

The Academy of Political Science

475 Riverside Drive · Suite 1274 · New York, New York 10115-1274
(212) 870-2500 · FAX: (212) 870-2202 · aps@psqonline.org · <http://www.psqonline.org>

POLITICAL SCIENCE QUARTERLY

Volume 121 · Number 1 · Spring 2006

No part of this article may be copied, downloaded, stored, further transmitted, transferred, distributed, altered, or otherwise used, in any form or by any means, except:

- one stored electronic and one paper copy of any article solely for your personal, non-commercial use, or
- with prior written permission of The Academy of Political Science.

Political Science Quarterly is published by The Academy of Political Science. Contact the Academy for further permission regarding the use of this work.

Political Science Quarterly

Copyright © 2006 by The Academy of Political Science. All rights reserved.

An Empirical Analysis of Failed Intelligence Reforms Before September 11

AMY B. ZEGART

Since the 11 September 2001 terrorist attacks, U.S. intelligence agencies have faced a firestorm of criticism. The House and Senate Intelligence Committees, the 9/11 Commission, and the Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction (the Silberman-Robb Commission) all exposed grave shortcomings in the Central Intelligence Agency (CIA), the Federal Bureau of Investigation (FBI), and the thirteen other agencies that comprise the U.S. intelligence community. Although such faultfinding is not new, the stakes have rarely been higher.¹ As many observers have noted, the Cold War's end marked the beginning of a new era in international relations, one in which great power does not bring security. Today, the principal threat to U.S. security arises not from super-power conflicts waged under the shadow of nuclear missiles, but from bands of transnational terrorists driven by fanaticism, hidden from view, and armed with internet connections, cell phones, and deadly weapons that can fit into a suitcase or vial. The ability of the United States to defend itself depends on whether U.S. intelligence agencies built for a different enemy at a different time can adapt.

Unfortunately, the public debate since the World Trade Center and Pentagon attacks has substituted assumption for analysis, taking intelligence failure as a given rather than something to be determined and explained.

¹ As early as 1948, the *New York Times* castigated a newly created Central Intelligence Agency as "one of the weakest links in our national security," and since then, forty separate reports have investigated and examined the performance of U.S. intelligence agencies. Hanson W. Baldwin, "Intelligence," *New York Times*, 20 July 1948.

AMY B. ZEGART is an associate professor of public policy at the University of California, Los Angeles. She is the author of *Flawed by Design: The Evolution of the CIA, JCS, and NSC* and various articles about U.S. national security in leading journals. Her forthcoming book is *Intelligence in Wonderland: 9/11 and the Organizational Roots of Failure*.

Did U.S. intelligence agencies fail to adapt to the rising terrorist threat during the 1990s? The honest answer is that nobody really knows yet. In the glare of tragedy and the distortion of hindsight, most accounts of the attacks have jumped to the conclusion that the CIA, the FBI, and other intelligence agencies should have performed better than they did.² This conclusion is understandable but unsubstantiated: to date, no government agency, journalist, or academic has attempted to examine systematically the evidence of intelligence adaptation failure before September 11.

Developing a better understanding of the past is both intrinsically important and crucial for improving the performance of U.S. intelligence agencies in the future. Indeed, closer examination suggests that assuming that the CIA, FBI, and other agencies should have performed better than they did conflates three different possibilities, each of which suggests different diagnoses of intelligence problems, different remedies, and different prospects for future success.

The first possibility is that some incidence of failure is inevitable in any endeavor. As Richard Betts wrote soon after September 11, “The awful truth is that even the best intelligence systems will have big failures.”³ The second possibility is that September 11 stemmed not from human error, but from the natural limits of human cognition. As theories of bounded rationality suggest, humans operating under conditions of great uncertainty and poor information can understand only so much, in this case about the nature of new threats in a post-Cold War world and how best to meet them.⁴ Only the third possibility—that intelligence officials and policy makers understood the danger and how to meet it but failed somehow to take the steps required for success—supports the conclusion that more could have been done.

These alternatives matter. If the first is correct, then intelligence reform may be costly and worthless. If the second is correct, then greater success, if it is to be achieved, lies in the realm of knowledge—improving how agencies learn about emerging threats and harnessing technology to compensate for human cognitive weaknesses. If the third is correct, the problem lies in politics, and improving U.S. intelligence requires learning how to overcome the political barriers that block change.

This article seeks to lay the foundations for a more productive examination of intelligence failure by analyzing intelligence adaptation efforts between the

² See for example Bill Gertz, *Breakdown: How America's Intelligence Failures Led to 9/11* (New York: Regnery, 2002); John Miller, Chris Mitchell, and Michael Stone, *The Cell: Inside the 9/11 Plot and Why the FBI and CIA Failed to Stop It* (New York: Hyperion, 2003); Gerald L. Posner, *Why America Slept: The Failure to Prevent 9/11* (New York: Random House, 2003).

³ Richard Betts, “Fixing Intelligence,” *Foreign Affairs* 81 (January/February 2002): 44. See also Charles Perrow, *Normal Accidents: Living with High-Risk Technologies* (Princeton, NJ: Princeton University Press, 1999).

⁴ James March and Herbert Simon, *Organizations*, 2nd ed. (London: Blackwell, 1993); Herbert A. Simon, *Administrative Behavior*, 4th ed. (New York: Free Press, 1993).

Cold War's end and the September 11 attacks. I begin by defining adaptation, so that the reader is in a position to recognize successful or failed adaptation when he sees it. Next, I consider whether the U.S. intelligence community adapted as well as could be expected after the Cold War, given the challenges and constraints that it faced. The heart of the article is an analysis of all the major studies of the U.S. intelligence community and counterterrorism efforts between 1991 and 2001. Examining what these studies found, and what happened to their recommendations, provides a window into what intelligence officials and policy makers knew before the September 11 attacks and what they did with that knowledge. It turns out that there were many canaries in the coal mine: twelve different blue-ribbon commissions, think tank task forces, and governmental initiatives during the decade recommended 340 reforms for U.S. intelligence agencies. The vast majority of these recommendations focused on just a few key organizational deficiencies that hampered U.S. counterterrorism efforts—the same weaknesses that the 9/11 Commission and the House and Senate Intelligence Committees identified in their investigations after the World Trade Center and Pentagon attacks. Yet almost none of these recommendations were implemented beforehand. In short, evidence strongly suggests that U.S. intelligence agencies failed to prevent the September 11 attacks not because failure was inevitable or because individuals could not conceive of the threat or how to combat it, but because of politics. At the end of this article, I examine the roots of failed reform and suggest implications for the future.

DEFINING ADAPTATION

What exactly does it mean to say that an organization adapts or fails to adapt? Organization theorists do not have a clear answer, referring to organizational change, transformation, evolution, and adaptation in various and inconsistent ways.⁵

For the purposes of this article, the term “adaptation” carries three important ideas. The first is *change*. To say that a business or a government agency has adapted is to suggest that it has changed. But change alone is an incomplete measure; in some sense, organizations are always changing.⁶ Last month, my department changed its mailing labels. Every quarter I teach different students.

This suggests a second element of adaptation: *magnitude of change*. It is one thing to say that an organization changes, quite another to say that it adapts. More specifically: adaptation involves large changes, or the accumulation of many smaller ones, that lead to a transformation in what an organization does or how it does it. When basic organizational boundaries

⁵ Howard Aldrich, *Organizations Evolving* (London: Sage Publications, 1999), 164.

⁶ James G. March, “Footnotes on Organizational Change,” *Administrative Science Quarterly* 26 (December 1981): 563.

shift, when organizations assume major, new, nonroutine tasks, or when they go about their old tasks with substantially different structures, processes, or beliefs, adaptation has occurred. Using different mailing labels is a change. Launching an entirely new graduate degree program is an adaptation.

Finally, for adaptation to occur, these major changes must result in an *improved fit* between the organization and its external environment.⁷ Organizations are not hanging in suspended animation in some fixed market or government universe. They exist in an external environment filled with all sorts of moving parts—competitors, technologies, regulations, cultures, customs, politics, and individuals, to name a few. Often, shifts in an organization's external environment are incremental and slow to develop. At times, however, shifts can be large and sudden.⁸ An organization seeking to improve or merely sustain its performance over time must do more than change. It must change in ways that keep pace with environmental demands, whatever those might be and however fast they might develop.

This definition has two implications for research on U.S. intelligence agencies. The first is to beware of embattled agency heads toting long lists of new initiatives. Organizational changes, however monumental, do not by themselves make a strong case for adaptation. Instead, adaptation must be judged relative to environmental demands.

The second implication is the importance of avoiding 20/20 hindsight. Organizational deficiencies often become widely known only after major disasters. To make a strong case for adaptation failure, however, it is necessary to demonstrate that intelligence officials and policy makers were aware of organizational deficiencies *before* the September 11 terrorist attacks but failed to fix them.

