made the arrangement work. Any action to disrupt this proven relationship would be a disservice to the proper functioning of government.

I agree that there is a welter of Executive Branch authorities in the telecommunications area, and that clarification of responsibility and authority is required. I have presented this need on numerous



occasions. To this end I submitted recommended changes in EO 10995 to the BoB in August 1966. These changes have not been published. The changes would have clarified certain authorities vested in the DTM and would have eliminated some existing conflicts. A BoB directed effort toward this end is appropriate.

The BoB paper questions the validity of all previous studies of telecommunications organization on the basis that they were narrow in scope. This is not correct. Past studies by knowledgeable individuals have resulted in a body of conclusions and recommendations of notable consistency. Every past study, from the BoB's of 1947 to that of the House Committee on Government Operations, has recognized the need and made recommendations for strengthening the direct role of the Executive Office of the President in the development of national telecommunications policy. A history of these efforts is at Attachment 1.

It is clear that BoB's current recommendations are largely based upon the belief that national telecommunications policy is virtually non-existent. This conclusion is not correct. An in-depth study would reveal that there is in fact a substantial body of national policy in national telecommunications.

Telecommunication goals are established and policies are made by the Congress, by the courts, by the President and by the Director of Telecommunications Management/Special Assistant to the President for Telecommunications with respect to the agencies and establishments of the Federal Government, and by the Federal Communications Commission with respect to the public sector. Policy is made through treaties to which the United States adheres with the advice and consent of the Senate; through executive agreements; by executive departments and agencies in the discharge of their telecommunication responsibilities; and by custom and precedent.

It is true that there is no complete officially codified statement of U.S. telecommunication goals and policies designed to support achievement of national goals. Neither is there a codified statement of goals and policies for any other similar commodity, resource, or service; such as aviation, manufacturing, power, or transportation. The facts are that the DTM has enunciated objectives and policies for the use of the radio spectrum applying to agencies and establishments of the Federal Government (Chapter 2 of the Manual of Regulations and Procedures for Radio Frequency Management issued in 1965); he has established or

participated in the development of policy with respect to such items as Government reliance on common carrier communication services (Lease vs Buy); U.S. relation with and dependence on INTELSAT and renegotiation of a definitive arrangement for INTELSAT; merger of U.S. international communication carriers; the National Communications System; emergency preparedness; and Federal-State telecommunication relationships, to name a few. An illustrative list is at Attachment 2.

The FCC makes formal policy in its Rules and Regulations, and in its day-by-day decisions.

I agree that the Office of Telecommunications Management has been underfunded and understaffed. Past efforts to obtain resources adequate to the task have been unavailing. At Attachment 3 is the record of budget actions over the recent years. The modest requests of this office have not been fully met. Their extreme austerity had been arrived at by reason of BoB guidance.

The proposal that there be a single spectrum manager has frequently appeared attractive to those who have examined the problems in frequency management because of the apparent simplicity of the arrangement. It has been assumed generally that a single manager could achieve increased efficiency in the use of the frequency spectrum. However, if thorough consideration is given to all factors of our fundamental governmental principle of checks and balances, it becomes obvious that the assumption is not valid. The functioning of international agreements on frequency allocation and the cooperative arrangements worked out between the FCC and this office appear to make the present arrangements the most effective. Under these arrangements the United States is making much more use of the frequency spectrum than any other nation. Further, assignment of the total responsibility for frequency assignment to the Executive Branch could, and probably would, involve the President personally in resolving frequency disputes among competing claimants from the civil sector, much as he is now involved in international civil airline problems.

The recommendation that telecommunications management be placed in the Department of Commerce (or Department of Transportation) is challenged on several specific counts:

1. The Communications Act of 1934, as amended, and The Communications Satellite Act of 1962, specifically charge the President with responsibilities in the telecommunications



area, while other responsibilities are specifically charged to COMSAT, the Department of State, Department of Justice, NASA and the FCC. It appears clear that a telecommunications management capability must be retained in the Executive Office of the President if the President is to comply with the intent of Congress, and if he is to perform adequately his function of Commander-in-Chief of the Armed Forces and leader of the U.S. economy.

2. The primacy of national security and the over-all national policy aspects of the President's responsibilities for telecommunications argue that his telecommunications management capability be organizationally located where the orientation is to the national interest as a whole. Directly or indirectly a substantial portion of the effort of the Office of Telecommunications Management is focused toward national security affairs. Another agency of the Government, the Federal Communications Commission (FCC), regulates activities of, and assigns frequencies to the commercial telecommunications activities, and to State and local governments. One of the principal functions of my office is to maintain liaison, provide coordination and develop national telecommunications policy in cooperation with this important agency and to assure that national security interests are considered in all national telecommunication policy decisions. The Executive Office of the President, in close affiliation with the Office of Emergency Preparedness, the Bureau of the Budget, and the Office of Science and Technology, offers the proper environment to assure accomplishment of these broad responsibilities. The importance of national security responsibilities of the office is conclusively demonstrated by the fact that Federal Emergency Plan D, approved by the President on March 21, 1968 places the emergency equivalent of this office under the emergency equivalent of OEP in case of a national defense emergency.
3. Conflict of interest charges - justified or unjustified - could not be avoided if frequency allocation and assignment authority were to be vested in a claimant agency. The Department of Commerce and the Department of Transportation are both major users of the frequency spectrum.

The Department of Commerce has about 2800 frequency assignments authorized by the DTM and an estimated investment of \$93 million in communications-electronics equipment. At the moment, the OTM is adjudicating a potential conflict between military radar devices of the Department of Defense and a proposed new meteorological satellite system of the Department of Commerce.

The Department of Transportation, second only to the Department of Defense in frequency authorizations, has over 24,000 frequency assignments and in excess of \$750 million invested in communications-electronics systems.

4. Departments have been generally unsuccessful in their efforts to coordinate - or to direct - the activities of other departments. In that telecommunications are essential for mission accomplishment of all departments, coordination of effort will remain the essence of action in this area. The Executive Office of the President is the ultimate source of authority and has responsibility for over-all coordination of interdepartmental activities, and it is here that the greatest success can be expected in this effort.

Development of the National Communications System is a continuing high priority effort of the Office of Telecommunications Management. Included in these efforts is the merger of government systems when the merger will provide better communications service at less cost. However, such decisions can be made only after thorough cost effectiveness studies have considered all trade-offs. The study proposed by the BoB, i. e., feasibility of merging the FTS with DoD systems is, in fact, under way; but in a much broader context than visualized by the BoB. No limiting preconceptions as to the outcome, as suggested by BoB, inhibit the study group. The Manager, NCS, at my direction, is now in the final definition stage of the NCS concept study. It has been undertaken with the advice and cooperation of the component system operators and the affected common carriers. From this study will emerge a basis to determine whether a given system should be merged with another and under what guidelines it should be accomplished. I am not at this time convinced that merger of the Federal Telecommunications System (FTS) with the Department of Defense (DoD) systems is desirable or economical. The systems were designed for different



purposes, operate on different premises, and have significant incompatibilities. The FTS, operated by the General Services Administration (GSA), provides highly efficient communication services to most of the civil agencies of the Executive Branch at a cheaper unit rate than that provided by the more sophisticated DoD operated systems. However, the concept study may reveal overriding justification to merge the systems. In that event, I shall support the merger.

As to providing assistance to state and local authorities, the record shown at Attachment 2 is evidence of the high priority that I have given this matter. As the implementing provisions of the Intergovernmental Cooperation Act of 1968 become clear, I will request the resources required to maintain the initiative desired by the President.

Additional research capability has been and continues to be a high priority requirement of this office. The record will show that this office has consistently supported increased efforts in this field. There are advantages to transferring guidance of certain Executive Branch telecommunications research activities to the authority of the DTM. If this action is not feasible, increased funds should be appropriated to permit this office to allocate for an adequate research program.

I support the recommendation that procurement assistance be provided to smaller agencies, but withhold concurrence that DoD should provide this assistance until further consultation has been accomplished.

In summary:

I agree that:

1. Telecommunications management in the Executive Branch should be strengthened, and that
2. Clarification of Executive Branch responsibility and authority is required.

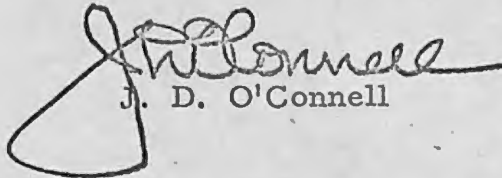
I disagree with the proposal that:

1. Telecommunications management be placed in any executive department.

2. Current relevant provisions of the Communications Act of 1934 be disturbed prior to thorough Congressional consideration.
3. Changes in organizational relationships for the NCS be undertaken prior to full consideration by the NSC, which originated and promulgated the concept of an NCS in NSAM 252.
4. Preconceptions on system configuration of the NCS should be advanced at this time. Such preconceptions in a massively complex area such as this, tend to restrict or bias concepts as to how the NCS should be arranged.

I recommend that the Office of Telecommunications Management be retained in the Executive Office of the President, that the ceiling on funds and manpower be raised to a level consistent with the magnitude of the task to be performed, and that the Executive Branch authorities in the field of telecommunications be clarified.

I am prepared to continue and enlarge cooperation with the BoB to work toward attainment of a satisfactory organizational solution.



J. D. O'Connell

3 Atchs

1. History of the Problem of Telecommunications Management in the Executive Office
2. Illustrative List of Policy Delinations of the DTM
3. Record of Budget Actions



May 13, 1969

## THE PROBLEM OF TELECOMMUNICATIONS MANAGEMENT IN THE EXECUTIVE OFFICE

The attached Memorandum for Record concerning the Bureau of the Budget study of telecommunications management reviews the history of studies and recommendations regarding this subject within the Executive Branch.

In summary, the BOB proposal to shunt the problem of telecommunications management and coordination back into the Department of Commerce, even with a substantial increase in personnel and theoretically an increase in scope of authority and responsibility, will satisfy no one. The first administration of radio on behalf of the U.S. Government began in the Department of Commerce in 1910. Secretary Hoover spent a good deal of his time in the mid-20's trying to sort out the problems of the radio spectrum from within a cabinet Department. Much of the authority with regard to telecommunications was removed from the Department by the Radio Act of 1927 which created the Federal Radio Commission (organized on March 15th of that year). The remainder of Commerce's responsibility with respect to telecommunications was transferred to the Federal Radio Commission on July 20, 1932.

Every authority from the BOB's own study of 1947 to the several recent reviews of the subject by the House Committee on Government Operations has recognized the need and made recommendations for strengthening the

direct involvement of the Executive Office in the development of national telecommunications policy.

A comparable history of the studies, proposals and actions in the Legislative Branch would disclose at least as many expressions of concern and proposals for action in relation to telecommunications management. A number of actions over the last 20 years in both the House and Senate have been proposed to deal with various aspects of the telecommunications problem. Enclosure II is a chart prepared some time ago which shows the principal proposals.

Attachments



DRAFT  
May 13, 1969

MEMORANDUM FOR THE RECORD

Subject: Study of Federal Communications Organization, Bureau of  
Budget, December 1968

The subject Bureau of the Budget study was prepared in response to the President's Message on Communications Policy of August 14, 1967, which among other actions charged the Bureau of the Budget

"to make a thorough study of existing governmental organization in the field of communications and to propose needed modifications."

The Bureau concluded that there is need for:

- " (1) a strengthened organization for policy planning, formulation, and direction of Federal communications activities.
- " (2) a reorganized and strengthened National Communications System within the Department of Defense.
- " (3) an improved procurement and technical assistance effort on behalf of those Federal agencies which do not now have their own resources in this field.
- " (4) a unified frequency spectrum management process.
- " (5) a coordinated technical assistance program for State and local governments in this area. "

The Bureau recommended:

- " We believe that the proposed communications policy organization should be established in either the Department of Commerce or the Department of Transportation. "

The Bureau inventoried the organizational problems as:

- (1) Policy coordination
- (2) Federal use of telecommunications
- (3) Federal communications research and development
- (4) International communications
- (5) Federal-State-local relations
- (6) Government industry relations

The Bureau then concluded:

"A new Federal telecommunications capability is urgently needed to integrate the various roles in which the Government is now engaged, "

and recommended that this enhanced activity as previously indicated be placed in the Department of Commerce or Department of Transportation.

