major overseas points of interest. The military needs its own hard-core system of secure, reliable, flexible, and survivable communications not affected by the business, labor, and international complexities and incidents of commercial operations. At the same time, as satellite and cable technologies advance, and commercial capacity expands to meet growing traffic needs, the military can be expected to continue relying on commercial sources for the bulk of its routine communications.

As the committee knows, the advanced system is being planned to meet unique Comment and vital national security needs. Although system capacity in numbers of voice channels is often used as a measure of the size of a system, we must keep in mind that the way in which the system is used is often more important. In this respect, the advanced system will be designed to serve a multitude of relatively small capacity users rather than to carry large volumes of traffic between major centers. The committee was provided with a copy of the representative requirements upon which the system definition studies were made. A new study is under way by the office of the Joint Chiefs of Staff to update these requirements.

The Department agrees with the committee view that we do have the need for a hard-core military communications system in addition to placing continued reliance on commercial sources for the bulk of its routine communications. It would not be surprising if the total global capacity of the Defense satellite communications system eventually were to reach the equivalent of the 100-200 voice-grade circuits postulated by the committee.

## NO. 5, TACTICAL SYSTEM DEVELOPMENT

"In accord with an earlier committee recommendation, the Department of Defense is developing a tactical system of satellite communications for use by combat and other field units with small mobile terminals in jeeps, trucks, aircraft, ships, and submarines. Program management at this state is the responsibility of a triservice steering group. In view of the great importance of tactical satellite communications for future military effectiveness, consideration should be given now to strengthening the management of the program and giving it surer direction. The committee believes the program should have a project officetype organization, with full representation by the military services. This office should be appropriately located in an existing Defense-level agency or military department.

To the present time, the triservice steering group has served the purpose of directing the tactical satellite communications R. & D. program quite effectively. As the time arrives when true operational concerns—in contrast to early R. & D. experiments and demonstrations—begin to become important, then the R. & D. experiments and demonstrations—begin to become important, then the question of program management will again be reviewed. In the meantime, the group is keeping the DCA fully and promptly informed of their programs in order to be sure that the "strategic" and "tactical" programs are properly related.

NO. 6, PROCUREMENT OF COMMERCIAL SATELLITE SERVICES

"There is a clash of policy within the Government between the Department of Defense and the Federal Communications Commission regarding the procurement of satellite services from Comsat. The issue is whether Comsat is to be mainly a carrier's carrier or to supply services directly whenever the Government orders them. The committee recommends that the DCA assign the Comsat contract to one or more U.S. international carriers, based upon an acrossthe-board substantial reduction in charges for satellite and cable circuits in the Pacific area. Carriers have declared their willingness to make such reductions if the contract is assigned. An assignment of the contract would have these advantages: (a) The Department of Defense would realize substantial net savings from a reduced composite rate for satellite and cable services; (b) these savings to the Government might well be doubled because of the strong probability that foreign carriers would make commensurate rate reductions for their portion of the circuits; (c) Comsat would suffer no loss in revenues since it would supply, through Intelsat, the space segment services in any case; (d) the action would accord with the considered decision of the U.S. regulatory agency; (e) more harmonious relationships among Government agencies and within industry would be promoted."