The (Mistaken) Case for Adaptation

At first glance, it is not evident that U.S. intelligence agencies adapted poorly to the rise of terrorism after the Cold War ended. Some foreign policy leaders and intelligence officials argue that the dangers of the post-Cold War world were too opaque, too numerous, and too fluid for U.S. intelligence agencies to assess the terrorist threat more effectively than they did. According to this view, the danger posed by al Qaeda and other terrorist organizations is obvious only in hindsight. As Clinton National Security Advisor Samuel Berger put it, "History is written through a rear view mirror, but it unfolds through a foggy windshield."⁹

⁷Michael T. Hannan and John Freeman, "Structural Inertia and Organizational Change," *American Sociological Review* 49 (April 1984): 151.

⁸March, "Footnotes," 563.

⁹Samuel L. Berger, "Counterterrorism Policy," testimony before The 9/11 Commission, eighth public hearing, 24 March 2004, accessed at http://www.9-11commission.gov/hearings/hearing8/berger_statement.pdf, 16 April 2005.

Others point to evidence that intelligence agencies did, in fact, zero in on terrorism early on, allocating resources and launching new programs to combat it well before 11 September 2001. According to former Director of Central Intelligence (DCI) Robert Gates, the U.S. intelligence community began to shift resources away from Soviet-related missions and targets soon after the fall of the Soviet Union. In 1980, 58 percent of all intelligence resources were devoted to studying Soviet-related issues. By 1993, the figure had dropped to just 13 percent.¹⁰ Although specific budget figures are classified, resources appear to have been redirected to combat terrorism. Despite tight intelligence budgets during the 1990s,¹¹ direct spending on counterterrorism roughly quintupled.¹² Cofer Black, former Director of the DCI's Counterterrorist Center, noted that the center was "the first among equals, the entity not to be cut."¹³

In addition, the CIA, the FBI, and other intelligence agencies launched a number of new counterterrorism initiatives. These included the creation of a special intelligence unit to track the activities of Osama bin Laden and his network,¹⁴ dramatic increases in the number of FBI legal attaché offices overseas, with a focus on countries critical to fighting terrorism,¹⁵ and an initiative to forge closer relationships with foreign intelligence services, which resulted in the disruption of terrorist cells in roughly twenty countries after 1997.¹⁶ As former DCI George Tenet concluded in February 2002, "This community has worked diligently over the last five years, and the American people need to understand that with the resources and authorities and priorities, the men and women of the FBI and the CIA performed heroically." Tenet strongly objected to the idea that the September 11 terrorist attacks signified an intelligence failure, adding, "When people use the word 'failure'—'failure' means no focus, no attention, no discipline—and those were not present in what either

¹⁰ Robert Gates, quoted in John H. Hedley, "The Intelligence Community: Is it Broken? How to Fix It?" *Studies in Intelligence* 39 (1996), accessed at <http://www.cia.gov/csi/studies/96unclass/hedley.htm>, 16 April 2005.

¹¹ According to The 9/11 Commission, national foreign intelligence program budgets declined every year between 1990 and 1996, and, with the exception of one large 1999 supplemental, remained basically flat between 1996 and 2000. *The 9/11 Commission Report* (New York: W.W. Norton & Co, 2004), 93.

¹² U.S. Congress, U.S. Senate Select Committee on Intelligence and U.S. House Permanent Select Committee On Intelligence (hereafter, Joint Inquiry), *Joint Inquiry Into Intelligence Community Activities Before and After the Terrorist Attacks of September 11, 2001* (hereafter, *Joint Inquiry Report*), S. Rep. 107-351, H. Rep. 107-792, 107th Cong., 2d sess., December 2002: 254, 257.

¹³ J. Cofer Black, testimony before the Joint Inquiry, "9/11 Intelligence Investigation," 107th Cong., 2d sess., 26 September 2002.

¹⁴ *Ibid.*, 4.

¹⁵ *The 9/11 Commission Report*, 76.

¹⁶ This information was provided to the Joint Inquiry by former National Security Adviser Samuel Berger. See *ibid.*, 12.

we or the FBI did here and around the world.”¹⁷ Tenet was not alone.¹⁸ When asked how well the intelligence community had adapted to meet the terrorist threat, for example, another intelligence official answered, “I think before September 11th, I would have said exceptionally well.... [Now] I think we’ve done very very well.”¹⁹

Indeed, since the 11 September 2001 terrorist attacks, CIA and FBI officials have defended their agencies by cataloging in great detail the many wide-ranging changes they instituted during the 1990s to better combat terrorism. Tenet’s first public appearance before the House and Senate Intelligence Committees’ Joint Inquiry into the September 11 attacks is revealing. The DCI politely but firmly refused to curtail his remarks. “I’m not going to be able to get this done in 10 minutes,” he flatly declared to the committees. “What I want to do this morning, as explicitly as I can, is to describe the war we have waged for years against al Qaeda, the level of effort, the planning, the focus....” When Senator Bob Graham interrupted Tenet twenty-one minutes into his remarks, the DCI shot back, “Well, Sir, I just have to say I have been waiting a year.... It’s important. It’s contextual, it’s factual, and I would like to proceed.” Tenet went on to provide an exhaustive description of counterterrorism initiatives. These included: a 1998 memo in which Tenet declared war with Osama bin Laden and ordered that “no effort or resource be spared in prosecuting this war”; a 1999 new comprehensive strategy against al Qaeda called “The Plan”; the creation of a nationwide program to identify and hire qualified personnel for counterterrorism assignments in hostile environments; the creation of an eight-week advanced counterterrorism operations course; and measures taken to improve cooperation with the FBI, such as the exchange of CIA and FBI senior officials.²⁰

Former FBI Director Louis Freeh provided a similarly comprehensive account of the counterterrorism efforts he led in the 1990s when he testified before the 9/11 Commission. Freeh told the commission that the FBI “effectively and relentlessly did its job pursuing terrorists, always with the goal of preventing their attacks.”²¹ In 1998, the Bureau’s strategic plan placed counterterrorism in its top tier of priorities. In 1999, Freeh reorganized the FBI, creating a new FBI Counterterrorism Division and an Investigative

¹⁷ George Tenet, “Worldwide Threat—Converging Dangers in a Post 9/11 World,” testimony before the Senate Select Committee on Intelligence, 107th Cong., 2nd sess., 6 February 2002.

¹⁸ See in particular Thomas Powers, “The Trouble with the CIA” in *The New York Review of Books*, 17 January 2002, accessed at <http://www.nybooks.com/articles/15109>, 16 April 2005.

¹⁹ In a confidential interview with the author, Washington DC, April 2002.

²⁰ George Tenet, “Activities of the Intelligence Community in Connection with the Attacks of September 11, 2001,” testimony before a joint hearing of the House and Senate Select Intelligence Committees, 107th Cong., 2nd sess., 17 October 2002.

²¹ Louis J. Freeh, “On War and Terrorism,” testimony before The 9/11 Commission, 13 April 2004, accessed at http://www.9-11commission.gov/hearings/hearing10/freeh_statement.pdf, 16 April 2005.

Services Division to better support counterterrorism efforts. In July 2000, he instituted a program named MAXCAP 05 to upgrade the counterterrorist capabilities of all U.S. field offices. During Freeh's tenure, which lasted from 1993 to 2001, the FBI tripled its counterterrorism budget, dramatically expanded the number of Joint Terrorism Task Forces to improve coordination with local law enforcement agencies, doubled the number of agents working counterterrorism cases, and arrested a number of high-level foreign terrorists and disrupted major plots, including a 1993 al Qaeda plan to blow up New York City tunnels, bridges, and landmarks. Freeh testified that he traveled to sixty-eight countries and met with 2,100 foreign leaders during that period, primarily to "pursue and enhance the FBI's counterterrorism program by forging an international network of cooperation."²²

As these statements and examples indicate, U.S. intelligence agencies did, in fact, change in response to the end of the Cold War and the rise of the terrorist threat, and they achieved some important operational successes.

The Difference between Change and Adaptation

The conceptual flaw in these arguments is their assumption that change and adaptation are the same. They are not. As sociologists have long pointed out, organizations are constantly changing.²³ The key issue is whether those changes matter, or more precisely, whether the rate of change within an organization keeps pace with the rate of change in the external environment.²⁴

Manifestation of this concept is more easily observed in the private sector, where responding to shifting market forces, consumer tastes, and competitive pressures can mean life or death for a firm. The concept is less obvious, but no less important, for evaluating public sector organizations. The question is not, Are you doing anything differently today? but Are you doing *enough* differently today to meet the challenges you face? One senior intelligence official put it more colorfully: "There's no point in saying we're going at half the speed of Moore's Law when the world is going at Moore's Law. Not enough people ... ask the right question. It's not how fast we've changed. It's how fast we've changed compared to the world. The good news is that other countries have organizations that are more feckless than we are."²⁵ In the case of U.S. intelligence agencies, determining adaptation failure requires answering the following three questions:

- Did senior intelligence officials and policy makers recognize the gravity of the threat posed by al Qaeda before September 11, and if so, when?

²² Ibid., 8.

²³ March, "Footnotes," 563.

²⁴ Hannan and Freeman, "Structural Inertia," 151.

²⁵ In a confidential interview with the author, Washington DC, February 2004.

- Did they understand the connection between the terrorist threat and the imperative for organizational change in U.S. intelligence agencies?
- To what extent did they achieve the organizational changes they believed were necessary?