This recommendation is made in the face of over 20 years of studies and recommendations all recognizing that this is a function which must be performed at Executive Office level if it is to be effective. This error probably results from the apparent misreading of the history involved as the BOB report states --

"Since the war, the executive branch has undertaken several studies of telecommunications policy, but each of those surveys tended to focus on one or two aspects of the total problem rather than searching for answers that might cut across the entire communications field. The proposals which resulted related to the day-to-day operating problems faced by the Government and not to the need for effective policy-making machinery for both national and Government-wide problem solving. There has been, however, a recognition that the Federal Government required a substantial policy-making capability in this field even though few specific proposals emerged."



The record shows:

A. BOB Project 46-40, February 26, 1947 was primarily related to frequencies but "recommended that there be established in the Executive Office of the President an agency or individual to assist the President in carrying out his responsibility under the Communications Act of 1934."

B. The President's Communications Policy Board in its report of February 16, 1951, summarized the needs in five (5) specific issues:

"1. How shall the United States formulate policies and plans for guidance in reconciling the conflicting interests and needs of Government and private users of the spectrum space--that is, for guidance in making the best use of its share of the total spectrum?

"2. How shall the United States meet the recurrent problem of managing its total telecommunications resources to meet the changing demands of national security?

"3. How shall the United States develop a national policy and position for dealing with other nations in seeking international telecommunications agreements?

"4. How shall the United States develop policies and plans to foster the soundness and vigor of its telecommunications industry in the face of new technical developments, changing needs, and economic developments?

"5. How shall the United States Government strengthen its organization to cope with the four issues stated above? "

The Board said:

"We recommend the immediate establishment in the Executive Office of the President of a three-man Telecommunications Advisory Board served by a small, highly qualified staff to advise and assist the President in the discharge of his responsibilities in the telecommunications field. Its task would include formulating and recommending broad national policies in this field, and giving advice and assistance in the formulation of policies and positions for international telecommunications negotiations."

Executive Order 10297 October 9, 1951, established the position of Telecommunications Advisor to the President and assigned duties substantially as recommended by the PCPB. On June 16, 1953, (less than two years after it was established) Executive Order 10460 abolished the position of Telecommunications Advisor to the President and transferred the functions to the Director, Office of Defense Mobilization.

By 1958, the OCDM telecommunications area reported to the Associate Director for Resources, who reported to the Assistant Director for Resources and Production, who reported to the Director, OCDM. However, the Director of OCDM knew he had troubles with telecommunications and, by direction of the President, appointed a committee to make a study and recommendations.

C. This committee, the Special Advisory Committee on Telecommunication reported on December 29, 1958, saying:

"Because of these considerations the Committee believes that these broad discretionary functions can best be discharged and the strengthening best be accomplished through creation of a board within the Executive Office of the President to act for and be answerable to the President in the carrying out of his responsibilities under the Communications Act."

It also said:

"The type of organization we have in mind would have the following characteristics:

- "1. It would be established by Congress at the request of the President.
- "2. It would be established in the Executive Office of the President at a level to give it direct access to the President and to the heads of Government agencies using telecommunications.



- "3. It would have its own staff to the extent necessary to assure both the objectivity of the information upon which it acts and the unbiased character of recommendations based upon that information.
- "4. It would have the authority to require any Government agency to produce any information within its field of interest and to provide any assistance which it believes necessary to a proper decision.
- "5. It would have continuity to facilitate the development of long-range policies.
- "6. It would be an agency with no responsibility for the operation of any telecommunications.
- "7. It would not disturb the present functions of the Federal Communications Commission, including that of determining which applicants shall receive assignments within bands set aside for non-governmental use."

On March 3, 1959, the President recommended to the Congress the establishment of a Special Commission on Telecommunications to be appointed by the President.

D. In December 1960, Dean James M. Landis at the request of President-elect Kennedy submitted his report on Regulatory Agencies. This report said:

"The present needs are too pressing to await the initiation of what would be a mammoth project of consolidation in the fields of transportation, communication, and energy, and even a huge project in any one of them. The prime and immediate need in these fields is for developing and coordinating policy immediately at a high staff level. Operations for the moment can be left to the existing agencies, whose conduct should in the light of these recommendations show marked improvements.... To attempt such consolidation in the absence of the experience that would be derived from determined effort to evolve policy through coordination directly under the President,

would be substantially to plan in vacuo. The creation of a mechanism for staff coordination can and should begin now. Its staff work as envisaged herein will carry within itself means for the implementation of its directives.

"With this thought in mind, the following recommendations are made:

- "7. Create within the Executive Office of the President with appropriate powers an Office for the Coordination and Development of Communication Policy and simultaneously by executive order transfer to this Office all powers relating to telecommunications now vested in the Office of Civil and Defense Mobilization."

E. On March 6, 1961, Senator John O. Pastore of the Committee on Interstate and Foreign Commerce and Chairman of its subcommittee on communications wrote to the President saying:

"A most careful and comprehensive review must be undertaken without delay to examine the elements of public policy concerning communications so that a specific policy for the most effective use of radio frequencies by governmental and non-governmental users as well as the administrative arrangements concerning such use in the Federal Government can be formulated. In addition, the review should include the policies with respect to international radio and wire communications and the relationship of government communications and non-government communications in that field. Unless we have a uniform long range policy, the United States may find itself at a disadvantage at the Geneva Conference."

and

"I know there are various approaches in developing a program to evaluate the country's policy. One is the approach set forth in S. J. Res. 32 introduced by Senator Vance Hartke and others. Another would be the issuance of an Executive Order comparable to the one issued by President Harry Truman in 1950. Time is of the essence. Action must be taken immediately."



F. On May 18, 1961, Dr. Jerome Wiesner, Science Advisor to the President said:

G. "For these reasons and for the reason that telecommunications planning and policy-making has become so important to the missions of many Government agencies, it is necessary to establish a full time telecommunications Administrator with the requisite training and experience in a separate, suitably staffed office in the Executive Office of the President."

On July 20, 1961, a study entitled "Organization for Telecommunications Management," prepared by BOB, recommended:

- "1. Responsibility for leadership in planning and policy formation and for coordination of the telecommunications activities of the executive branch should be assigned to the head of an Executive Office unit. The functions should be given sufficient status and support within the Executive Office agency so that they can be performed effectively. (page 11)
- "2. The President's authority to assign frequencies to executive branch agencies should be clearly delegated to the official given broad responsibilities in connection with telecommunications management. The Presidential delegate should also have explicit authority to amend, modify, and revoke frequency assignments after the initial grant. (pages 6-7 and 10)
- "3. IRAC, or a successor, should function as an advisory group to the Telecommunications Advisor and all assignments should be made by or under the authority of the Presidential delegate (pages 6-7)
- "4. The President's Telecommunications Advisor should be responsible for advising the Department of State of the executive branch position on international telecommunications matters. He should, in cooperation with the Department, undertake a review of the appropriate role of the Department with respect to international telecommunications policies. (pages 7-8)
- "5. Until experience is gained under strengthened administrative arrangements, the executive branch should not support pending legislation to create a new agency for dividing the frequency spectrum or legislation to create a telecommunications study commission. (pages 8-9)."

Executive Order 10995, on February 16, 1962, created the position of Director of Telecommunications Management to be held by one of the Assistant Directors of the Office of Emergency Planning. The substance of 10995 is well known in the telecommunications community.

Dr. Irvin Stewart (who had served for many years as the highly successful President of West Virginia University and had experience with many Government telecommunications problems, including being an FCC Commissioner) became DTM on April 13, 1962. He inherited a staff of about 40 people who were practically all completely occupied with spectrum planning and frequency assignment. He was promised additional personnel as well as funds to begin to deal with the major policy and planning problems assigned to the Office. A request for a supplemental appropriation to provide funds and increase the ceiling on personnel of the Telecommunications Office from 49 to 66 was finally approved by the Congress about May 1, 1963. Between that time and the end of the year, the Telecommunications Office got up to 52 people at which time OEP applied a freeze.

At that time the Office of Telecommunications did not have a separate line item in the OEP budget (in spite of the specific supplemental action on telecommunications in 1963) and when the OEP appropriation for FY 1964 was finally resolved, the Telecommunications Office was cut from 52 to 38 people. Dr. Stewart had already given up the struggle and resigned on April 30, 1963.

On August 21, 1963, the President issued a memorandum establishing the National Communications System naming the DTM Special Assistant to the President for Telecommunications and placing much broader and at the same time



more explicit responsibilities on him for overall coordination of the Government's telecommunications operations, particularly as they relate to support of the Presidency.

H. On December 9, 1963, Dr. Wiesner again became concerned, this time writing to the President saying:

"We are facing a major problem as a result of the complete collapse of efforts to build up a telecommunications management capability in the Executive Office. In this memorandum I will review the history of the previous efforts in this Administration in this field, and then make a recommendation for correcting the situation."

and

"I am firmly convinced that it will not be possible to build up an adequate Executive Office telecommunications capability in the OEP and that a separate office should be created for this purpose. We could then ask Congress for a small additional appropriation to support the operation properly."

The Complete memorandum is of such importance that it is attached as Enclosure I.

- I. About January 23, 1964, the Director of the Budget prepared a draft memorandum to the President (which we believe was actually sent) saying:
- "A number of developments are placing new responsibilities on the President to provide national telecommunications policy and coordination.
- ". . . We believe that all of the above responsibilities should be placed in a single person. He would need to be recognized as a senior adviser to the President; he would need to work closely with Mr. Bundy to be sure that communications planning takes fully into account the President's command and control needs now and in the future; preferably he should have broad communications experience, but an appreciation of foreign and military affairs is of equal, if not greater, importance.
- ". . . We will have sufficient authority to establish the new office as soon as the Reorganization Act extension is enacted. We are awaiting Senate action.

". . . Aside from any decision you make on organization, there is agreement that the first order of business is to appoint a Special Assistant to the President for Telecommunications on the White House staff, who would also be appointed as Director of Telecommunications Management in the Office of Emergency Planning. This should be done as soon as possible in view of the early departure of Jerry Wiesner. The Special Assistant should have several senior staff people to help him on policy matters. We would keep in OEP the radio frequency staff now located there, which would work under the direction of the Special Assistant to the President.

"I have discussed these arrangements with Dr. Wiesner, Ed McDermott and Mac Bundy, and we agree that these steps are highly desirable."

Mr. James D. O'Connell was commissioned as DTM (Assistant Director, OEP) on May 15, 1964.

J. On January 13, 1965, the DTM wrote a memorandum to the President reviewing his reactions after six months as Special Assistant to the President for Telecommunications. He outlined problems in telecommunications which have national importance and are of significance to the President. He said:

"The major point made is that many Government agencies are involved in regulating, influencing, controlling, the course of our national telecommunications business, both private and Government. Yet no one of these agencies has responsibility for, or is performing, the function of looking at telecommunications problems from the over-all vantage point of the President or of advising the President of the over-all long term implications of piecemeal actions."

He then listed twelve (12) problems concluding:

". . . 12. There is only one possible source of adequate leadership for this effort -- The President. His telecommunications staff, to be effective, needs to be organized as part of his office -- similar to the Office of Science and Technology. Otherwise we still have the uncoordinated situation that exists today."



