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Checklist for the Future of Intelligence

by Dr. John Howie and Howard H. Raaf

presenting

The Howie and Howard H. Raaf, Jr.



ISD LEGACY EDITION





Founded in 1978 as part of the Edmund A. Walsh School of Foreign Service at Georgetown University, the INSTITUTE FOR THE STUDY OF DIPLOMACY (ISD) sponsors discussions, research, and publications focusing on the implementation of foreign policy—seeking to answer the question *how* announced policy objectives can best be pursued. It does so by drawing on the concrete experiences of practitioners and the conceptual, comparative, and historical work of academics. In so doing, the Institute fills a special niche linking the academic and practitioner communities.

As director of the Institute, I wish to express my thanks to the Honorable Howard H. Baker, Jr. for chairing the Colloquium on Intelligence, and Dr. John Hollister Hedley for organizing the colloquium and writing this *Checklist for the Future of Intelligence*. We believe this occasional paper makes a significant and timely contribution on a matter of pressing national interest.

Casimir A. Yost
Marshall B. Coyne Research
Professor of Diplomacy and Director
Institute for the Study of Diplomacy





INSTITUTE FOR THE STUDY OF DIPLOMACY
EDMUND A. WALSH SCHOOL OF FOREIGN SERVICE
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Checklist for the Future of Intelligence

Dr. John Hollister Hedley

Foreword by
The Honorable Howard H. Baker, Jr.



Occasional Paper



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Foreword

In the Intelligence Authorization Act for Fiscal Year 1995, the U.S. Congress chartered a bipartisan Commission on the Roles and Capabilities of the U.S. Intelligence Community to complete a study of intelligence reform by March 1996. Even as the Congress was acting, Georgetown University's Institute for the Study of Diplomacy (ISD) was organizing a series of meetings entitled American Intelligence for the Twenty-First Century: A Colloquium on the Future of Intelligence After the Cold War. I was pleased to accept the Institute's invitation to serve as chairman.

The colloquium's aim was to assist the work of the Commission by facilitating informed thinking and dialogue about approaches to intelligence reform. In this spirit, the colloquium carried forward earlier efforts by ISD to help bridge the divide between the making of policy and the intelligence support that informs it. ISD has sponsored an ongoing dialogue and several seminars involving current and former practitioners and policy analysts to produce insights and to improve communications and understanding.

For this colloquium ISD assembled a mix of knowledgeable participants bringing perspectives from inside and outside both the government and the intelligence profession. Some were users of intelligence products and activity, some were practitioners, and others were well-informed observers. They came from the executive branch and the Congress; from the policy, intelligence, and academic communities; and from the press. Most important, the colloquium provided a forum for a group whose members would not have otherwise had an opportunity to sit down together to consider the subject of intelligence.

Two sessions were convened in the fall of 1994 to hear and discuss ideas put forward by Brent Scowcroft, former Assistant to the President for National Security Affairs; Lieutenant General William E. Odom, United States Army, retired, and former Director of the National Security Agency; Dan Glickman, former U.S. Representative and Chairman of the House Permanent Select Committee on Intelligence (now nominated to be Secretary of Agriculture); Robert M. Gates, former Director of Central Intelligence; and Representa-





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tive Lee Hamilton, longtime Chairman of the House Committee on Foreign Affairs, currently the ranking minority member on the newly named House International Relations Committee. These sessions were followed on February 15, 1995, by a roundtable discussion that reviewed the colloquium's ideas for this publication.

This publication is not intended to be a consensus document. The participants, a full list of whom is appended, were not asked to "sign on." They spoke for no agency or institution. This is also true for the author, Dr. John Hollister Hedley. He developed the idea for the colloquium while serving as CIA officer in residence at Georgetown University, where he is teaching and writing about intelligence. This publication does not expound his personal views; it speaks for the colloquium by reflecting both the varied remarks of the speakers and the lively dialogue among those in attendance. It lists the topics that will challenge both the Commission and the intelligence community, highlighting the key issues and briefly noting possible solutions. A broader discussion then follows this list.

This occasional paper offers approaches to the issues without being definitive that these are the only approaches. Above all, the Georgetown colloquium sought to establish a checklist for the Commission to consider—a checklist by which it might order its work and by which its final recommendations can be assessed. We hope we have made a useful contribution.

Howard H. Baker, Jr.
March 15, 1995

NOTE

Intelligence community refers to the aggregate of those executive branch agencies and organizations that conduct the variety of intelligence activities comprising the total U.S. national intelligence effort. Under the Department of Defense these are the Defense Intelligence Agency, the National Security Agency, Army Intelligence, Navy Intelligence, Air Force Intelligence, Marine Corps Intelligence, the Central Imagery Office, and the National Reconnaissance Office. Other departmental organizations are components of the Federal





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Bureau of Investigation, the Department of the Treasury, the Department of Energy, and the Department of State. The only independent agency (that is, not part of a policy department) is the Central Intelligence Agency. The Director of Central Intelligence simultaneously heads the CIA and leads the larger intelligence community.





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A changing world fraught with new uncertainties and complexities challenges America to understand the issues and dangers U.S. foreign and defense policy must confront. Economically and politically, however, it is a fact of life that the United States must engage the post-Cold War world with a smaller, more cost-efficient intelligence capability than the 13-organization, \$28-billion-dollar intelligence apparatus of today. This might be achieved by a meat-cleaver approach—such as across-the-board cuts based on the erroneous assumption that every part of the apparatus is equally dispensable or indispensable. Preferably, it can—and will—be accomplished by prudently eliminating redundancy and by abandoning missions no longer deemed essential or affordable.