The answers appear to be yes, yes, and not very much. Many intelligence officials and policy makers recognized the threat, but were unable to get the intelligence reforms they believed were vital several years before the World Trade Center and Pentagon attacks.

RECOGNIZING THE THREAT: WHAT INTELLIGENCE OFFICIALS KNEW AND SAID

In 1994, the DCI began delivering unclassified annual threat assessments to Congress. These assessments provide a useful gauge of how both intelligence officials and policy makers perceived the terrorist danger during the 1990s. Analysis of them reveals that threat priorities were highly stable and, in retrospect, accurate. Terrorism was identified as a significant danger to U.S. national security every year from 1994 to 2001. By 1998, terrorism ranked in the top tier of threats, alongside other transnational dangers such as the proliferation of weapons of mass destruction. In February 2001, seven months before September 11, the DCI testified that terrorism was the single greatest threat to U.S. national security.²⁶

Indeed, the U.S. intelligence community had become aware of Osama bin Laden in the early 1990s, soon after he founded al Qaeda, and was aggressively collecting intelligence on him by 1996.²⁷ A number of terrorist attacks and plots from 1991 to 2001 associated with Islamist groups also raised the profile of foreign terrorism within the intelligence community and indicated that targets included the U.S. homeland (see Table 1). Among these were the first World Trade Center attack; a foiled 1993 plot to blow up several New York City

²⁶ R. James Woolsey, "World Trouble Spots," testimony before the Senate Select Committee on Intelligence, 103rd Cong., 2d sess., 25 January 1994; R. James Woolsey, "World Threat Assessment Brief," testimony before the Senate Select Committee on Intelligence, 104th Cong., 1st sess., 10 January 1995; John Deutch, "Worldwide Threats to U.S. National Security," testimony before the Senate Select Committee on Intelligence, 104th Cong., 2d sess., 22 February 1996; George Tenet, "Worldwide Threats to National Security," testimony before the Senate Armed Services Committee, 105th Cong., 1st sess., 6 February 1997; George Tenet, "Worldwide Threats to National Security," testimony before the Senate Select Committee on Intelligence, 105th Cong., 2d sess., 28 January 1998; George Tenet, "Worldwide Threats to U.S. National Security," testimony before the Senate Armed Services Committee, 106th Cong., 1st sess., 2 February 1999; George Tenet, "Annual Assessment of Security Threats against the United States," testimony before the Senate Select Committee on Intelligence, 106th Cong., 2d sess., 2 February 2000; George Tenet, "Worldwide Threats to National Security," testimony before the Senate Select Committee on Intelligence, 107th Cong., 1st sess., 7 February 2001.

²⁷ Eleanor Hill, "Joint Inquiry Staff Statement, Part I," testimony before the Joint Inquiry, 107th Cong., 2d sess., 18 September 2002, 18.

TABLE 1
Islamist Terrorist Attacks and Plots against Americans Known to U.S. Intelligence Officials before 11 September 2001

Date	Plot/Attack*
December 1992	Bombs explode outside two hotels in Yemen that house U.S. servicemen en route to Somalia, killing 1 Australian tourist and no Americans
February 1993	Truck bomb in World Trade Center parking garage kills 6, wounds 1,000
October 1993	Somali warlords, aided by al Qaeda, shoot down two U.S. Black Hawk helicopters, killing 18 U.S. soldiers
June 1993	New York City landmarks plot to bomb United Nations, Lincoln and Holland Tunnels, etc. is prevented when FBI arrests 8 individuals
January 1995	Bojinka plot to blow up 12 U.S. aircraft in Asia, crash a jet into CIA headquarters, bomb U.S. and Israeli embassies in Manila, and assassinate the Pope is uncovered by Philippine National Police in Manila
November 1995	Car bomb explodes outside Saudi-U.S. joint facility in Riyadh, killing 5 Americans and 2 Indian officials
June 1996	Truck bomb detonates outside Khobar Towers, a U.S. military residential complex in Saudi Arabia, killing 19 Americans, wounding 372
August 1998	Truck bombs simultaneously destroy U.S. Embassies in Nairobi, Kenya, and Dar Es Salaam, Tanzania, killing 12 Americans, 212 others, and injuring more than 5,000
December 1999	Millennium plot to blow up Los Angeles International Airport is disrupted by alert U.S. Customs agent at U.S.-Canadian border who discovers truck filled with explosives
December 1999	Jordanian officials disrupt plot to kill Americans by blowing up hotels and tourist sites in Amman, Jordan
January 2000	Attempt to attack a U.S. warship, <i>U.S.S. The Sullivans</i> , by parking an explosive-laden boat beside it fails when the attack boat sinks
October 2000	A second attempt to destroy a U.S. warship in Yemen succeeds: a small boat packed with explosives detonates beside the destroyer <i>U.S.S. Cole</i> , killing 17 U.S. sailors, wounding 39

Source: 9/11 Commission final report; Joint Inquiry Staff statement, 8 October 2002; 9/11 Commission Staff Statement #15, "Overview of the Enemy," 16 June 2004; Joint Inquiry final report, pp. 191-196.

*Includes attacks associated with Islamist terrorist organizations, not just those known or believed to have been directed by al Qaeda.

landmarks; the Bojinka plot of 1995, which included plans to crash an airplane into CIA headquarters; and the disrupted Millennium plot to blow up Los Angeles International Airport. As former FBI counterterrorism division head Dale Watson told Congress after September 11:

The perception that we, the FBI, never briefed the administration that al Qaeda could attack us in the United States ... is absolutely incorrect. If you looked just at

the fact that we'd been attacked in the World Trade Center in '93, if you looked at ... the Ressam individual who was going to set off a bomb in LAX, you understand clearly that we were vulnerable in the United States. Looking at the pattern before 9/11 ... I was convinced we were going to be attacked.²⁸

Watson's view was shared by others within the FBI and the CIA. Louis Freeh told the 9/11 Commission that before the end of 1999, "the FBI and the intelligence community clearly understood the immediacy of the foreign-based al Qaeda threat regarding targets within the United States."²⁹ During the 1990s, in fact, Freeh had on several occasions presented congressional committees with a chart showing locations around the United States where radical fundamentalist cells were active.³⁰ Cofer Black echoed Freeh's assessments, telling the 9/11 Commission, "I ... want to emphasize that [the Counterterrorist Center] and the Intelligence Community produced significant strategic analysis that examined the growing threat from international jihadist networks and al-Qa'ida. I believe that the record shows that the U.S. [government] understood the nature of the threat."³¹

Although al Qaeda appeared on the intelligence community's radar screen in the mid-1990s, in 1998, concern for and warnings about an al Qaeda attack reached a heightened level. As Samuel Berger put it, "In 1996 [Osama bin Laden] was on the radar screen; in 1998 he was the radar screen."³² In February, bin Laden issued a public *fatwa* encouraging attacks on Americans anywhere in the world.³³ In May, he discussed "bringing the war home to America" in a public press conference.³⁴ And in August, his terrorist network succeeded in carrying out two sophisticated, simultaneous, and devastating truck bomb attacks against the U.S. embassies in Nairobi, Kenya and Dar Es Salaam, Tanzania, killing 224 people and injuring 5,000 more.³⁵ Over the course of the year, U.S. intelligence agencies also received a number of reports indicating possible al Qaeda terrorist plots inside the United States. Taken together, these events led DCI Tenet in December 1998 to issue a memo declaring war against Osama bin Laden. He wrote, "We must now enter a new phase in our effort against Bin Ladin. ... We are at war. ... I want no resources or people spared in this effort, either inside CIA or the Community."³⁶

²⁸ Dale Watson, "9/11 Intelligence Investigations," testimony before a Joint Hearing of the House Select Intelligence Committee and Senate Select Intelligence Committee, 107th Cong., 2d sess., 26 September 2002.

²⁹ Freeh, "On War and Terrorism," 9.

³⁰ *Ibid.*

³¹ J. Cofer Black, "Panel: Summer 2001," testimony before The 9/11 Commission, 13 April 2004, accessed at <http://www.9-11commission.gov/hearings/hearing10.htm>, 30 August 2005, 4.

³² Samuel Berger, "Events Surrounding the Terrorist Attacks of September 11, 2001," testimony before Panel II of a Joint Hearing of the House and Senate Select Intelligence Committees, 107th Cong., 2d sess., 19 September 2002.

³³ For a translated text of the *fatwa*, see www.fas.org/irp/world/para/docs/980223-fatwa.htm, accessed 16 April 2005.

³⁴ Hill, "Joint Inquiry Staff Statement, Part I," 9.

³⁵ The *9/11 Commission Report*, 70.

³⁶ Quotation from memo included in Hill, "Joint Inquiry Staff Statement, Part I," 12.