K. The Report of the Military Operations Subcommittee of the Committee on Government Operations of the House on "Satellite Communications", October 1964, went into the question of Government leadership and coordination in telecommunications in some detail. Among other things the report said:

"Many persons in and out of Government, with the best of intentions, tried to work their individual wills on the resolution of major public issues in the field of communications during the period of negotiations between the Defense Department and the Communications Satellite Corp. There was no firm policy direction which would take into full account the needs and responsibilities of the agencies concerned and develop a unified Government position. The chief result was confusion and conflict. The episode demonstrated faulty planning, incomplete staffing, and uncoordinated effort in an aggravated form.

"The Office of the Director of Telecommunications Management, who also serves as Special Assistant to the President for Telecommunications, was vacant during the largest part of the time of the negotiations. There were competent persons in the National Aeronautics and Space Council, the Office of Science and Technology, the Office of Emergency Planning, and elsewhere who served informally as an ad hoc coordinating committee, but it was not until a Director of Telecommunications Management was appointed, after our hearings started, that issues began to fall into place.

"By law and policy the President is charged with important duties and responsibilities in communications which he must fulfill with the help of competent advisers and specialists in the Executive Office. The Director of Telecommunications Management, who serves as the President's adviser, also is concerned with mobilization functions as an Assistant Director in the Office of Emergency Planning. One line of authority runs directly to the President and the other to the OEP Director.

"The committee believes that the Office of Director of Telecommunications Management should be elevated in status and strengthened with a staff of specialists in technical, management, and policy aspects of communications. An appropriate means of accomplishing this objective is the submission to the Congress of a Presidential reorganization plan, particularly since the President's Executive Office is involved."

In Recommendation No. 6 the subcommittee said:

"At the earliest practicable date, the President should submit to the Congress a reorganization plan to reconstitute the functions and responsibilities of the Director of Telecommunications Management in a separate office in the Executive Office of the President, and take steps to insure that the office is adequately staffed."

The Subcommittee further said in Recommendation No. 7 that:

"The Office of the Director of Telecommunications Management, when reorganized and properly staffed, should undertake a study of the National Communications System and the long-range requirements and policies of the United States in the telecommunications field."

The Subcommittee Report was affirmed by the Committee.

L. In its Twenty-third Report (House Report No. 1340) on March 21, 1966, the Committee on Government Operations further said:

"Furthermore, on the basis of the experience to date, the Secretary of Defense, as Executive Agent for the NCS, is put in a difficult if not untenable position. He should not be making policy decisions affecting other Government users and cannot easily question other agency requirements since his Department is itself a major claimant on the National Communications System. The adjudication and policy roles in communications properly rest in the Office of the Director of Telecommunications Management located in the Executive Office of the President. In a previous report the committee recommended that the President, by reorganization plan, reconstitute the Office of the Director of Telecommunications Management as a separate entity in the Executive Office. At present, the Director is subordinate to the Director of Emergency Planning in one capacity and reports directly to the President in another capacity, thereby creating an anomalous situation. The committee renews its recommendation for the reorganization of the Telecommunications Directorate.

"The committee also recommends that the Director of Telecommunications Management assume the responsibilities now exercised by the Secretary of Defense for identifying and evaluating Government user requirements for communications and undertake systematic planning so that these requirements can be met in an orderly and economical way rather than by piecemeal, disjointed efforts."



M. . The Forty-third Report of the Committee on Government Operations, October 19, 1966, had the following to say concerning this subject:

"The committee in its 1964-65 report made a recommendation to put the Director of Telecommunications Management in a better position to tackle his many assignments. We recommended that the ODTM be reconstituted as a separate coequal unit in the Executive Office of the President rather than remain a subordinate unit of OEP.<sup>3</sup> That recommendation was affirmed in a second report<sup>4</sup> of the committee, and we affirm it here again. Mr. O'Connell reported at the recent hearings that he believed the matter was still under consideration within the executive branch.<sup>5</sup> It is our understanding that the President is reluctant to expand the structure of the Executive Office. The committee believes that a much more compelling consideration is the new and growing importance which telecommunications management has assumed in Government affairs.

"The submission to the Congress of a reorganization plan to give the telecommunications office separate status, coequal with the Executive Office units for national security, economic, scientific, emergency mobilization and budgetary affairs, will have the added advantage of providing a statutory base for the Director in dealing with the Congress. At present his nonstatutory role of presidential adviser makes relationships with the Congress a sensitive issue and creates uncertainties as to what he can convey to the Congress in the way of information. A similar issue was presented, and in a measure resolved, in the Office of Science and Technology, which was given formal status in the Executive Office by reorganization plan."

In conclusion, it should be clearly apparent that most of these studies and recommendations have been concerned for the overall policy and long range planning aspects of the telecommunications problem. Although there is a theme relating to frequency management which runs through several, it primarily relates to national policy and objectives. The day-to-day operations of the

3 H. Rept. No. 178, p. 111.

4 H. Rept. No. 1340, p. 86.

5 Hearings, p. 262.

Interdepartment Radio Advisory Committee and the demanding, detailed work of administering the Government's use of frequencies is largely taken for granted. Yet during most of the period since the establishment of a Telecommunications Office, somewhere within the Executive Office structure, the Office has barely been given the resources to keep up with this day-to-day activity and it has only been in the last five years that there has been a significant additional capability to apply to the setting of objectives, development of policy, or to attempt any long range planning.



December 9, 1963

## MEMORANDUM FOR

## THE PRESIDENT

We are facing a major problem as a result of the complete collapse of efforts to build up a telecommunications management capability in the Executive Office. In this memorandum I will review the history of the previous efforts in this Administration in this field, and then make a recommendation for correcting the situation.

For many years a need has existed for stronger Executive leadership in the telecommunications field, and for years members of the Congress and spokesmen for the industry have been pressing for a Presidential Telecommunications Board. Shortly after the beginning of President Kennedy's Administration, Senators Pastore and Magnuson and Congressman Harris talked to him about the problem. I have attached a letter from Senator Pastore which was received in March of 1961. In addition, he received many other letters from the Congress asking that he review the situation.

After an extensive review based on a Bureau of the Budget study of the matter, it was decided not to back the concept of a Board, for it would tend to restrict Presidential freedom of action. Instead, it was decided to establish the position of Director of Telecommunications Management in the Executive Office of the President.

Three choices were considered for the administrative location of the Director and his office:

- 1) The Office of Emergency Planning
- 2) My office (Special Assistant to the President for Science & Technology)
- 3) The establishment of a new office in the Executive Office of the President.

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It was generally agreed that the third solution was best for the exercise of the telecommunications management function, but it was rejected because the Bureau of the Budget believed there was no clear legal basis for the creation of the new office without Congressional action, and because it provided an additional person reporting directly to the President. The legal objection has not been fully established.

The second course was rejected because it established an operating responsibility for my office which I viewed as undesirable.

The third course was chosen and specified in Executive Order 10995, attached.

Until now we have not succeeded in making this arrangement work. This has been due to two reasons: the difficulty of securing funds for the expanded operation (a rather minor telecommunications frequency management activity has existed in the OEP for a long time), and our inability to attract a top-level man into the job of Director of Telecommunications Management after Dr. Irwin Stewart resigned because he was unwilling to face the continuing frustrations of the job.

You will recall that the Cuban confrontation demonstrated serious deficiencies in the communications facilities available to the political leaders of the country, and in the Spring of 1963 a decision was made to establish a National Communications System to correct the situation. The post of Special Assistant to the President for Telecommunications was created at the same time. This post was to be held by the Director of Telecommunications Management. Unfortunately, Dr. Irwin Stewart, who held the latter position, resigned during the Spring and, as I have indicated, we have not succeeded in replacing him, although Ralph Dungan and I have been trying to do so.

In the interim I have been acting as the Special Assistant for Telecommunication (When I took this on last summer it was viewed as a two or three month holding action while we attempted to hire a full-time Director.) Though we have succeeded in establishing the National Communications System, it has many problems and needs more time than I have been able to give to it. Nick Katzenbach and I have taken the lead in establishing the relations between the Government and the Communication Satellite Corporation. This seems to be going more or less satisfactorily but, as I reported in a previous memorandum of December 2 on this subject, we are now entering into a very active phase and it requires more constant attention than it is receiving. There are many other communication problems of considerable importance not being taken care of; and the Congress is getting restive about our inability

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to make the Director of Telecommunications Management a reality. I have heard that Orrin Harris is planning to make a speech criticizing the lack of executive leadership in the telecommunications field.

Recent Congressional action on the OEP budget is making it necessary to cut its staff and if the present limitations on staff for telecommunications management purposes proposed by Mr. McDermott are sustained, we will not be able to hire additional personnel or carry out the assigned responsibilities.

#### Conclusions and Recommendations

I am firmly convinced that it will not be possible to build up an adequate Executive Office telecommunications capability in the OEP and that a separate office should be created for this purpose. We could then ask Congress for a small additional appropriation to support the operation properly.

I would also recommend that we quickly obtain the services of an outstanding person as Special Assistant for Telecommunications, at least long enough to organize the new office and find an adequate director. I have attached a list of individuals who I believe could do this task very well. These people are familiar with the telecommunications problem and could make a quick start.

The Director of the Bureau of the Budget is also concerned about this problem and is preparing a separate memorandum on the subject.

For your information I am also attaching a copy of a memorandum that discusses the Presidential responsibilities for telecommunications management which we prepared in 1961.

/s/ J. B. Wiesner  
Jerome B. Wiesner

#### Enclosures:

- 1-Cy ltr frm Sen. Pastore dtd 3/6/61
- 2-Executive Order 10995
- 3-Paper dtd 2/10/61 re Telecommunications
- 4-List of suggestions for Telecommunications Post

COPY

TELECOMMUNICATIONS REORGANIZATION

- H. R. 967, 88th Congress.....1963
- S. J. Res. 32, 87th Congress, same as S. J. 211, 86th.....1961
- S. J. Res. 211, 86th Congress, five member board  
to review organization and management of spectrum.....1960
- H. R. 8426 introduced.....1959.....H. J. Res. 292 and 331 and S. J. Res. 76  
introduced H. R. 7057 to establish three  
man board in Executive Office.
- 1958.....Senate passed S. J. Res. 106 with 5 member  
commission.
- 1957.....S. J. Res. 106 to establish 3 member commission to  
investigate allocation of frequencies.  
H. R. 381 same as S. J. Res. 106.
- 1954.....S. J. Res. 96 to establish 9 member commission on use of  
international telecommunications.
- 1953.....H. R. 6819 to establish telecommunications policy committee to coordinate  
development of policies and standards and formulate plans.
- 1951.....S. 1378 introduced covering essentially substance of Resolution 50.
- 1950.....H. R. 6949, 81st Congress, to establish Frequency Control Board and Military  
Liaison Committee with appeal to President on Board decisions.
- 1949.....Senate Resolution 50, 81st Congress, concern over demands for frequencies.



Policy Delinations of the Director of Telecommunications  
Management/Special Assistant to the President for Telecom-  
munications

This listing is not intended to be a compendium of all policy deliniations. Rather, it is a partial listing of significant policies to illustrate the broad areas which they impact.

### Frequency Management:

1. Basic policies are stated in Chapter 2 of the Manual of Regulations and Procedures for Radio Frequency Management, 1965.
2. IRAC is a consultive body to the DTM, decision rests with the DTM.
3. Frequencies allocated to the Federal Government will cooperatively be shared with or transferred to, the civilian sector where the need of the civilian sector is proven to be greater than that of the Federal Government.

### National Communications:

1. National security aspects and needs of the Presidency and the National Command Authorities will be given priority consideration in all decisions.
2. A unified NCS will be established on an evolutionary basis. The NCS will be planned as a single system, and implemented and operated as such.
3. All communication assets of all agencies are potential assets of the NCS.
4. Government wide telecommunication requirements will be visible and susceptible to PPBS analysis.
5. ACSII is standard code for use by NCS.
6. Standards will deal in terms of performance rather than detailed design and specification, and there will be coordination and cooperation among Federal agencies and between Federal agencies and private organizations in the development of standards.
7. There will be no proliferation of standards, and the Office of the Director of Telecommunications Management in the centralized point in government for coordination of telecommunications standards.
8. The Manager NCS implements the Standards Monitoring Programs and must see that approved standards are implemented.