The House and Senate Intelligence Committees' joint inquiry into the September 11 attacks, a ten-month investigation that examined nearly 500,000 pages of documents and conducted 300 interviews, concluded that "Bin Ladin's declaration ... and intelligence reports indicating possible terrorist plots inside the United States did not go unnoticed by the Intelligence Community, which, in turn, advised senior officials in the U.S. Government of the serious nature of the threat."³⁷

Tenet reiterated his concern in public statements over the next three years. In 1999, he testified in open session before the Senate Armed Services Committee, "Looking out over the next year ... there is not the slightest doubt that Usama Bin Ladin, his worldwide allies, and his sympathizers are planning further attacks against us I must tell you we are concerned that one or more of Bin Ladin's attacks could occur at any time."³⁸ In 2000, he told the Senate Select Intelligence Committee, again in open session, "Everything we have learned recently confirms our conviction that [Bin Laden] wants to strike further blows against the United States [W]e still believe he could strike without additional warning."³⁹ In 2001, the DCI bluntly warned, "The threat from terrorism is real, immediate, and evolving."⁴⁰ As one senior intelligence official lamented after September 11, "You know, we've been saying it forever, [Bin Laden] wants to bring the fight here. He wants to bring the fight here."⁴¹

Although the FBI apparently never received Tenet's memo declaring war on bin Laden, the Bureau reached similar conclusions at the same time.⁴² In a dramatic shift, its May 1998 strategic plan elevated terrorism to the top tier of priorities, while downgrading traditional FBI crime-fighting missions.⁴³ That year, Osama bin Laden was indicted twice, for murdering U.S. soldiers in Yemen and for his role in the U.S. embassy bombings in Africa. In 1999, a public FBI report noted that "the FBI has no higher priority than to combat terrorism."⁴⁴ By the end

³⁷ Ibid.

³⁸ George Tenet, "Worldwide Threats to U.S. National Security," testimony before the Senate Armed Services Committee, 106th Cong., 1st sess., 2 February 1999.

³⁹ George Tenet, "Annual Assessment of Security Threats against the United States," testimony before the Senate Select Committee on Intelligence, 106th Cong., 2d sess., 2 February 2000.

⁴⁰ George Tenet, "Worldwide Threats to National Security," testimony before the Senate Select Committee on Intelligence, 107th Cong., 1st sess., 7 February 2001.

⁴¹ In a confidential interview with the author, Washington DC, April 2002.

⁴² The House and Senate Intelligence Committees' Joint Inquiry noted that "knowledge of the DCI's declaration appears to have been limited [M]any in the FBI had not heard of it. For example, the Assistant Director of the FBI's Counterterrorism Division testified to the Joint Inquiry that he 'was not specifically aware of that declaration of war.'" *Joint Inquiry Report*, 232; see also *The 9/11 Commission Report*, 357.

⁴³ Federal Bureau of Investigation, *Draft FBI Strategic Plan: 1998–2003, Keeping Tomorrow Safe* ("FBI Strategic Plan") unclassified version (Washington DC: U.S. Government Printing Office, 1998), 8.

⁴⁴ Quoted by Louis Freeh, "On War and Terrorism," testimony before The 9/11 Commission, 13 April 2004.

of the year, the Bureau had created a special bin Laden unit at FBI headquarters and had placed bin Laden on its Ten Most Wanted List.⁴⁵

Public Statements and Actions by Policy Makers

Public statements and actions by elected officials and policy makers during the 1990s suggest that they received and shared the intelligence community's assessment of the growing terrorist threat long before September 11. In 1993, after Islamic terrorists detonated a bomb in the World Trade Center parking garage, killing 6 and wounding more than 1,000, Attorney General Janet Reno noted that terrorism had become a major threat to U.S. national security interests.⁴⁶ Beginning in 1994, President Bill Clinton mentioned terrorism in every one of his annual State of the Union addresses. In 1995, Clinton became the first world leader to go before the United Nations and call for a global counterterrorist effort. In 1996, when announcing his new national security team after the presidential election, Clinton listed terrorism first in a list of challenges facing the country.⁴⁷ In June 1997, the danger of an Islamist terrorist attack on U.S. soil was so well recognized that the FBI's chief of international terrorism operations warned about it in a public speech.⁴⁸ That same year, two different strategic assessments, the Pentagon's Quadrennial Defense Review and the National Defense Panel, included strong warnings about threats to the American homeland.⁴⁹ In June 1998, Samuel Berger appeared on ABC News *Nightline* and called Osama bin Laden "the most dangerous non-state terrorist in the world."⁵⁰ Three months later, Clinton delivered a major address at the opening session of United Nations General Assembly in which he issued a forceful call to combat terrorism. Referring to terrorism as "a clear and present danger," the President said the issue ranked "at the top of the American agenda and should be at the top of the world's agenda."⁵¹ In 1999, U.S. Secretary of Defense William Cohen wrote

⁴⁵ Freeh, "On War and Terrorism," 4–6.

⁴⁶ R. James Woolsey, remarks to American Bar Association, Washington DC, 29 April 1994.

⁴⁷ President William J. Clinton, "Remarks Announcing the Second Term National Security Team and an Exchange with Reporters," 5 December 1996, in *The 9/11 Commission Report*, 101.

⁴⁸ John P. O'Neill, remarks to National Strategy Forum, Chicago, IL, 11 June 1997, accessed at www.nationalstrategy.com/speakers/oneill.html, 16 April 2005.

⁴⁹ National Defense Panel, *Transforming Defense: National Security in the 21st Century*, 1 December 1997, accessed at <http://http://www.fas.org/man/docs/ndp/toc.htm>, 16 April 2005; William S. Cohen, U.S. Department of Defense, *Report of the Quadrennial Defense Review*, May 1997, accessed at www.defenselink.mil/pubs/qdr, 16 April 2005.

⁵⁰ John McWethy, John Miller, and Ted Koppel, "One of America's Most Dangerous Enemies," ABC News *Nightline*, 10 June 1998.

⁵¹ President William J. Clinton, "Remarks to the Opening Session of the 53rd United Nations General Assembly, United Nations," New York, N.Y., 21 September 1998, accessed at www.state.gov/www/global/terrorism/980921_pres_terror.html, 20 January 2004.

an op-ed in the *Washington Post* in which he explicitly predicted a terrorist attack on American soil. Cohen summed up, “Welcome to the grave New World of Terrorism.”⁵²

Evidence suggests that President George W. Bush and his national security team were also aware of the terrorist danger. Bush’s two major foreign policy addresses during the 2000 presidential campaign both mentioned terrorism.⁵³ In one, Bush noted that “even in this time of pride and promise, America has determined enemies, who hate our values and resent our success—terrorists and crime syndicates and drug cartels and unbalanced dictators. The Empire has passed, but evil remains. We must protect our homeland and our allies against missiles and terror and blackmail.”⁵⁴ The 9/11 Commission noted that intelligence briefings that included a substantial focus on terrorism occurred throughout the presidential campaign and transition. During one four-hour intelligence briefing at Bush’s Texas ranch, for example, Ben Bonk, then Deputy Chief of the DCI’s Counterterrorist Center, spent one hour on terrorism, bringing a mock suitcase to show how the Japanese cult Aum Shinrikyo had released sarin nerve gas in the Tokyo subway in 1995, killing twelve people and injuring thousands. Bonk recalled that he told Bush that Americans would die as a result of terrorism during the next four years.⁵⁵ The 9/11 Commission concluded that “both Presidents Bill Clinton and George Bush and their top advisers told us they got the picture—they understood Bin Ladin was a danger.”⁵⁶

In sum, the U.S. intelligence community’s assessments of a growing terrorist threat did not go unnoticed. Senior policy makers across the national security establishment appear to have agreed with them.

UNDERSTANDING THE NEED FOR ORGANIZATIONAL CHANGE

The next question is whether intelligence officials and policy makers also understood the need for organizational changes to meet the terrorist threat. It appears that they did. Between the fall of the Soviet Union in 1991 and 11 September 2001, no fewer than twelve major bipartisan commissions, governmental studies, and think tank task forces examined the U.S. intelligence community and U.S. counterterrorism efforts. All of their reports urged re-

⁵² William S. Cohen, “Preparing for a Grave New World,” *Washington Post*, 26 July 1999.

⁵³ President George W. Bush, “Defense: A Period of Consequences,” remarks at The Citadel, Charleston, South Carolina, 23 September 1999; George W. Bush, “Foreign Policy: A Distinctly American Internationalism,” remarks at the Ronald Reagan Library, Simi Valley, California, 19 November 1999.

⁵⁴ President George W. Bush, “Foreign Policy: A Distinctly American Internationalism.”

⁵⁵ *The 9/11 Commission Report*, 198.

⁵⁶ *Ibid.*, 342. White House Counterterrorism Chief Richard Clarke and others argued that the Bush administration downgraded the priority given to terrorism. The 9/11 Commission’s final report, however, underscored that neither the Clinton nor Bush Administrations gave the issue sufficient attention.

TABLE 2
Unclassified Studies of U.S. Intelligence and Counterterrorism, 1991–2001*

<i>Date Issued</i>	<i>Study Name</i>	<i>Number of Recommendations**</i>
1993, 1995	National Performance Review (Phases I and II)	35
1996	Commission on the Roles and Capabilities of the United States Intelligence Community (Aspin-Brown Commission)	39
1996	Council on Foreign Relations Intelligence Task Force	29
1996	House Permanent Select Committee on Intelligence Staff Study (IC21)	75
1996	20 th Century Fund Task Force on the Future of U.S. Intelligence	18
1997	National Institute on Public Policy Report on Modernizing Intelligence (Odom Report)	34
1998	FBI Strategic Plan 1998–2003	60
1999	Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction (Deutch Commission)	57
1999, 2000	Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction (Gilmore Commission), Reports 1 & 2	60
2000	Commission on the Advancement of Federal Law Enforcement (Webster Commission)	21
2000	National Commission on Terrorism (Bremer Commission)	36
2001	U.S. Commission on National Security in the 21st Century (Hart-Rudman Commission), Phase III Report	50
Total		514

Source: Intelligence Reform Catalog, collection of author.

*Includes every major study focusing on the CIA, FBI, or the intelligence community as a whole. Reports about other specific agencies of the U.S. intelligence community, such as reviews of the National Reconnaissance Office, which builds and operates spy satellites, are not included.

**Total excludes twenty recommendations that were omitted because they either suggested no actionable steps or focused narrowly on cost saving, and twenty-five recommendations whose implementation could not be determined.

form within intelligence agencies, across the intelligence community, and between the intelligence community and other parts of the U.S. government (see Table 2).

These were not throwaway reports, but detailed, serious examinations of a variety of intelligence and counterterrorism issues. Six out of the twelve studies were high-profile bipartisan blue-ribbon commissions chaired by well-respected leaders such as former Senators Gary Hart and Warren Rudman, Ambassador Paul Bremer, former Defense Secretaries Les Aspin and Harold Brown, and William Webster, the only person ever to head both the CIA and the FBI.⁵⁷ Three studies came from leading nonpartisan think tanks: the Council on Foreign Relations, the National Institute for Public Policy, and the

⁵⁷The commission reports are: Commission on the Roles and Capabilities of the United States Intelligence Community, *Preparing for the 21st Century: An Appraisal of U.S. Intelligence* (“Aspin-

20th Century Fund.⁵⁸ The remaining three reports were issued by governmental initiatives: President Clinton’s interagency National Performance Review (the reinventing government initiative), the FBI’s 1998 Strategic Plan, and a House Intelligence Committee staff study that was the most comprehensive congressional review of the intelligence community since the 1970s, when the Church Committee investigated CIA abuses.⁵⁹

All twelve reports offered not only extensive discussion of key problems, but specific recommendations for fixing them. The studies issued a total of 514 recommendations; two-thirds of them, or 340, focused specifically on improving U.S. intelligence capabilities (see Figure 1).

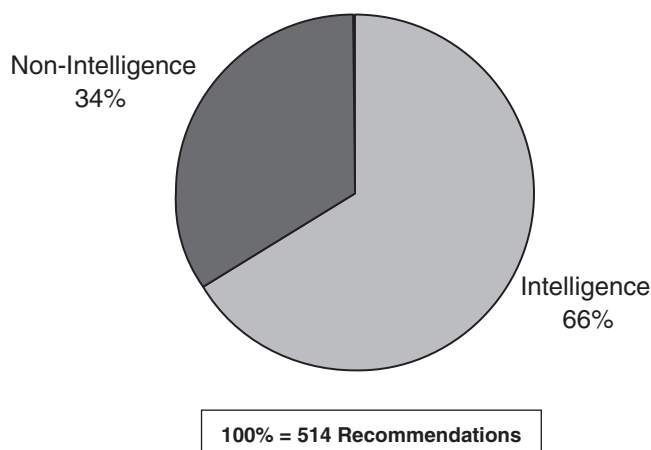
It is worth noting that these studies addressed a wide range of topics and covered vastly different ground; not all of them gave the intelligence community the same level of attention. Six of the twelve—the National Performance Review, the Aspin-Brown Commission on the Roles and Capabilities of the United States Intelligence Community, the House Intelligence Committee Staff Study, the Council on Foreign Relations Intelligence Task Force, the 20th Century Fund Task Force on the Future of U.S. Intelligence, and the National Institute of Public Policy—focused exclusively on intelligence issues. The other six did not. The Gilmore and Bremer Commissions examined U.S. counterter-

Brown Commission”) (Washington DC: U.S. Government Printing Office, 1996); National Commission on Terrorism, *Countering the Changing Threat of International Terrorism* (“Bremer Commission”) (Washington DC: U.S. Government Printing Office, 2000); Commission to Assess the Organization of the Federal Government to Combat the Proliferation of Weapons of Mass Destruction, *Combating Proliferation of Weapons of Mass Destruction* (“Deutch Commission”) (Washington DC: U.S. Government Printing Office, 1999); Advisory Panel to Assess Domestic Response Capabilities for Terrorism Involving Weapons of Mass Destruction, *First Annual Report to The President and The Congress: Assessing the Threat* (“1999 Gilmore Commission”) (Washington DC: U.S. Government Printing Office, 1999) and *Second Annual Report to The President and The Congress: Toward a National Strategy for Combating Terrorism* (“2000 Gilmore Commission”) (Washington DC: U.S. Government Printing Office, 2000); United States Commission on National Security/21st Century, *Road Map for National Security: Imperative for Change* (“Hart-Rudman Commission”) (Washington DC: U.S. Government Printing Office, 2001); Commission on the Advancement of Federal Law Enforcement, *Law Enforcement in a New Century and a Changing World: Improving the Administration of Federal Law Enforcement* (“Webster Commission”) (Washington DC: U.S. Government Printing Office, 2000).

⁵⁸ Council on Foreign Relations, *Making Intelligence Smarter: The Future of U.S. Intelligence* (“CFR Report”) (New York: Council on Foreign Relations, 1996); National Institute for Public Policy, *Modernizing Intelligence: Structure and Change for the 21st Century* (“Odom Report”) (Fairfax, VA: National Institute for Public Policy, 2002); Twentieth Century Fund, *In From the Cold: The Report of the Twentieth Century Fund Task Force on the Future of U.S. Intelligence* (“TCF Report”) (New York: Twentieth Century Fund Press, 1996).

⁵⁹ Federal Bureau of Investigation, *Draft FBI Strategic Plan: 1998–2003, Keeping Tomorrow Safe* (“FBI Strategic Plan”) (Washington DC: U.S. Government Printing Office, 1998); National Performance Review, *The Intelligence Community: Accompanying Report of the National Performance Review* (Washington DC: U.S. Government Printing Office, 1993), and National Performance Review Phase II Initiatives: *An Intelligence Community Report* (“National Performance Review 1995”) (Washington DC: U.S. Government Printing Office, 1995); House Permanent Select Committee on Intelligence, *IC21: The Intelligence Community in the 21st Century* (“IC21”) (Washington, DC: U.S. Government Printing Office, 1996).

FIGURE 1
Intelligence Focus of Reform Study Recommendations, 1991–2001.



Source: Intelligence Reform Catalog, collection of author.

rorism efforts and challenges across the board, from local-level emergency response capabilities to U.S. policy toward Afghanistan and other state sponsors of terrorism. The Deutch Commission was charged with assessing organizational problems related to combating the spread of weapons of mass destruction. The Webster Commission’s mandate was to review and recommend action to Congress about “Federal law enforcement priorities for the 21st century, including ... terrorism,” as well as criminal law enforcement operations and coordination across federal law enforcement agencies.⁶⁰ The FBI’s strategic plan aimed to set priorities for the entire organization. The U.S. Commission on National Security in the 21st Century, better known as the Hart-Rudman Commission, covered the broadest territory, identifying emerging twenty-first-century threats to U.S. security—including terrorism—and the strategic and organizational changes needed to combat those threats effectively.

As one would expect, the intelligence studies devoted a substantially higher share of their recommendations to fixing intelligence issues compared to the counterterrorism or law enforcement reports (see Table 3). What is surprising, however, is just how much attention these counterterrorism and law enforcement studies—whose mandates directed them to consider a wider range of issues—paid to fixing the U.S. intelligence community, as well. The National Commission on Terrorism (the Bremer Commission), for example,

⁶⁰ *The Antiterrorism and Effective Death Penalty Act of 1996*, Public Law 104–132, 104th Cong., 2d sess. (24 April 1996).

TABLE 3
Intelligence Focus of Reform Studies, 1991–2001

<i>Study Name</i>	<i>Primary Topic</i>	<i>Number of Intelligence Recommendations</i>	<i>Number of Nonintelligence Recommendations</i>	<i>Total</i>	<i>Intelligence Percent of Study Total</i>
Council on Foreign Relations	Intelligence	29	0	29	100%
National Performance Review	Intelligence	35	0	35	100%
Odom Report	Intelligence	34	0	34	100%
House Intelligence Committee Staff	Intelligence	74	1	75	99%
Aspin-Brown Commission	Intelligence	38	1	39	97%
20 th Century Fund	Intelligence	17	1	18	94%
FBI Strategic Plan	Law enforcement	54	6	60	90%
Webster Commission	Law enforcement	10	11	21	48%
Bremer Commission	Counterterrorism	12	24	36	33%
Deutch Commission	Counterterrorism (WMD)	17	40	57	30%
Gilmore Commission	Counterterrorism	14	46	60	23%
Hart-Rudman Commission	Counterterrorism (national strategy, organization)	6	44	50	12%
Total all studies		340	174	514	66%

Source: Intelligence Reform Catalog, collection of author.

issued twelve intelligence reform recommendations out of a total of thirty-six. Among them were proposals for reinvigorating human intelligence efforts, clarifying the confusing regulations for FBI terrorist investigations, and dramatically enhancing information sharing within the FBI and between the Bureau and the rest of the intelligence community. The Gilmore Commission found many of the same problems and even suggested some of the same solutions in its fourteen intelligence recommendations.