9. The communication aspects of teleprocessing must be considered in the development and design of large computer based systems to assume maximum application of the common-user principle.

International Communications:

1. National Security aspects and the needs of the Presidency and the National Command Authorities will be given priority consideration in all decisions.

2. The concept of a single international carrier will be supported.

Satellite Communication/Technology:

As documented in:

1. President's Annual Report to Congress, or required by the Communications Act of 1962.

2. NSAM 338

3. President's message to the Congress on Communication Policy, August 14, 1967.

4. Recommendation to the President on pilot programs for Domestic Communication Satellite System, April 4, 1969.

5. Recommendation to Secretary of State on Canadian request for U.S. satellite launch service, January 6 and April 3, 1969.

Emergency Preparedness:

1. Federal Register, January 17, 1967 announced a, "Priority System for the Use and Restoration of Leased Inter-city Private Line Services During Emergency Conditions."

2. Telecom Circular 3300.1, October 2, 1967 announced a system to provide, "Essential Residence Telephone Service in Time of Emergency".

3. Federal Register, July 24, 1968, announced a system of, "Procedures for Obtaining International Telecommunication Service for Use During a National Emergency".

4. Statements contained in Federal Emergency Plan D

Federal-State Telecommunications:

Provide assistance to state and local governments to assure that the requirements of the respective governments can be met efficiently and effectively at reasonable cost, and to develop efficient and effective coordination procedures among Federal, State and local governments concerning telecommunication matters of mutual interest.

The results of this policy are indicated by the fact that about 60% of the states have or are conducting government-wide telecommunication studies, some of which have already produced significant results.



TELECOMMUNICATIONS

APPROPRIATION & PERSONNEL HISTORY

(in thousand of dollars)

PERIOD	REQUESTED			BOB MARK			CONGRESS			APPROPRIATION		
	Posi- tions	Con- tracts	Total	Posi- tions	Con- tracts	Total	Posi- tions	Con- tracts	Total	Posi- tions	Con- tracts	Total
FY 65	(Incl. in OEP Request)			40	250	771	40	250	771	40	250	771
FY 66	70	360	1531	70	360	1531	70	300	1280	70	300	1280
FY 67	88	1195	2809	70	800	2270	70	425	1600	70	425	1600
FY 68	93	2600	4264	70	800	2245	70	600	1945	70	600	1945
FY 69 Suppl. (Research)	70 6000	600	1945	63	800 777	1675	70	500	1675	63*	500	1675
FY 70	78	800	2238	65	800	2095						

\*By P.L. 90-364 BOB established personnel ceiling at 63 for FY 69 and 65 for FY 70

January 1969

*Telecommunications*

May 22, 1969

MEMORANDUM FOR GENERAL O'CONNELL

Thank you for your memorandum of May 14th, informing me of the recent inquiries by Congressional staff about new developments in communications policy. I think your proposed response to further inquiries is the best until we do have a better idea of where we want to go.

Clay T. Whitehead  
Staff Assistant

cc: Mr. Whitehead  
Central Files

CTWhitehead:ed



Page

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

OFFICE OF THE DIRECTOR

May 14, 1969

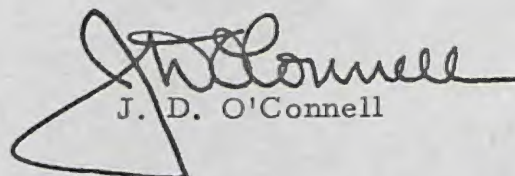
MEMORANDUM FOR MR. CLAY T. WHITEHEAD

You may be interested in knowing that a member of the staff of a House Commerce subcommittee has made inquiries at the staff level here as to whether there are any new developments in the communications policy areas that I addressed in my testimony before the Holifield Committee in July 1967. A copy of the memorandum for record of the conversation is attached, as well as my statement to the Holifield Committee.

As the record memorandum states, I did not bring these matters to the attention of Congress with the idea that my office would necessarily be the focal point for solutions of all the problems listed. The purpose of the chart was to merely lay out the problems and to suggest a time table for addressing them.

Until such time as this office receives guidance as to the priority of the items described in my testimony, as well as the Administration's policy on the substance, I propose to give a general response to further inquiries from Congressional committees to the effect that the Administration is studying the policy implications of these various areas and will be making appropriate determinations in their order of urgency.

If you have specific thoughts as to how this could be more appropriately handled, I would be glad to receive them. In the meantime, I intend to discourage the thought of Congressional staff personnel going into any of these matters in greater detail.

  
J. D. O'Connell

cc: General Lincoln  
Attachments

- (1) Memorandum for the Record, dtd May 14, 1969,  
from J. J. O'Malley, Jr.
- (2) Statement of DTM before Military Operations  
Subcommittee, House of Rep., July 25, 1967.



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

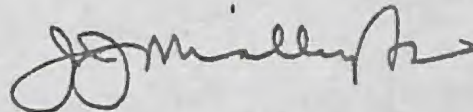
May 14, 1969

MEMORANDUM FOR THE RECORD

Subject: Telephone Conversation with Mr. Daniel Manelli, Staff Member,  
Special Committee on Investigations, House Interstate and  
Foreign Commerce Committee

On Friday, May 8, Ray O'Connell advised me that Mr. Manelli had called him inquiring whether he could obtain up-to-date information from this office on the status of certain legislative proposals that General O'Connell had discussed in testimony before the Holifield Committee in July 1967. Ray referred Mr. Manelli to me, and I talked with him on May 13. Mr. Manelli was especially interested in a chart which General O'Connell had used during his testimony. The chart, which is page 16 of General O'Connell's testimony, is entitled "Legislative Outlook in Telecommunications, 1968-72," and lays out in PERT chart fashion specific important problems in the national telecommunications policy area, and suggests a time frame in which these problems can be addressed by the Congress and appropriate legislation enacted.

Mr. Manelli was particularly concerned about the interaction of communications and computers and the question of adequate management of the radio spectrum. He also mentioned the matter of merger of the international carriers as one in which he was interested in having updated information. I advised Mr. Manelli that General O'Connell's testimony before the Holifield Committee at various times had pretty fully covered the problems described in the PERT chart. I also told him that the chart was not intended to describe the problems within the responsibility of this office, but was merely intended to describe the problems which were national in scope and were facing the Congress, the FCC, and the Executive Branch. I stated that before furnishing any further information in these areas I would have to advise General O'Connell of the conversation and receive some guidance from him as to how the matter should be pursued further.



J. J. O'Malley, Jr.  
Legal Counsel





**OFFICE OF  
TELECOMMUNICATIONS  
MANAGEMENT**

**STATEMENT  
OF  
HONORABLE JAMES D. O'CONNELL  
DIRECTOR OF TELECOMMUNICATIONS MANAGEMENT  
EXECUTIVE OFFICE OF THE PRESIDENT  
BEFORE THE  
MILITARY OPERATIONS SUBCOMMITTEE  
HOUSE OF REPRESENTATIVES**

**JULY 25, 1967**

STATEMENT OF JAMES D. O'CONNELL  
DIRECTOR OF TELECOMMUNICATIONS MANAGEMENT  
EXECUTIVE OFFICE OF THE PRESIDENT

Introduction

Mr. Chairman and Members of the Committee: I have been asked to appear today to review activity within the executive branch taken in response to recommendations of the Committee on Government Operations as presented in their October 19, 1966 Report, "Government Use of Satellite Communications". You have heard testimony from Dr. Gardiner L. Tucker, Deputy Director, Electronics and Information Systems, Defense Department, and from General Alfred D. Starbird, Manager of the National Communications System, with respect to specific responsibilities and activities concerning the Department of Defense and the National Communications System.

The Department of Defense testimony included substantial detail concerning actions taken by the Department of Defense in response to a number of Committee recommendations.

Rather than repeat the detailed position of the executive branch on issues which have already been covered in substantial depth by the Department of Defense witnesses, I will limit my comments to brief summary statements of the policy



issues involved. The remaining Committee recommendations constitute primarily policy matters or matters outside the direct purview of the Department of Defense. In these cases, my testimony will provide greater definition and detail as to the steps that have been taken in response to Committee recommendations.

INITIAL SYSTEM READINESS.- SYSTEM REPLENISHMENT AND UPGRADING.

During the past 10 months, much progress has been made by the Department of Defense in bringing the IDCSP to a state of operational readiness. Specifically:

- The space segment of the system currently provides full design capacity by means of the 17 near synchronous satellites currently in orbit.
- Two fixed ground satellite terminals plus 7 AN/MS-46 portable terminals are deployed throughout the world and in operation. Six additional AN/MS-46 satellite earth terminals will be deployed by February 1968. Further augmentation of earth terminal capability is being achieved through the procurement of the smaller highly transportable AN/MS-54 terminals; 13 of these will be delivered by January 1968.

--- Two satellite terminals are available for use aboard two U. S. Navy ships to improve communications between shore terminals and the Navy task force afloat. Five additional shipboard terminals will be delivered by October 1967.

All in all, this program has been most successful in providing improved communications channels for the direction of U. S. forces throughout the world.

#### CAPACITY EXPANSION

Much progress has been made by the Department of Defense in developing a logical growth capability for the IDCSP. As outlined in General Starbird's testimony, steps are currently underway to increase the capacity of the IDCSP earth terminals from an original design capacity of two voice channels to eleven voice channels.

General Starbird also highlighted DOD studies concerned with a Phase II space segment for the IDCSP. These studies are aimed at increasing capacity and the capability of the system to meet urgent Defense needs as has been suggested by the Committee.



ADVANCED SYSTEM CAPACITY

The system alternatives that have been developed for the Advanced System or Phase III of the Defense Satellite Program include the option of high capacity trunks between the U. S. and overseas points. The degree to which such high capacity trunks may be needed will be determined during the Joint Chiefs of Staff requirements studies mentioned by General Starbird.

Certainly capacities of 200 or more voice grade circuits are within the range of technology. It is further within the range of technology to provide trunk circuits that are secure, reliable, flexible and resistant to enemy jamming activities. There are, however, fundamental policy questions to be faced in the design of high capacity systems for Governmental use.

Our policy has been to avoid direct duplication by Government of available commercial service when such commercial service meets Government requirements and is available at competitive or lower cost. An exception to this policy has been made in the case of "unique and vital national security needs which cannot reasonably be met via commercial services. However, in announcing the initial decision

to proceed "with the development of interim independent military systems" President Johnson stated that:

"This decision to proceed with a system responsive to unique and vital national security needs does not alter the policy under which the National Communications System and other government services will use the commercial satellite and other common carrier communications systems for the transmission of the bulk of its traffic between the United States and various overseas areas."<sup>1/</sup>

All in all, the greatest assurance of continuous communications capability lies in maximum diversification of facilities and routes. Underseas cables, communications satellites, both commercial and Government owned, and high frequency radio all have their particular set of design advantages and disadvantages from the viewpoint of reliable worldwide service. A special advantage of the commercial communications

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<sup>2/</sup> President Lyndon B. Johnson, Annual Report to the Congress for the year 1964, on activities and accomplishments under the Communications Satellite Act of 1962.



complex lies in its capability for rapid expansion during times of unusual communications requirements and in the economies that are possible through the concept of using the commercial demand pattern as the underlying base to support Government needs which are subject to wide fluctuations as a result of world events. For these reasons it is prudent to utilize both commercial and Government systems and to provide diversity in routes and mode to include cables, satellites, and where appropriate, some reasonable backup via high frequency radio.

#### TACTICAL SYSTEM DEVELOPMENT

Since the date of the Committee Report on "Government Use of Satellite Communications" much progress has been made in the research program that has been undertaken to develop tactical communications satellite equipment for Defense needs. Contracts have been awarded for the development of the space segment and launch of the first satellite is scheduled within the coming year. Contracts have also been awarded for the development of the mobile terminals for use within the Army, Navy and Air Force. These

mobile terminals are scheduled for delivery within approximately 1 year so that integrated space segment and earth terminal tests can begin concurrent with the initial launch.

One of the objectives of the TACSAT research and development program has been to identify the portion of the radio spectrum best suited to tactical satellite needs and a great deal of advanced development work has been carried out in the field of frequency interference and propagation characteristics.

In general, I think it is fair to say that the recommendations of the Committee have been vigorously pursued and good progress made. Because of the very complex interservice coordination task involved in this tactical system, it will be necessary to give continuing attention in the hardware development programs to the interface points and to the ultimate system structure.

#### PROCUREMENT OF COMMERCIAL SATELLITE SERVICES

Since I last appeared before this Committee in August 1966, there have been a number of developments in the 30 circuits case and in the procedures for the procurement of



commercial satellite services. You are aware, I am sure, of many of these procedures, so I will be brief in my discussion of this matter.

As you know, at the time of the hearings about a year ago, the terrestrial carriers were giving active consideration to a major reduction in their overseas rates to reflect the cost savings which would be afforded by satellite technology. A number of rate reductions were proposed by the individual carriers in the Pacific area, so that by January 1967 the Department of Defense concluded that the lowest proposed composite rates would provide a major cost saving in the procurement of long-haul communications service in the Pacific area. The Department of Defense agreed, therefore, to assign its contract with COMSAT based upon these proposed cost savings. I transmitted a letter to the Commission on January 31, 1967, advising them of this decision. The Commission, in an order entered February 1, 1967, authorized the four terrestrial carriers to provide the 30 circuits to the Department of Defense.

The Commission Order of February 1, 1967 stated "we recognize that the determination of communications services

needed because of defense requirements in the national interest is a matter peculiarly within the province of the Executive." The Commission has also stated that it will look to my office as the focal point in these matters. I expect to keep the Commission as fully informed as I can of Government requirements as they relate to commercial communications satellites. In this way we hope to aid the integration of commercial communications satellite service in an orderly and economical way.

The Department of Defense and the Government generally recognize that there is an important need for cable services and that this need will continue in the future. At the same time the rapid expansion of communications satellite facilities is also considered an important objective.

#### EXTENSION OF RATE REDUCTIONS

This recommendation falls within the purview of the FCC. From the point of view of the executive branch, I fully concur with the recommendations made by the Committee.

The actions that have been taken by the FCC with respect to rate reductions in the Pacific have resulted in a very



substantial savings of over \$7 million annually to the Government (see Table 1).

It is my understanding that similar rate reductions will be achieved in the Atlantic Basin as soon as full period satellite service is available (see Table 2). Such service should be realized by October 1, 1967.

#### TIMELY NOTICE AND ADVANCE FILINGS

General Starbird outlined the steps that had been taken within the Department of Defense to improve coordination and planning activities relative to new telecommunications requirements. I should also point out that the Commission order of February 1, 1967 sets up a procedure in which the FCC will look to my office as the focal point for advice on communications requirements of the executive agencies, particularly in those cases where a national interest determination is involved. The Executive Agent, National Communications Systems, keeps me advised on requirements as they develop so that I can properly discharge the special role and responsibility that the Office of Telecommunications Management has in coordinating new telecommunications requirements, particularly



COMPARISON OF MONTHLY RATES  
FOR DOD LEASED VOICE GRADE  
CHANNELS IN THE PACIFIC  
AS OF 15 JULY 1967

11

TERMINALS	NO. OF CHAN- NELS	CHARGES AT 1 OCT 66 TARIFF RATES	CHARGES AT 20 JAN 67 COMPOSITE RATES	DIFFERENCE (SAVINGS)
US-HAWAII	56	784,000	548,800	235,200
US-JAPAN	7	210,000	164,500	45,500
US-PHILIPPINES	2	58,052	50,000	8,052
US-GUAM	5	135,500	80,000	55,500
SUB TOTAL	70	1,187,552	843,300	344,252
HAWAII-GUAM	7	126,000	84,000	42,000
HAWAII-JAPAN	11	242,000	199,100	42,900
HAWAII-PHILIPPINES	19	437,000	372,400	64,600
SUB TOTAL	37	805,000	655,500	149,500
GUAM-PHILIPPINES	9	1,023,133	908,500	114,633
GUAM-JAPAN	4	48,000	46,000	2,000
SUB TOTAL	13	1,071,133	954,500	116,633
JAPAN-PHILIPPINES	8	160,000	138,000	22,000
SUB TOTAL	8	160,000	138,000	22,000
GRAND TOTAL	128	3,223,685	2,591,300	632,385

TABLE NO. 1



TRANS-ATLANTIC LEASED CHANNEL RATES

On October 1, 1966, the United States half-circuit monthly rates for leased channel services between the United States and Europe were reduced as follows:

Voice Channels -- Half-Circuit Per Month

<u>Rate Prior to 1 Oct. 1966</u>	<u>Present Rate</u>	<u>Rate with 24 Hr. Satellite Serv.*</u>
\$ 8,500 (UK)	\$8,000	\$6,500
10,000 (Europe)	8,000	6,500

Teletype Channels -- Half-Circuit Per Month

\$3,500	\$3,000
---------	---------

\*The U. S. international carriers have stated that they will reduce their rates for leased voice channels when the European satellite earth stations go on 24-hour operations, on or about October 1, 1967.

TABLE NO. 2

those which involve commercial satellite communications.

#### COOPERATION AMONG GOVERNMENT AGENCIES

Much progress has been made in the development of improved procedures and patterns of coordination among the Government agencies involved in the field of commercial satellite communications.

In August 1966, procedures were adopted providing for close collaboration between the FCC, State Department and my office in carrying out United States policy in the commercial communications satellite field. These procedures provide that the Department of State shall give guidance to the Communications Satellite Corporation, as the United States entity in INTELSAT, on matters of concern to the United States Government. During the past year, we believe these procedures have worked quite satisfactorily. The procedure requires close contact with officials of the Communications Satellite Corporation with the result being a very clear understanding by the concerned Government agencies of the various matters being considered by the governing board of INTELSAT. This contact, together with the interagency collaboration, permits the issuance of



necessary guidance of a foreign policy nature to the Corporation in a timely and proper fashion. While this arrangement has not solved all of the problems stemming from the complex relationship between the international INTELSAT arrangements and domestic law, nevertheless, the difficulties stemming from this relationship have been minimized, and we believe progress is being made in eliminating the major problems that have caused the most difficulty with our international partners.

The Committee recommendation on cooperation among Government agencies also highlighted the need for studies to clarify agency responsibilities and identify areas in which new legislation might be required. As suggested by the Committee, my office has aggressively undertaken to study telecommunications legislative requirements.

This chart (Chart 1, Legislative Outlook in Telecommunications) highlights some of the issues which in my opinion will require Congressional attention in the immediate future. They include:

- Authorization for merger of the international common carriers;

- Updating of Section 606 of the Communications Act of 1934;
- A statutory base for national policy on the communications aspect of CATV and other wired distribution systems.
- Attention to the issue of "privacy in telecommunications;
- Interaction of communications and computers;
- Improvement in the structure for the Federal operation of communication systems and facilities;
- Consideration of the national issues involved in the application of communication satellite systems to domestic needs;
- The International Agreement for Global Communications Satellites -- INTELSAT Definitive Arrangements;
- Use of advanced telecommunication systems in supporting the needs of developing nations;
- Adequate management of the radio spectrum.

Our study has focused upon the specific recommendations in this Committee's October 19, 1966 Report. In the coming months the results of our OTM studies will be coordinated with the agencies and departments of the Federal Government



# CHART 1

Legislative Outlook in Telecommunications, 1968-72 . . . .

1934

1962

1968

1969

1970

1972+

Communications  
Act

International  
Common Carrier  
Merger

Emergency  
Telecommunication

CATV &  
Copyright

Frequency  
Management

Privacy  
in  
Telecommuni-  
cations

Post Roads Act 1866  
Radio Act 1912  
Radio Act 1927

Federal Telecommunications  
Management

Federal  
Operations

Domestic  
Satellites

International  
Agreement

Communications  
Satellite Act

Public Television

Communications  
Computers

International  
Telecommunications  
Development

Page 10

Federal Telecommunications Act

## Legend



Existing Statute



Proposed Independent  
Legislation



Proposed Legislative  
Amendments

in order to develop an Administration position on each of the issues that have been identified.

#### SATELLITE INDUSTRY LIAISON COMMITTEE

I have discussed the Committee recommendation on the establishment of an industry liaison committee with the chairman of the FCC. It is our belief that the Satellite Industry Committee on Earth Terminal Coordination provides a good forum for consideration of the problems highlighted during the hearings last August. This Industry Committee on Satellite Earth Terminals has the representation suggested and has been quite successful in improving industry coordination in the satellite field.

#### SEPARATE OFFICE FOR TELECOMMUNICATIONS MANAGEMENT

The question of a separate office for Telecommunications Management is currently under study and active consideration within the executive branch. It is clear that there is a growing recognition at all levels of the importance



of telecommunications in Government affairs and of the growing backlog of policy problems which require Government attention.

There are a number of thorny questions to be dealt with and many problems to be faced in arriving at a structure that best meets the needs of the Government in this complex situation.

One alternative, of course, is to leave the office as it is. This has certain disadvantages. OEP is in a different line of work. They are concerned with emergency planning; accordingly, they have somewhat different interests and are guided by different priorities.

Another alternative is to make the office a part of the Department of Transportation. This would in effect create a Department of Transportation and Communications; this, too, presents a great many problems. There are bound to be difficulties in developing an over-all set of national policies in a situation where one Department is charged with coordinating the communications policy of others. Also there could be conflicts of interest if one user of the spectrum were in a position to exercise also the authority over all of the other

the President's authority over all of the other departments.

The third alternative is to combine Telecommunications with the Office of Science and Technology in the Executive Office of the President. The two offices have similar responsibilities in considering the impact of research and the pace of technology on national policy and do have a fair amount in common in other areas. Frequency management is a somewhat separate consideration, but is not incompatible.

The fourth alternative is to create a separate agency reporting directly to the President. This approach would appear to avoid many, if not all, of the problems of the other three proposals, but it does require the establishment of an additional government agency.

There may be organizational alternatives which would be more advantageous than those outlined above, accordingly, all of the factors involved in a decision on organizational structure are being studied.

As you can understand, a decision on the optimum organizational alternative will require the most careful consideration.



The exact timing for an organizational change of this nature is a matter of major importance and one which will require serious consideration on the part of the President and the executive departments and agencies.

In summary, with respect to this specific Committee recommendation, I believe I can say that the matter is receiving active consideration across a wide range of possible organizational alternatives. I am hopeful that the decision on this matter will be consistent with the views that have been stated by the Committee.

CLEAR DELINEATION OF POLICY --  
DEFENSE MANAGEMENT OF TELECOMMUNICATIONS

We have studied the Committee's recommendations and suggestions for action with respect to clarification of responsibilities within the National Communications System structure.

As a part of these studies we have considered a proposed revision of Executive Order 10995 which would clarify responsibilities.

We have concluded, however, that with the active consideration now being given to the governmental structure

for telecommunications policy and management, it would be wiser to withhold action on NCS organization matters until one of the four alternatives for OTM organization has been decided upon.

In the meantime, I can report that the initial evolutionary stage of the NCS has now been completed in general consonance with preliminary guidance stated in the Presidential Memorandum which established the National Communications System. What we have today can be described as a federation of systems with arrangements for mutual assistance and some exchange of traffic. However, it is not yet a fully unified system as was originally envisioned and there are still many important Government communications assets that are not included in the NCS.