The Deutch Commission, which sought to remedy organizational problems in nonproliferation policy across the federal government, issued seventeen intelligence recommendations out of fifty-seven, or 30 percent of its total. Here, too, commissioners saw direct links between weaknesses in intelligence organizations and the U.S. government’s broader efforts to combat terrorism and the spread of weapons of mass destruction. Deutch, who served as DCI from 1995 to 1996, and the twelve other commissioners issued specific recommendations to, among other things, improve coordination between the FBI and other intelligence agencies, enhance information sharing, revamp the FBI’s computer capabilities, and integrate activities across the community. Even the Hart-Rudman Commission, with its sweeping analysis of 21st-century national security challenges and organizational problems, used six of its fifty recommendations to urge reforms of the U.S. intelligence community, focusing

particularly on the need to improve prioritization of intelligence efforts, analysis of asymmetric threats, and human intelligence.⁶¹

Tellingly, every study during the period included discussion of major intelligence deficiencies, and every study issued recommendations for addressing them. Together, the counterterrorism and law enforcement studies contributed one-third of all intelligence reform recommendations (Table 4).

Although the reports addressed a variety of intelligence issues and problems, their common theme was the need for major change. The Council on Foreign Relations noted in 1996 that “the intelligence community has been adjusting ... to the changed demands of the post-Cold War world for several years ... [but] additional reform is necessary.”⁶² The report listed nearly forty recommendations that ranged from significant structural reforms to changes in personnel recruiting, training, and assignments. The 1996 House Intelligence Committee staff study found that the intelligence community suffered from a lack of “corporateness,” or integration among individual agencies. The report noted, “Only intelligence, of all major government functions, is carried out by a very disparate number of agencies and organizations that are either independent of one another or housed in separate departments by officials whose main concerns are policy, not intelligence.”⁶³ In particular, the report criticized what it saw as “the glaring gap” between the DCI’s responsibilities and his authority,⁶⁴ the “fundamental and urgent” need to improve the intelligence requirements process that sets agency priorities,⁶⁵ and the “internecine competition” between the various intelligence collection disciplines, such as signals intelligence, human intelligence, and open-source intelligence.⁶⁶ It issued eighty-two recommendations for reform. Four years later, the Bremer Commission warned that “international terrorism poses an increasingly dangerous and difficult threat to America” and urged the government to take immediate “steps to reinvigorate the collection of intelligence about terrorists’ plans”⁶⁷ The Commission’s recommendations included clarifying existing authority for the FBI to investigate suspected terrorist groups; rescinding CIA guidelines that hindered the recruitment of terrorist informants; giving higher funding priority to counterterrorism efforts in the CIA, FBI, and National Security Agency; and establishing a new cadre of reports officers to distill and disseminate terrorism-related information quickly once it was collected. Indeed, the Commission noted with concern that “U.S. intelligence and law en-

⁶¹ Hart-Rudman Commission, *Road Map for National Security: Imperative for Change, Phase III Report*, 31 January 2001, accessed at <http://www.fas.org/irp/threat/nssg.pdf>, 30 August 2005, 83.

⁶² Council on Foreign Relations, *Making Intelligence Smarter*, 1.

⁶³ House Permanent Select Committee on Intelligence Staff Study, *IC21: The Intelligence Community in the 21st Century*, Chapter 1, “Overview and Summary,” 5.

⁶⁴ *Ibid.*, 7.

⁶⁵ *Ibid.*, 26.

⁶⁶ *Ibid.*, 28.

⁶⁷ National Commission on Terrorism, *Countering the Changing Threat*, iv.

TABLE 4
Intelligence Focus of Counterterrorism and Law Enforcement Studies versus Others, 1991–2001

<i>Study Name</i>	<i>Primary Topic</i>	<i>Number of Intelligence Recommendations</i>	<i>Number of Nonintelligence Recommendations</i>	<i>Total Number of Recommendations</i>	<i>Study Share of Total Intelligence Recommendations</i>
Bremer Commission	Counterterrorism	12	24	36	3%
Deutch Commission	Counterterrorism (WMD)	17	40	57	5%
FBI Strategic Plan	Law enforcement	54	6	60	16%
Gilmore Commission	Counterterrorism	14	46	60	4%
Hart-Rudman Commission	Counterterrorism (national security strategy, organization)	6	44	50	2%
Webster Commission	Law enforcement	10	11	21	3%
<i>Counterterrorism/Law enforcement study subtotal</i>		113	171	284	33%
Aspin-Brown Commission	Intelligence	38	1	39	11%
Council on Foreign Relations	Intelligence	29	0	29	9%
House Intelligence Committee Staff	Intelligence	74	1	75	22%
National Performance Review	Intelligence	35	0	35	10%
Odum Report	Intelligence	34	0	34	10%
20 th Century Fund	Intelligence	17	1	18	5%
<i>Intelligence study subtotal</i>		227	3	230	67%
Total		340	174	514	100%

Source: Intelligence Reform Catalog; analysis by author.

forcement communities lack the ability to prioritize, translate, and understand in a timely fashion all of the information to which they have access.”⁶⁸ Together, the twelve reports issued 340 recommendations for improving U.S. intelligence capabilities.⁶⁹ The need for organizational change was clear.

FAILING TO CHANGE

To what extent were the recommendations of the studies implemented? Admittedly, gauging adaptation failure by examining the adoption of study recommendations has limitations. Commissions may be created for the sole purpose of deflecting blame or delaying action rather than generating change, although this is far less often the case in national security affairs than most scholars and observers believe.⁷⁰ Even genuine reform efforts often take a variety of forms, with some focusing on “the art of the possible,” and others proposing more ideal and unlikely solutions. Some suggestions, moreover, appear shortsighted with the benefit of history. Examining the totality of study recommendations and their success, however, has the advantage of providing a macro view of adaptation that does not rely on hindsight or impose *ex post* personal judgments of which reforms were better ideas than others. Asking only what recommendations were made and whether these were implemented provides a useful and systematic first cut at the problem that goes beyond anecdotal evidence of failure.

The data indicate a widespread inability of U.S. intelligence agencies to adapt to the terrorist threat before the September 11 attacks. Of the 340 recommendations for changes in the intelligence community, only 35—just 10 percent of the total—were fully implemented. These included several recommendations that urged continued study of a problem rather than adoption of a particular solution.⁷¹ Thirty recommendations were partially implemented, and seven were implemented to an unknown extent. The vast majority, 268 recommendations or 79 percent of the total, resulted in no action at all (see Figure 2).

Common Findings

Although the reports covered a variety of issues, they reached a stunning degree of consensus about four major problems afflicting the U.S. intelligence

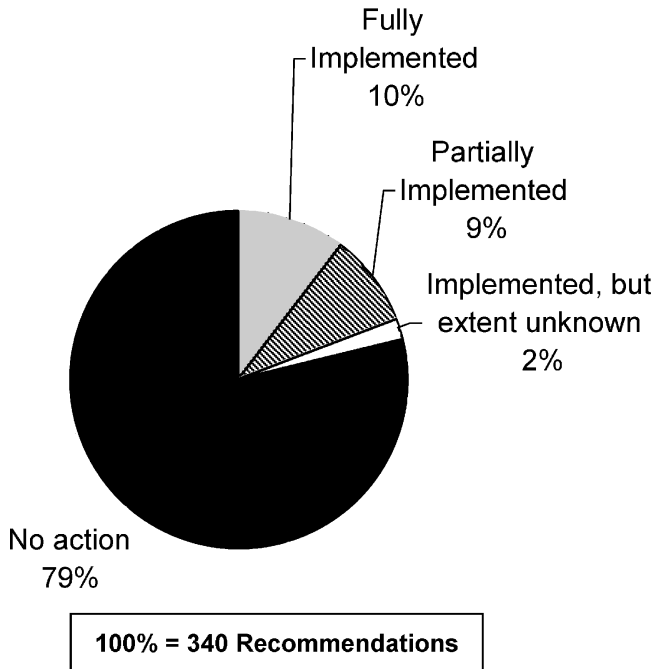
⁶⁸ *Ibid.*, 13.

⁶⁹ Gilmore Commission recommendations are from the panel’s 1999 and 2000 reports. The Commission issued two reports after the 11 September 2001 terrorist attacks that were not included in this analysis.

⁷⁰ Amy Zegart, “Blue Ribbons, Black Boxes: Toward a Better Understanding of Presidential Commissions,” *Presidential Studies Quarterly* 35 (June 2004): 366.

⁷¹ For example, the National Performance Review recommended that the Foreign Broadcast Information Service reexamine its mission for a post-Cold War threat environment, and the FBI’s 1998 Strategic Plan suggested that the FBI explore the feasibility of instituting a capability to exchange unclassified investigative material with other law enforcement and intelligence agencies.