Considerable effort has been expended during the year in working out procedural methods that are more effective. We now have very smooth working arrangements on a day-to-day basis between the Executive Agent, the Manager and his staff and my office. We have not yet formulized a statement of separate areas of responsibility but have been able to reach agreement on actions required in a number of cases without significant difficulty by operating



on a case-by-case basis. It is anticipated that these relationships can continue and be further refined. My staff works closely with the Executive Agent and Manager in the accomplishment of periodic reviews as to the status and progress of work on the next Long Range Plan.

We are in the process of developing by trial a procedure for cooperative action between the OTM, the BOB and NCS regarding various agency requirements and their satisfaction within the context of the NCS. The direction these arrangements are taking is to assume that the Executive Agent and Manager should not be responsible for judging or validating agency requirements. Rather, it should be done in connection with the individual agency budget reviews where provision is made for funding such requirements. The Executive Agent and Manager, it is believed, should be responsible for a determination, with the individual agency and the OTM, in cases where difficulties arise, of the best and most economical method of satisfying validated requirements.

The details of such procedures are far from being complete and there is the possibility that executive or

legislative action may be required in the future. The procedures under development are designed to avoid the difficulties and problems summarized by the Committee Report. Implementation of the Planning, Programming and Budgeting System, which is being started this year, will provide a good basis for this action and basic figures for making better judgments. However, at least another two years of effort will be required before fully adequate data are available.

The Executive Agent is also in the process of completing studies requested by my office that should provide the basis for moving ahead on devising procedural methods which will enable us to reach decisions on further and more rapid development of the NCS into a fully integrated system.

In summary, I can say that the preliminary work has been done and the stage set for substantial progress.



TRAFFIC POTENTIAL IN NASA SATELLITES

The conditions established by the FCC at the time of initial authorization of frequencies for the NASA ATS program limited their use to experimental purposes.

In a letter to Chairman Holifield dated April 20, 1967, the Administrator of NASA stated, "If after successful attainment of mission objectives there remains a potentially useful system or system capacity, we consider it to be a responsibility of NASA to make this available to whatever instrumentality can best use it in the national interest." My office concurs in and supports the general position that when residual capacity results at the end of an experimental program, this capacity should be utilized and not wasted. We wish to make a careful distinction, however, between the utilization of excess or residual capacity in an experimental satellite and the granting of authorization to carry operational traffic over experimental satellites on a programmed basis. In the first instance, operational circuits could be placed on an experimental satellite on a temporary or "as available" basis for

the period that such capability existed. Since predictions cannot be made in advance of this residual lifetime or excess capability, it would be unwise for any user to plan on this capability for a needed portion of their operational circuits.

This office will, however, cooperate with NASA and the other appropriate government agencies in effecting the coordination necessary to insure that any excess capacity which may be available in experimental satellites is used in the best national interest.

#### SATELLITES FOR AIR TRAFFIC CONTROL

The FAA has continued to work quite closely with NASA regarding the technical feasibility and alternatives of applying satellite technology to air traffic control. In June of this year, FAA completed a series of instrumented flight tests, using an agency aircraft, with the NASA ATS-1 satellite. The data obtained during these tests is currently being analyzed. FAA has also made plans, in cooperation with NASA, to continue VHF experimentation with the ATS-C satellite to be launched later this year and to conduct



experimentation in the "L" band (1540-1660 MHz) as soon as appropriate FAA/NASA funding can be made available.

As of the present time, no formal discussions have been initiated with the airline industry to work out appropriate cost-sharing arrangements. Such discussions seem premature at this time as systems studies and experimentation with NASA have not yet been completed. There has, however, been continuing coordination between FAA and the air carriers on the results of tests made to date. In the meantime, the FAA is continuing to work closely with COMSAT. FAA expects definitive proposals and cost quotations from COMSAT in the near future.

#### SATELLITE POWER FOR THE FUTURE

The NASA letters to this Committee dated April 20, 1967, January 25, 1967 and January 17, 1967 provide a definitive summary of NASA activity in the development of improved power supplies for satellite purposes. The National Aeronautics and Space Administration has been very diligent in pressing for the early development and application of nuclear power for satellites where it has found it to be appropriate.

The most recent studies of NASA which are supported by work done by the General Electric Company and the Radio Corporation of America do indicate, however, that recent developments in the solar power field will permit the generation of sufficient quantities of electric power to meet the needs of direct broadcast radio satellites. This preference for solar power conversion systems for radio broadcast satellites in no way affects the requirements for nuclear power to achieve the generating capabilities which may be needed to supply space segment needs of the future.

#### CONCLUSION

Mr. Chairman -- distinguished Members of this Committee -- I appreciate your courtesy in listening to my statement and I would like to express appreciation for the service that this Committee has rendered in identifying policy issues and areas for improvement in the field of satellite communications generally, and Government use of satellite communications in particular.

I am now prepared to elaborate on any further points that you may suggest or to answer questions you may have.



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF EMERGENCY PREPAREDNESS  
WASHINGTON, D. C. 20504

July 9, 1969

MEMORANDUM FOR HONORABLE PETER M. FLANIGAN,  
ASSISTANT TO THE PRESIDENT

Looking through my file I find the attached MR on Starbird. The marked paragraphs do indicate some hope. About two of the three months have passed.

I have reviewed quietly with knowledgeable individuals the possibilities among military people, and General O'Connell has explored for me the interest of the most likely individuals. Generals Lotz and Pickett, both capable individuals, have expressed a lack of interest. General Eddy seems the best bet in that area unless you and Mr. Whitehead could persuade General Starbird.

On April 28, I sent you a memorandum suggesting names for consideration which were available as of that time. So there will not be any question later about consideration having been given to each applicant's case, I am furnishing to Mr. Whitehead, for discussion with you, notes on all the individuals whose applications for the position have now come to my attention.

Concerning General Eddy -- a telephone call to me just now informs me that General Eddy has not yet submitted his retirement papers and gives some indication that whether he does or does not retire will turn on whether he is asked to be Director of Telecommunications Management.

*G. A. Lincoln*  
G. A. Lincoln  
Director

Attachment



May 20, 1969

MEMORANDUM FOR RECORD

SUBJECT: Conversations with General A. D. Starbird on  
Telecommunications

General Starbird organized the Defense Communications Agency and headed it from 1963 to November 1967. He is now Manager of the SAFEGUARD System. There is no more highly respected professional, civilian or military, in government today.

General Starbird commented on the problems and pitfalls of existent and possible organizational arrangements for telecommunications. He said he was not interested in the position of Director, Telecommunications since when he retires from the Army he needs to earn some money for his family (but see below).

General Starbird called me late yesterday in accordance with his promise to suggest names. He gave me half a dozen suggestions with comments on each, rating as to his judgment of their order of competence. He knew only one civilian (now Director of Communications of CIA) whom he felt he could suggest. General Starbird also commented on those he knew among other names that have been furnished for our attention.

General Starbird referred back to my question concerning his interest and commented that:

- a. I should not consider him since I probably needed somebody right away and he is not available for at least three months.
- b. He would not want the position without some changes in relationships.



I asked General Starbird to keep his mind open on the position and commented that everyone seemed to be agreed that some changes needed to be made in terms of reference -- the problem is, what changes? I said at the minimum the Executive orders and proclamations needed to be put in one document and brought up to date. General Starbird agreed with my comment and said that he was not sure that the original Eisenhower concept is now completely applicable.

I have some hope that Starbird has not completely closed the door on considering the position. If he did take it, his appointment would, I believe, be accepted by all interested parties and acclaimed by most. The Administration is unlikely to find anyone else nearly as competent.

As to Starbird's comment about his financial situation, the possible arrangements may be more attractive than he knows. There is, however, the possibility that the President and/or Secretary of Defense would not wish him to retire.

Finally, since the job now involves being an Assistant to the President I do not think that Starbird will move to a situation of very serious consideration without a talk with Mr. Whitehead and Mr. Flanigan.

SIGNED  
G. A. Lincoln  
Director

GAL/gh

**ALFRED D. STARBIRD**  
**Lieutenant General, USA**

General Starbird graduated from the U. S. Military Academy in 1933 and received a degree in Civil Engineering from Princeton University in 1938.

Prior to World War II, General Starbird served on various Engineer assignments; was a member of the U. S. Olympic Pentathlon Team in 1936; and served as an instructor at the United States Military Academy.

In 1942 he was assigned to the War Department General Staff. He served on temporary duty with the 1st Division Staff during its landings in North Africa and with the Fifth Corps during its landings and early operations in Normandy. He commanded an Engineer Combat Group in the Third Army from January through June 1945 and then returned to the War Department General Staff.

Since World War II, General Starbird has served in various assignments in the Pacific, CONUS and in Europe where he served as Secretary of SHAPE. After two years in the Office of the Chief of Engineers he was named Director of Military Applications of the Atomic Energy Commission and served in that assignment from 1955 to February 1961. In November 1961 he was called from his assignment as Division Engineer, North Pacific Engineer Division to organize Joint Task Force EIGHT and to command it during the planning, preparation and execution of Operation DOMINIC, the 1962 nuclear test series. In October 1962, he was named Director of the Defense Communications Agency and, on August 21, 1963, the additional function of Manager, National Communications System. In November 1967, General Starbird was selected to be the Manager of the SENTINEL System, now the SAFEGUARD System.



## EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

DATE: MAR 21 1970

REPLY TO  
ATTN OF: NSPD (Gessaman)

SUBJECT: Distribution of DTM Personnel to the OTP and the Department of Commerce

TO: Mr. Tom Whitehead

As indicated in my letter of March 16, the DTM currently has a 1970 ceiling of 63 positions, including the Director, of which 59 are now filled. This letter discusses the functions now being performed in the DTM and whether those functions should be performed by the OTP or the Commerce Department.

Tab A shows the current staffing within the DTM's office. Tab B is a listing of the functions of the various Directorates of the DTM.

Our analysis of current DTM activities led us to the following conclusions on which functions should be transferred to Commerce. Within the Office of the Director we see no need to transfer the function of the Assistant Director Program Planning to the OTP. However, the Commerce Department might have some use for this type of activity. All other functions identified for transfer to Commerce are currently in the Frequency Management Directorate. Within the IRAC Secretariat all of the staff except the Executive Secretary and one support type can go to Commerce. In order for the OTP to maintain sufficient control of the frequency assignment process to actually exercise final authority, the IRAC Executive Secretary should be a part of the OTP. The Frequency Engineering function fits under the responsibilities of the TRAC and it therefore should go to Commerce. Within Frequency Usage, the Computer Systems Analyst would properly fit into the Commerce function since Commerce will be managing the ADP efforts.

	<u>Current DTM</u>	<u>OTP</u>	<u>Commerce</u>
<u>Professional Staff</u>			
Office of the Director	3	2	1
International Communications	3	3	-
National Communications	7	7	-
Frequency Management	<u>12</u>	<u>8</u>	<u>4</u>
	25	20	5
<u>Support Staff</u>			
Office of the Director	4	4	-
International Communications	2	2	-

<u>Support Staff (cont'd)</u>	<u>Current DTM</u>	<u>OTP</u>	<u>Commerce</u>
National Communications	5	5	-
Frequency Management	$\frac{23}{34}$	$\frac{7}{18}$	$\frac{16}{16}$
Vacancies	$\frac{3^1/}{}$	$\frac{3}{}$	$\frac{-}{}$
Total	62	41	21

1/ Vacancy for DTM not included since reorganization plan abolishes position.

Additional Frequency Management functions that could be considered for transfer to the Commerce Department are:

1. Spectrum Development. As can be seen from the functional statement these two professionals concern themselves with things that come under both the OTP and Commerce functions. It can be argued that one of the two professionals and one of the two secretaries are more concerned with TRAC functions than OTP functions and therefore should go to Commerce.

2. Frequency Usage. This is similar to the spectrum development case in that some of the functions are of an OTP type or ones best performed at the OTP level while others can be performed by Commerce. We suspect that in addition to the computer system analyst included in our proposal, two more professionals and one support type could be transferred to Commerce with a slight redefinition of function.

The additional transfer would decrease DTM slots going to the OTP as shown in the following table.

<u>Professional Staff</u>	<u>OTP</u>	<u>Commerce</u>
Previous positions	20	5
Additional functional transfers	$\frac{-3}{17}$	$\frac{+3}{8}$
<u>Support Staff</u>		
Previous positions	18	16
Additional functional transfers	$\frac{-2}{16}$	$\frac{+2}{18}$
Vacancies	$\frac{3}{}$	$\frac{-}{}$
Total	36	26



3

To reduce the size of the OTP still further would require reducing Frequency Management further than we can recommend. A judgment that the Advanced Technology function can be performed in TRAC would reduce the OTP professional staff by one supergrade.

*Bill*

William A. Morrill

Enclosures

TAB A

Distribution of Current DTM Personnel Between  
Professional and Support

	<u>Professional</u> <u>(GS-12 &amp; up)</u>	<u>Support</u> <u>(GS-11 &amp; lower)</u>	<u>Total</u>
Office of the Director	3	4	7
International Communications	3	2	5
National Communications	7	5	12
Frequency Management	$\frac{12}{25}$	$\frac{23}{34}$	$\frac{35}{59}$
Vacancies			$\frac{4}{63}$



OFFICE OF THE DIRECTOR

Legal Counsel

- Provides normal legal assistance and opinions to the DTM

Legal Counsel O'Malley GS-15

Executive Assistant

- Provides for administrative support of the DTM including budget and personnel planning.

Executive Assistant O'Connell GS-15

Assistant Director Program Planning

- Performs speechwriting and general public relations function.

Assistant Director Program Planning Fishkin GS-15

Support Staff for the Director's Office

Secretaries and Clerks 4

International Telecommunications Directorate

Associate Director    Clark    GS-18

a. International Telecommunications

- Support the Director in providing assistance and advice to the Department of State in the formulation of policy concerning U.S. activities in the International Telecommunications Satellite Consortium (INTELSAT).

- Maintain liaison with, and cognizance over, the activities of the Communications Satellite Corporation.

- Prepare and coordinate for the President the Annual Report to the Congress on Activities and Accomplishments under the Communications Satellite Act of 1962.

- Develop policies of the Executive Branch for domestic and international satellite communications.

- Develop Executive Branch policies for use of satellites for unique purposes such as aeronautical and maritime communications and navigation, meteorological forecasting and earth resources, etc.

- Maintain cognizance of and participate in the formulation of policy regarding NATO telecommunications.

Chief    Col. Olson, Military Detail

Electronic Engineer    Cole    GS-15



b. Advanced Technology

- . Maintain cognizance of trends in telecommunications technology.

- . Collect and analyze data on telecommunications research and development activities.

- . Maintain a data base on telecommunications research efforts. Advise on the coordination of such activities and develop policies to reduce duplication and minimize gaps.

- . Identify and analyze technical, economic and operational trends of telecommunications technology.

- . Identify areas pertaining to the promotion and regulation of telecommunications which may require new legislation, or amendments to existing legislation.

- . Recommend and encourage technological improvements in domestic and international Government and civil telecommunications systems.

- . Participate in the work of the International Radio Consultative Committee and the International Telegraph and Telephone Consultative Committee related to international telecommunications.

Electronic Engineer    Gould    GS-16

Support staff for International Communications

Secretaries    2

National Telecommunications Directorate

Associate Director & Acting DTM    Plummer    GS-18

a. National Communications System

- . Provide policy guidance for the development and operation of the NCS.
- . Develop coordination and review procedures among the DTM, the Executive Agent, and the Agencies.
- . Assure that appropriate advances in technology are incorporated into the NCS.
- . In coordination with BOB, GSA, and the Manager, NCS, develop financial planning and program review procedures for the NCS.
- . Provide guidance and priorities with respect to communication requirements to be satisfied by the NCS.
- . Determine the adequacy of systems designs developed by the Executive Agent for the NCS.
- . Review program goals and future plans and concepts for the development of the NCS.



b. Domestic Telecommunications

- . Guide and support development of an effective national telecommunications capability.
- . Develop and recommend evolutionary changes in Government organization and philosophy to stimulate technological progress in telecommunications.
- . Guide and coordinate integration of advanced technology and management concepts into Federal telecommunications systems to increase quality, efficiency and economy.
- . Provide policy and guidance on the efficient use, growth and viability of Government-owned communication satellite systems and their use in meeting national requirements.
- . Create an effective Federal-State partnership to guide telecommunications policy formulation for both peacetime and emergency requirements.
- . Provide policy guidance and assistance for telecommunications in support of normal needs of Federal-State-local Government agencies.
- . Identify and evaluate the trends and requirements for telecommunications in support of law enforcement, medicine, social security, education, business and other public and private activities.
- . As appropriate, adjudicate and resolve telecommunication problems and issues.

Staff looking at both Domestic and National is the same

GSA detail	Hall	GS-15
Communications Specialist	Jones	GS-14
Military detail	Col. Yoder	
Systems Analyst	Urbany	GS-15

c. Telecommunications Readiness

- . Coordinate the development and preparation of plans and programs for the mobilization and use of national telecommunication resources in an emergency.
- . Provide advice and assistance to government agencies and industry on emergency telecommunications preparedness planning activities.
- . Develop criteria for reliability, availability, performance, and operational readiness for Government telecommunication facilities.
- . Evaluate national telecommunications emergency capabilities.
- . Guide and administer national telecommunication resources upon proclamation of war.
- . Develop and maintain a standby wartime organization for administration of the President's war emergency authority for telecommunications.

Telecommunications Specialist	Lathey	GS-16
Communications Specialist	Ward	GS-15
Military Detail	Capt. Babcock	

d. Standards

- . Develop telecommunication standards policies for the Executive Branch.
- . Direct, review and evaluate government standardization actions toward developing performance and user acceptability criteria and provide guidance in implementation.
- . Design and assign projects to Executive Branch agencies to eliminate obsolete and redundant standards and identify new standardization requirements.
- . Review existing and planned standardization actions and provide guidance necessary to achieve technical compatibility of all NCS elements, connected networks or facilities.
- . Monitor and evaluate telecommunication standards activities in government and private industry and provide for liaison between government and industry standardization activities.



- . Recommend appropriate changes to legislation or other authorizations relative to telecommunication standardization activities.

Communications Specialist    Cooke    GS-15

e. Teleprocessing Systems

- . Develop and provide policy guidance for teleprocessing activities of the Executive Branch.
- . Develop procedures to insure that Federal agency teleprocessing policies are in consonance with overall policies in this field.
- . Promote adoption of uniform policies and practices by agencies operating teleprocessing systems.
- . Develop and maintain information concerning Federal teleprocessing requirements, objectives, and priorities of implementation.
- . Foster research and development activities which assist in attainment of Federal teleprocessing objectives.
- . Improve the coordination of Federal, State and local teleprocessing activities in areas of mutual benefit.

Computer Systems Officer    Culpepper    GS-15

National Communications Directorate Support Staff

Secretaries    5

## Frequency Management Directorate

Associate Director	Dean	GS-17
Military Detail	LC Buss	

### a. Spectrum Development

- . Develop and recommend national objectives and policies for allocation of the spectrum.

- . Develop and implement a National Electromagnetic Compatibility (EMC) Program.

- . Collect and analyze data on current and projected spectrum needs so as to determine frequency requirements with respect to the division between Government and non-Government allocations.

- . Participate in and review the work of the International Radio Consultative Committee (CCIR), both nationally and internationally, pertaining to radio frequency matters.

- . Participate in and implement the results of regional and international conferences pertaining to the allocation and use of the radio spectrum.

- . Develop and monitor study programs concerned with more effective use of the radio spectrum.

- . Maintain and review the National Table of Frequency Allocations to ensure that the division of the radio frequency spectrum between Government and non-Government users serves the national interest; carry on joint planning with the FCC of the spectrum on the short-term and long-term user basis; recommend, in light of the national security, interest, economy, and foreign relations, allocations for Government use.

Chief	Jansky	GS-15
Engineer	Gamble	GS-13

### b. Frequency Engineering

- . Review and stimulate timely application of improved techniques and methods of radio frequency management within the Executive Branch.



- . Direct enforcement programs concerned with U.S. Government compliance with the technical performance criteria necessary for effective spectrum management.

- . Keep abreast of Government agency frequency management activities, radiocommunication problems, and radio and electronic operations.

- . Define engineering standards for Government agencies to promote efficient use of radio spectrum.

- . Stipulate and enforce technical performance requirements.

- . Participate in international and national efforts on technical standards and design objectives.

- . Prepare proposals for international radio technical regulations.

- . Conduct a station inspection program.

- . Analyze spectrum monitoring results.

- . Evaluate equipment tests results.

Engineer      Stelzenmuller      GS-15

c. Frequency Usage

- . Recommend frequency utilization objectives, policies, regulations and procedures.

- . Assist in the assignment of frequencies to Government radio stations and amendment, modification, or revocation of such assignments, as appropriate.

- . Ascertain Government frequency requirements and assist in ensuring that its frequency requirements are satisfied in an efficient and expeditious manner.

- . Make technical determinations and allocate frequencies required by foreign governments to construct and operate radio stations in the fixed service at the United States seat of government.

- . Review the actual use of frequencies assigned to Government agencies to determine whether they are still required and are being used effectively.

- . Direct and support the affairs of the Frequency Assignment Subcommittee.
- . Develop and extend the ADP system for frequency management.
- . Maintain the Manual of Regulations and Procedures for Radio Frequency Management.
- . Supervise the international notification and registrations of Government frequency assignments.
- . Assist in preparing for, participating in, and implementing the results of international radio conferences.
- . Supervise the notification to the International Frequency Registration Board (IFRB) of Government frequency assignments, and the supply to the IFRB, as appropriate, of data pertaining thereto.

Chief	Hailey	GS-15
Engineer	Corrado	GS-14
ADP Programmer	Garber	GS-13
Communications Specialist	Higgins	GS-13
Communications Specialist	Dinkle	GS-12

d. IRAC Secretariat Division

- . Maintain records of assignments and authorizations and print lists of assignments as appropriate.
- . Administer activities of IRAC, including the Frequency Assignment and Technical Subcommittees.
- . Direct computer support activity for radio frequency management.
- . Maintain the emergency readiness plan for the use of the spectrum.
- . Supervise, record, analyze and review all computer inputs and outputs.
- . Maintain plans and facilities for relocation of DTM staff.



. Coordinate with telecommunication officials of Canada and other countries and organizations, as approved by the Department of State, on radio frequency and related matters.

Executive Secretary	Kirkevold	GS-15
Asst. Executive Secretary	Filipski	GS-14
Supervisor of Frostburg Operation	Rexrode	GS-12

IRAC Secretariat Support Staff  
18 people of various grades and titles

Frequency Management Directorate Support Staff  
Secretaries 5

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

DATE: March 16, 1970  
REPLY TO  
ATTN OF: NSPD  
SUBJECT: DTM and OTP Manning

TO: Mr. Tom Whitehead

You asked several questions the other day about personnel in the DTM and the OTP. These questions were: (1) number of slots going to the OTP, (2) mechanics of transferring people, (3) use of military details, and (4) assignment of interim director.