FIGURE 2
The Implementation of Intelligence Reform Recommendations, 1991–2001.



Source: Intelligence Reform Catalog, collection of author.

community. The first was its lack of coherence or “corporateness.” Out of 340 intelligence recommendations issued by the reports, 94 of them, or 28 percent of the total, focused on the need to improve coordination across U.S. intelligence agencies and between these agencies and the rest of the U.S. government (see Table 5). As the Council on Foreign Relations study noted, the organization and leadership of the intelligence community was a

TABLE 5
Commonly Identified Organizational Problems in Intelligence, 1991–2001

<i>Organizational Problem</i>	<i>Number of Recommendations</i>	<i>Percent of Total</i>
Personnel/information sharing	106	31%
Corporateness	94	28%
Strategic mission and priorities	56	16%
Human intelligence	31	9%
<i>Total commonly identified problems</i>	287	84%
Other recommendations	53	16%
Grand total all intelligence recommendations	340	100%

Source: Intelligence Reform Catalog, collection of author.

“structural oddity,” with fourteen major agencies and no single official in charge of them all.⁷² Technically, the DCI was supposed to set broad strategies and coordinate efforts across these agencies (as well as run the CIA). In reality, however, the DCI held direct control over only 15 percent of the intelligence budget (the secretary of defense controlled the rest) and had weak management authority for allocating money, people, and programs to every agency outside the CIA. The reports’ specific recommendations varied, but all of them offered ways to enhance intelligence community integration and coordination.

Second, ten out of twelve of these studies found an ineffective system for setting intelligence collection and analysis priorities.⁷³ In 1993, for example, the president’s National Performance Review found the mechanism for establishing intelligence priorities to be a “jumble of loosely connected processes” that did not satisfy the needs of policy makers.⁷⁴ In 1996, the House Intelligence Committee’s staff study called the prioritization process “one of the most vexing aspects of intelligence management” and the need for fixing it “fundamental and urgent.”⁷⁵ And in 2001, the Hart-Rudman Commission warned that the continued absence of an effective process for setting intelligence priorities was creating “dangerous tradeoffs between coverage of important countries, regions, and functional challenges.”⁷⁶ In total, 56 out of the 340 intelligence recommendations, or 16 percent, suggested improvements in the prioritization process.

A third finding was the need to revitalize human intelligence capabilities. Nine of the twelve reports called for more aggressive human intelligence efforts to combat terrorism, two did not address the issue,⁷⁷ and only one, the 20th Century Fund report, advocated downgrading collection from human sources. Most frequently mentioned was the need to revise the CIA’s 1995 guidelines, which required prior approval from CIA headquarters before an individual suspected of human rights violations could be recruited as an asset—guidelines that had come to be known as the “scrub order,” because they had led to the removal of hundreds of assets from the CIA’s payroll.⁷⁸ Many reports also advocated improving the intelligence budgeting process so that resources could be more effectively matched against priorities—improvements which

⁷² Council on Foreign Relations *Making Intelligence Smarter*, 25.

⁷³ The two exceptions were the Webster and Bremer Commissions.

⁷⁴ National Performance Review, *The Intelligence Community*, 9.

⁷⁵ House Permanent Select Committee on Intelligence, *IC21*, “Overview and Summary,” 26.

⁷⁶ Hart-Rudman Commission, *Road Map for National Security*, 82.

⁷⁷ These were the Webster and Deutch Commissions.

⁷⁸ The Bremer and Gilmore Commissions recommended abolishing the guidelines. The Council on Foreign Relations task force and the Hart-Rudman Commission urged the CIA to review the guidelines and make recruiting clandestine assets one of the intelligence community’s top priorities. For effects of the “scrub order,” see Seymour M. Hersh, “Annals of National Security: What Went Wrong,” *The New Yorker*, 18 December 2001, accessed at http://www.newyorker.com/fact/content/?011008fa_FACT, 16 April 2005.

would have had the likely effect of redistributing some of the vast resources dedicated to technical intelligence systems to human intelligence activities.⁷⁹ In addition, the Aspin-Brown Commission and the House Intelligence Committee staff reports recommended revising personnel incentives and restructuring the intelligence community to ensure that human intelligence efforts could be more effectively and efficiently deployed against hard targets such as rogue states and transnational terrorist groups, which are difficult to penetrate by other means.⁸⁰ The National Institute for Public Policy report was the most radical. It recommended stripping the CIA's analysis branch so that the agency could focus exclusively on human intelligence collection. In addition, the report raised the possibility of disbanding the CIA's clandestine Directorate of Operations altogether and replacing it with an entirely new clandestine service in order to address the Directorate's long-standing cultural and management problems.⁸¹ In all, the reports from 1991 to 2001 issued thirty-one recommendations for improving human intelligence efforts.

Finally, the reports called for addressing critical personnel issues. More than a hundred recommendations, or nearly a third of all intelligence reforms issued by the reports, addressed personnel and information-sharing issues. As the House Intelligence Committee staff study bluntly declared, “[The intelligence community] continues to face a major personnel crisis that it has, thus far, not addressed in any coherent way.”⁸² Although the specifics varied widely, two common themes emerged. First, the intelligence community lacked employees with the necessary skills to confront new and rising threats such as foreign terrorism. Despite being technically exempt from a number of Civil Service regulations, intelligence agencies rarely fired poor performers. In addition, the Aspin-Brown Commission noted that even when confronted with mandatory reductions in personnel in the early 1990s, intelligence agencies reached targets through attrition and voluntary retirement rather than through strategically focused cuts to keep the best talent and those with the most-needed areas of expertise for a post-Cold War threat environment.⁸³ Second, many studies found that intelligence officers too often stayed in their home

⁷⁹ National Performance Review, *The Intelligence Community*.

⁸⁰ In a 2004 report, the House Intelligence Committee revealed that it had repeatedly criticized the CIA's human intelligence efforts and had recommended corrective action in classified annexes to its annual authorization bills years before September 11. The Committee noted, “After years of trying to convince, suggest, urge, entice, cajole, and pressure CIA to make wide-reaching changes in the way it conducts its HUMINT [human intelligence] mission, ... CIA, in the committee's view, continues down a road leading over a proverbial cliff.” House Permanent Select Committee on Intelligence, Intelligence Authorization Act for FY 2005, H. Report 108-558, 108th Cong., 2d sess., 21 June 2004, 24.

⁸¹ National Institute for Public Policy, *Modernizing Intelligence*, 85–98.

⁸² House Permanent Select Committee on Intelligence, *IC21*, “Intelligence Community Management,” 21.

⁸³ Aspin-Brown Commission, Chapter 9, “The Need to ‘Right-Size’ and Rebuild the Community,” in *Preparing for the Twenty-first Century*, 2–7.

agencies rather than building institutional bridges to other policy-making and intelligence agencies through temporary rotations, and these practices impeded information sharing. Three studies, the Aspin-Brown Commission, the Council on Foreign Relations task force, and the House Intelligence Committee staff study, recommended that rotations to other agencies be required for intelligence officers to be promoted to the senior ranks. Another three—the 20th Century Fund task force, the National Performance Review, and the FBI’s 1998 Strategic Plan—urged the establishment of vigorous rotational assignments without requiring them for promotion. In sum, the need to realign the personnel skill mix and improve coordination through temporary tours of duty in other agencies received major attention in all but two of the reports.⁸⁴

As Table 5 illustrates, these four categories of organizational problems constituted 84 percent of the reports’ intelligence recommendations, and 56 percent of the reports’ 514 recommendations overall.

Crucial Failings

Almost none of the recommendations to improve the four problems discussed above were successfully implemented before September 11. Investigations since the terrorist attacks, moreover, have revealed that the organizational deficiencies highlighted by reports in the 1990s turned out to be crucial ones. The 9/11 Commission and the House and Senate Intelligence Committees’ Joint Inquiry into the September 11 terrorist attacks found that the intelligence community’s fragmentation, its inability to set priorities and match resources against them, its poor human intelligence capabilities, and its information-sharing deficiencies created a dysfunctional intelligence apparatus that was incapable of penetrating the al Qaeda plot or capitalizing on opportunities to disrupt it.

The lack of integration across U.S. intelligence agencies topped the list of concerns for both the 9/11 Commission and the Congressional Joint Inquiry. In 2001, the intelligence community was 50 percent bigger than it was when the CIA was created in 1947, but the DCI had only slightly more power to oversee it. As the Congressional Joint Inquiry into the September 11 attacks darkly concluded, “The inability to realign Intelligence Community resources to combat the threat posed by Usama Bin Ladin is a relatively direct consequence of the limited authority of the DCI over major portions of the Intelligence Community.”⁸⁵ The 9/11 Commission agreed, noting that the intelligence community “struggle[d] to collect on and analyze ... transnational terrorism in the mid to late 1990s,” in large part because the community was a set of “loosely associated agencies and departmental offices that lacked the incentives to cooperate,

⁸⁴ The two exceptions were the Gilmore and Hart-Rudman Commissions.

⁸⁵ *Joint Inquiry Report*, 43.

collaborate, and share information.”⁸⁶ The intelligence community was so fragmented before September 11 that even Tenet’s 1998 declaration of war against bin Laden and al Qaeda did not seem to have gotten much beyond the CIA’s walls.⁸⁷

The Joint Inquiry and the 9/11 Commission also found major deficiencies in the intelligence community’s system for prioritizing collection and analysis. The Joint Inquiry discovered that intelligence officials found the process “confusing” and “so broad as to be meaningless,” with more than 1,500 formal priorities for the National Security Agency alone by September 11.⁸⁸ The 9/11 Commission concluded that the setting of clear intelligence collection priorities “did not occur” before the September 11 attacks.⁸⁹ Even some of those responsible for setting priorities agreed. Former National Counterterrorism Coordinator Richard Clarke noted that the White House “never really gave good systematic, timely guidance to the Intelligence Community about what priorities were at the national level.”⁹⁰

Despite calls to vastly upgrade human intelligence efforts, the CIA’s clandestine Directorate of Operations continued to languish. In 1995, the low point for recruitment, only twenty-five trainees became clandestine officers.⁹¹ By the late 1990s, the Directorate of Operations had cut by nearly one-third the number of its personnel deployed overseas.⁹² Today, the CIA still does not have enough qualified case officers to staff many of its stations around the world.⁹³ In addition, the 1995 guidelines restricting recruitment of foreign assets remained in place until after September 11. Nor did funding priorities shift from technical intelligence systems to any significant degree. As one senior CIA official put it, “I’m cynical, but I think the reason people wanted to keep the [intelligence] budget secret was not to protect spies in Moscow, but because they didn’t want people to know that 99 percent [of the budget] was stuck in some satellite.”⁹⁴

Personnel problems also persisted. In 2001, 80 percent of the graduating class of clandestine case officers were fluent only in romance languages.⁹⁵ Robert Baer, a veteran CIA clandestine case officer, noted that even after the 1998 U.S. embassy bombings, the CIA employed not one case officer who spoke Pashto, the dialect of the major ethnic group in Afghanistan, and still

⁸⁶ The 9/11 Commission, “The Performance of the Intelligence Community,” Staff Statement Number 11, 14 April 2004, 12.⁸⁷ *The 9/11 Commission Report*, 357; and *Joint Inquiry Report*, 236–237.

⁸⁸ *Joint Inquiry Report*, 49.

⁸⁹ The 9/11 Commission, “The Performance of the Intelligence Community,” 9.

⁹⁰ *Joint Inquiry Report*, 49.

⁹¹ *The 9/11 Commission Report*, 90.

⁹² *Joint Inquiry Report*, 265.

⁹³ Hersh, “Annals of National Security: What Went Wrong.”

⁹⁴ In a confidential interview with the author, Washington DC, June 2004.

⁹⁵ Editors, “Intelligence Gaps: America’s Spy Network Needs a Quick Fix,” *San Diego Union Tribune*, 22 April 2002.

had none as of 2002.⁹⁶ The Joint Inquiry's findings are consistent with these assessments. The congressional panel concluded that before September 11, the intelligence community "was not prepared to handle the challenge it faced in translating the volumes of foreign language counterterrorism intelligence it collected. Agencies ... experienced backlogs in material awaiting translation ... and a readiness level of only 30% in the most critical terrorism-related languages used by terrorists."⁹⁷

Temporary rotations also were not commonly practiced. Although DCI Tenet declared in the late 1990s that all intelligence officials were required to do a tour of duty in another intelligence agency before being promoted to the senior ranks, every agency, including the CIA, ignored him. Instead, intelligence agencies have usually filled these rotational positions with poor performers rather than rising stars. As one senior intelligence official complained, "I often think of writing a vacancy notice [for temporary detailees to his agency] that says, 'only stupid people doing unimportant work need apply,' or 'send us your tired, your sluggish, your marginally brain dead.'"⁹⁸

CONCLUSION

Between 1991 and 2001, U.S. intelligence agencies instituted a number of new programs and devoted new resources to counterterrorism. They did not, however, adjust to this emerging threat as fast or as fully as they could have before the 11 September 2001 attacks. Intelligence threat assessments reveal that years before the attacks, intelligence officials recognized the danger that al Qaeda and other terrorist organizations posed to U.S. national security, and warned elected officials. Policy makers, for their part, appear to have shared these assessments, issuing a crescendo of warnings about the grave new threat of terrorism in major public addresses, particularly after the 1998 embassy bombings. Senior foreign policy leaders in both the Clinton and Bush administrations also were aware that combating terrorism required a fundamental transformation of the U.S. intelligence community. A dozen unclassified studies, and a number of classified reports, highlighted a common set of critical deficiencies and suggested an array of potential remedies. Yet as dangers gathered, the U.S. intelligence community remained largely unchanged.

The natural question to ask is why: If so many experts and officials recognized the gravity of the terrorist threat and understood the imperative for organizational reform, why did they fail to achieve the changes they believed were so urgently needed? Although fully answering this question lies beyond the scope of this article, a summary explanation is in order.⁹⁹

⁹⁶ Powers, "The Trouble with the CIA."

⁹⁷ *Joint Inquiry Report*, xvi.

⁹⁸ In a confidential interview with the author, Washington DC, January 2004.

⁹⁹ For a more extensive discussion, see Amy B. Zegart, "September 11 and the Adaptation Failure of U.S. Intelligence Agencies," *International Security* 29 (Spring 2005): 78–111.

The answer is that the cause of adaptation failure lies in politics—and in three enduring realities of the American political system in particular. The first is the nature of bureaucratic organizations, which makes internal agency reform efforts exceedingly difficult. No organization changes easily from within. Organization theory is filled with examples of how even private firms, which possess considerably more advantages than government agencies, fail to adapt to changing environmental demands. U.S. government agencies face even greater obstacles because they are designed to be reliable and fair, not nimble and innovative.¹⁰⁰

The second enduring reality is the rational self-interest of political actors. Presidents have good reason to consider organizational effectiveness and press for executive branch reforms, but they are single individuals with little time, limited political capital, few formal powers, and crowded political agendas.¹⁰¹ In the absence of crisis, they have little incentive to take on the fight. Since the CIA's creation in 1947, dozens of studies have identified major shortcomings in the U.S. intelligence community, but no president undertook intelligence reform prior to the September 11 attacks.

Self-interest leads most legislators to either avoid tackling intelligence reform altogether, or seek to block it. Like presidents, members of Congress have little incentive to delve into the arcane details of intelligence agency design because doing so does not provide electoral benefits.¹⁰² Moreover, legislators tend to care about maintaining the power of the institution, and consequently prefer executive branch arrangements that diffuse rather than centralize authority and capabilities.

Finally, national security agency bureaucrats have their own interests at stake and powerful means to protect them.¹⁰³ Viewing reform as a zero-sum battle for agency autonomy and power, these officials will go to great lengths to block change. Congress, in fact, twice attempted to pass sweeping intelligence overhaul before September 11—in 1992 and again in 1996. In both instances, legislation was torpedoed by the Pentagon, which feared losing control over its own intelligence agencies and 85 percent of the intelligence budget.

The third enduring reality is the fragmented structure of the federal government, which erects high barriers to legislative reform. Ironically, some of the cherished features of American democracy are to blame. Separation of powers, the congressional committee system, and majority rule create a system that invites compromise and makes legislation hard to pass. From the

¹⁰⁰ Joel Aberbach and Bert Rockman, *In the Web of Politics: Three Decades of the U.S. Federal Executive* (Washington DC: The Brookings Institution, 2000); James Q. Wilson, *Bureaucracy: What Government Agencies Do and Why They Do It* (New York: Basic Books, 1989).

¹⁰¹ Richard E. Neustadt, *Presidential Power* (New York: Wiley, 1960).

¹⁰² David Mayhew, *Congress: The Electoral Connection* (New Haven, CT: Yale University Press, 1974).

¹⁰³ Amy B. Zegart, *Flawed by Design: The Evolution of the CIA, JCS, and NSC* (Stanford, CA: Stanford University Press, 1999).

standpoint of agency effectiveness, this is bad news. Political compromise allows opponents to sabotage the creation of new agencies from the start, and the multiple majorities required for successful legislation mean that agency problems are hard to fix.¹⁰⁴

Together, these enduring realities and the history of intelligence adaptation efforts before September 11 suggest that future prospects for reforming the U.S. intelligence community are not promising. Although there is consensus about what problems need to be fixed and a greater sense of urgency since September 11, intelligence reform has only begun. The road ahead will be long. And it will be filled with the same obstacles—internal resistance, entrenched interests, and institutional barriers—that have blocked reform efforts for years. The crux of the problem lies in the enduring realities of American politics, and success requires finding ways to overcome them.*

¹⁰⁴ Terry M. Moe, “The Politics of Bureaucratic Structure,” in John E. Chubb and Paul E. Peterson, eds., *Can the Government Govern?* (Washington DC: Brookings Institution Press, 1989), 185–237.

* I would like to thank Bruce Berkowitz, Richard Betts, Lynn Eden, Steve Krasner, Eric Patashnik, Charles Perrow, Scott Sagan, and the journal’s anonymous reviewers for their feedback on earlier drafts and also the sixty current and former government officials who agreed to be interviewed for this project on the condition that they remain anonymous.