Number of slots to OTP

The FY 1970 ceiling for DTM personnel is 63. There are currently 59 on board. Included in the 63 are the DTM and 9 supergrade positions. Of the 9 supergrades, 5 are currently filled. Pending actions are to promote Will Dean from a GS-17 to GS-18: upgrading Dave Hall, who is now a GS-15 detail from GSA, to a GS-16 on DTM payroll. In addition, there is an action to promote Ray O'Connell from GS-15 to GS-16 in process--this was started by Jim O'Connell. Of the 63 positions, we are considering transferring 42 to the OTP and 21 to Commerce. The 42 includes the position of DTM. The 21 positions going to Commerce are from the Frequency Management Directorate (20) and the position of Assistant Director for Program Planning. Provided Congress appropriates the funds requested, an additional 10 positions will be available for OTP in 1971.

*too many.*

*Prof?*

Mechanics of transfer

Since the Commerce Department will not have a going TRAC prior to July 1, it is necessary to decide whether to transfer the DTM people to Commerce on April 25 (effective date of reorganization plan) or to hold off until 1 July. Holding off until 1 July might offer several advantages. For one, it would give the new Director, provided there is one, an opportunity to review the staff and make some transfers which might not be made if the transfer is handled on a more or less functional basis. We suspect the accounting process could also be easier transferred at the beginning of a fiscal year. If the transfer is made on 25 April, we presume the new Director could still have some leeway in the transfer of additional people to Commerce. With the Bureau as a catalyst, the Department of Commerce and DTM are working on the transfer.

Military personnel

DTM currently has 4 military personnel detailed to his office. This is fewer than normal since a concerted effort has been made not to take on additional ones until a new Director is appointed. There is



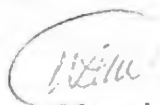
apparently no problem in obtaining additional details. The DTM merely requests the Secretary of Defense for specific people, if known, and works out the details with the military department's personnel office.

#### Assignment of interim Director

The assignment of an interim Director appears to be rather straight forward. We understand all that is required is a memorandum to the President from William Hopkins' office in the White House with an attached memo for the President to sign. The only decision to be made in the assignment is whether an existing employee gets paid at his existing level or at the level 3 salary as provided for in the reorganization plan.

#### Summary

There is apparently some possibility of bringing 2 to 3 new people on board immediately. If specific persons are known, Ray O'Connell, the DTM's Executive Assistant, can work out the details of bringing them on board. Likewise, he can arrange for additional military details.

  
William A. Morrill

072  
April 29, 1970

MEMORANDUM FOR BILL MORRILL

Thank you for the materials on the DTM budget and the May 12 Senate hearings. I would appreciate it if you would continue to forward to me such materials as may be of interest to the new Director of OTP until he begins to actively function in that role.

I have two related questions:

1. Am I correct in assuming that the new Director cannot testify on May 12 if he has not yet been confirmed by the Senate?
2. Is there any problem with his getting actively involved in preparations for these hearings prior to his confirmation?

Clay T. Whitehead  
Special Assistant to the President

cc: Mr. Whitehead  
Central Files

CTWhitehead:ed



Materials  
given  
to

Dr. Niskanen

4/29/80

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

DATE: APR 24 1970

REPLY TO

ATTN OF: NSPD (Gessaman)

SUBJECT: Senate Hearings for 1971 Budget for Telecommunications Management

TO: Mr. Tom Whitehead

On May 12 Senate hearings on the 1971 budget for DTM are to be held. It is presumed that prior to that date an appointment for Director of OTP will be announced. Whether or not the appointment will be confirmed prior to the budget hearing is unclear. However, it seems advisable for the man who will be appointed to familiarize himself with the budget under consideration by the Congress.

As I mentioned to you earlier, the DTM people ran into considerable problems at the House hearings with their NECAF proposal. If there are to be any funds appropriated for NECAF in 1971, a strong case will have to be made with Senator Pastore at the Senate hearings.

Enclosed is a copy of the DTM budget and a copy of the hearings transcript which you might want to pass on to the person under consideration for appointment. While the OTP probably will not spend its money in the exact fashion as outlined in the DTM budget, it will be spent in a very similar fashion and can be justified as a budget for the OTP. Since this will probably be the first public statement of any consequence issued by the new Director, it seems advisable for him to start preparing it. To the extent necessary and desirable, we and the DTM people can assist in preparing his statement.



William A. Morrill  
Deputy Director for Programming  
National Security Programs Division

Enclosure





OFFICE OF

EMERGENCY

PREPAREDNESS

EXECUTIVE OFFICE OF THE PRESIDENT

TELECOMMUNICATIONS  
MANAGEMENT

BUDGET ESTIMATES  
FISCAL YEAR 1971

Submission to the Congress

Thursday, February 26, 1970

OFFICE OF EMERGENCY PREPAREDNESS  
and  
OFFICE OF TELECOMMUNICATIONS MANAGEMENT

Witnesses

G. A. Lincoln  
Director

William Plummer  
Acting Director, Telecommunications Management

Wilfrid Dean, Jr.  
Associate Director, Frequency Management

W. ~~Tam Olsson~~  
~~Ralph L. Clark~~  
~~Associate Director, National Telecommunications Directorate~~

Charles E. Lathey  
National Telecommunications Directorate

David B. Hall  
National Telecommunications Directorate

J. R. O'Connell  
Executive Assistant, Telecommunications Management

William B. Rice  
Director of Administration

Robert Volland  
Financial Management Branch



EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

April 30, 1970

MEMORANDUM FOR CLAY T. WHITEHEAD

SUBJECT: DTM Budget Hearing

In your memo of April 29 you asked two questions. The first was, can the person nominated to be Director of the OTP testify at the Senate hearings if he has not been confirmed? Without confirmation the individual would have no official status within the government. He could testify as an interested citizen but this is not recommended. Alternatively, he could be placed on the DTM payroll as a consultant or expert and testify in that status, but this also is not recommended since it would probably turn the budget hearing into a confirmation hearing.

You also asked whether there is any problem with him becoming actively involved in preparations for the hearing. There is no known problem with respect to his participation.

*W.A.M.*

William A. Morrill  
Deputy Director for Programming  
National Security Programs Division

*Tom:*

*the one talking to the Senate on 5/1/70 if not confirmed,  
he might want to talk to the Senate separately about the budget.*

*(W.A.M.)*

OTP

Friday 5/8/70

3:15 Bill Morrill dropped this off. He said the Senate hearings are due Tuesday. They expect the Senate may mark up as early as next week. So all the time you have is about a week.



EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET  
WASHINGTON, D.C. 20503

May 7, 1970

MEMORANDUM FOR MR. CLAY T. WHITEHEAD

SUBJECT: House Action on DTM Budget

The Independent Offices Subcommittee of the House Appropriations Committee today released its reports. The amount they are recommending for the DTM in 1971 is \$1.795M, the level of the 1970 Budget. The Administration had requested \$3.3M. The House mark provides for neither the NECAF nor requested personnel increases.

To adequately impress Senator Pastore with the need to reinstate the bulk of the funds eliminated by the House, it might be necessary for you to personally talk to him. Without reinstatement of funds, the OTP will have a difficult time hiring the new personnel he will need to carry out his responsibilities. In fact, we doubt whether he could be very effective since he will have to rely primarily on existing DTM personnel.

A copy of the House Report is enclosed.

  
William A. Morrill  
Deputy Director for Programming  
National Security Programs Division

*Grants to the Republic of the Philippines.*—The budget request of \$2,000,000 is recommended for grants to the Republic of the Philippines. This program provides grants-in-aid for medical care and treatment of Commonwealth Army veterans and Philippine Scouts who served with the U.S. armed services.

*Payment of participation sales insufficiencies.*—The Committee recommends the sum of \$6,128,000 for the payment of participation sales insufficiencies. This is a contractual commitment for this purpose by the Veterans Administration.

*Loan guaranty revolving fund.*—Instead of providing authorization for this fund on a permanent and indefinite basis as is again proposed in the budget estimate, the Committee has authorized a specific amount to finance costs, other than administrative expenses, for the loan guaranty program. A limitation of \$350,000,000 is recommended by the Committee for this purpose.

## TITLE II

### EXECUTIVE OFFICE OF THE PRESIDENT

#### COUNCIL ON ENVIRONMENTAL QUALITY

The Committee recommends \$650,000 for the Council on Environmental Quality. A reduction of \$50,000 is proposed from the amount of the budget request. The Council will analyze environmental conditions and trends; review and appraise Federal Government programs having an impact upon the environment; recommend policies for protecting and improving the quality of the environment; and assist and advise the President in the preparation of the environmental quality report required by law.

#### NATIONAL AERONAUTICS AND SPACE COUNCIL

The Committee recommends \$400,000 for this Council. This is a reduction of \$160,000 from the \$560,000 budget request. The recommended amount should be ample for the work of the Council in fulfilling its mission.

#### OFFICE OF EMERGENCY PREPAREDNESS

This office is responsible for directing nonmilitary emergency preparedness activities of the United States and overall administration of the disaster relief program under delegations of authority from the President. The budget proposes \$11,835,000 for three separate appropriation items: \$5,405,000 for salaries and expenses, \$3,300,000 for telecommunications activities, and \$3,130,000 for civil defense mobilization functions of Federal agencies.

The Committee recommends an appropriation of \$5,299,000 for salaries and expenses to continue staffing at the 1970 level. This is a reduction of \$115,000 below the amount requested.

An appropriation of \$1,795,000 is recommended for the telecommunications functions. This is a reduction of \$1,505,000 from the \$3,300,000 requested in the budget. Reorganization Plan No. 1 of 1970 abolishes the existing Office of Telecommunications in the Office of Emergency Preparedness, and establishes a new Office of Telecommunications Policy in the Executive Office of the President.



The appropriation recommended in the bill would provide for this new office.

The budget included funds for a National Electromagnetic Compatibility Analysis Facility (NECAF) to be operated by the Department of Commerce. The Committee feels that NECAF should be authorized by legislation, if needed, and no funds are provided for it at this time.

Civil defense and defense mobilization functions are performed by various departments and agencies of Government under delegations of authority from the President. The Committee recommends \$3,130,000 for this purpose. This amount is to be allocated, as required, to eight departments and agencies to assist in carrying out national emergency preparedness activities delegated to such agencies.

#### OFFICE OF SCIENCE AND TECHNOLOGY

The Director of the Office of Science and Technology is charged with advising the President in all scientific matters, and in overseeing the development and progress of the scientific and technological programs in the various agencies of government.

The budget estimate for these services is \$2,175,000 and the Committee recommends an appropriation of \$2,000,000. This is a reduction of \$175,000 from the budget level requested. The Committee feels the sum recommended will permit operation of this office at a high level of advisory efficiency.

#### FUNDS APPROPRIATED TO THE PRESIDENT

##### APPALACHIAN REGIONAL DEVELOPMENT PROGRAMS

The program for Appalachia is a joint Federal-State effort to achieve common solutions to regional development. This program has proven to be an excellent example of Federal-State cooperation. The initiative for making proposals is with the State governments, and the assistance provided by the Federal government is intended to supplement existing programs. The achievements and beneficial results of the Appalachian programs are now beginning to show in the programs of trade schools, hospitals, health centers, and in other areas. The bulk of the objectives of the highway development and access road programs are yet to be accomplished.

The programs of the Appalachian Regional Development Act, as amended, embrace activities in 397 counties, in 13 States, and nearly one-tenth of the population of the Nation. The most critical need of the region is adequate development highways and access roads. The basic act authorizes 4,300 miles of construction, including 2,700 miles of development highways and 1,600 miles of access roads.

The budget estimate for Appalachian programs is \$295,500,000. This includes \$175,000,000 for the highways program. The Committee recommends a total of \$291,500,000, including the \$175,000,000 for the highways program. Other programs are funded at a level of \$116,500,000, which is \$4,000,000 below the budget.

The Committee recommends the full budget of \$65,000,000 to provide for unforeseen disasters that may arise and to which the President must be responsive. There were 29 major disasters declared in calendar year 1969, the highest number in history. This required appropriations