The Commission on the Roles and Capabilities of the U.S. Intelligence Community has a unique opportunity to shape U.S. intelligence for the twenty-first century. The Georgetown colloquium identified the following checklist of topics the Commission should tackle and ideas it should consider:

- ***America's Role in the World***

What global role for America is intelligence required to support? Because intelligence is not sought in a vacuum, the Commission must, therefore, begin its deliberations by identifying the national security priorities that American leaders should, or might, be pursuing in the years ahead. Only when these baseline objectives have been identified can the Commission then deal effectively with narrower questions of how America's intelligence community can best fulfill its roles and missions.

- ***The DCI's Relationship to the President***

The Commission cannot dictate the relationship of the Director of Central Intelligence (DCI) to the President of the United States. Because this relationship is critical, the Commission should suggest ways to maximize it. By law the DCI is both the President's primary





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advisor on national foreign intelligence matters and the head of the Central Intelligence Agency. The President's interest in intelligence and firm support for the DCI are crucial. A prudent President will start each day with an intelligence briefing, the product of the clearinghouse function of independent correlation and evaluation of all-source information for which the CIA was created. The President should have personal contact with the DCI—contact that is regular, frequent, and candid.

• *The DCI's Relationship to the Intelligence Community*

If the intelligence community is to become more competent, efficient, and cost effective, the Commission must come to grips with an issue central to its mandate: Who is in charge of the community? The DCI, who now nominally heads the loose confederation that is the intelligence community, controls only a fraction of its budget and appoints none of the chiefs of the agencies that comprise it. The DCI needs clear lines of authority commensurate with his responsibility, control over a single intelligence budget combining both national and tactical programs, and a stronger voice in appointing the heads of intelligence community organizations.

• *The Scope and Focus of Intelligence Coverage*

The Commission must answer the question of what capabilities are needed before it addresses questions about cutting back existing capabilities. This means the Commission needs to develop and express its views on how far intelligence collection and analysis should extend beyond both identifying threats to national security and targeting of the hard-to-penetrate countries and activities that require the unique techniques and capabilities of intelligence. It needs to recommend a better way for the intelligence community to determine what information is available in open sources so that the community can focus its work on what is secret. Today's CIA, for example, is increasingly asked to do more and more, but it cannot do everything well. It cannot competently or cost-effectively function as a general information service. It is time to rein in and reduce rising





demands, to narrow the scope of intelligence, and to drop tasks that can be handled as well or better by others.

- ***The Size and Redundancy of Military Intelligence***

The Commission must face the fact that five of every six intelligence dollars are spent by the Department of Defense and that military intelligence efforts appear rife with replication. As in the intelligence community generally, how can consolidation of military intelligence increase efficiency while reducing size and cost? A good beginning would be to empower the Director of the Defense Intelligence Agency (DIA) with the rank and resources to be the Director of Military Intelligence, in fact as well as in name. Long overdue is the integration that the DIA's creation more than thirty years ago was intended to achieve: the consolidation of intelligence activities duplicated in each of the military services and at major military commands.

- ***Military Intelligence Versus Other Intelligence***

Ultimately, intelligence must inform policymakers on the full range of issues they confront. The Commission should neither lose sight of this basic fact nor make recommendations that would excessively skew the focus of U.S. intelligence gathering toward purely military needs.

- ***The Proliferation of Organizations Dealing with Imagery Intelligence***

The Commission must address the need for institutional coherence in this major field of intelligence collection. Just as the National Security Agency collects, processes, and reports signals intelligence, or SIGINT, a new National Imagery Agency would centralize and rationalize the management, operation, and control of the entire array of imaging systems from satellites to reconnaissance aircraft. There is a glaring need for such a consolidation in an agency that would subsume the Central Imagery Office, the National Photo-





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graphic Interpretation Center, and the numerous imagery components of other community organizations.

- ***Duplication of Administrative Structures***

The Commission must deal with the redundancy of administrative support, programs, and facilities that, although having much in common, are maintained individually throughout the community's thirteen organizations. It would appear that rationalizing and consolidating the use of facilities and training and security programs, for example, could achieve substantial cost savings. Is there a compelling reason why many common administrative needs cannot be met jointly? Doing so could also foster greater cooperation and integration in other community activities.

- ***The Place for Covert Action***

The Commission should offer some general guidance on how much of a capability the United States should have in this most politically sensitive and volatile intelligence role. The CIA now devotes only about two percent of its resources to covert action. However sparingly it is used, the capability to conduct covert action—paramilitary and nonmilitary—should be retained, and the CIA should continue to be responsible for it.

- ***The CIA's Operations Directorate***

The nation's spy service resides almost entirely in the CIA's Directorate of Operations, and the Commission needs to assess what this clandestine service, long dominant in Cold War operations, can uniquely provide that the U.S. national interest requires. As the Commission moves from consideration of global roles and threats to the question of what information intelligence must provide, the contribution desired from espionage should emerge more clearly. As it does, legitimate concerns with the Directorate's composition, culture, and relevance can be addressed, as can issues such as diversifying cover to meet increasingly diverse needs, improving its support





of the military, and integrating more effectively with other collectors its own collection of human-source intelligence.

- ***The Need for More Effective Counterintelligence***

The Commission must examine the steps taken in the wake of the Aldrich Ames spy case to improve liaison and coordination between the CIA and the Federal Bureau of Investigation (FBI). In doing so, it must judge whether these steps are sufficient or if a more far-reaching approach is necessary to produce the ongoing, active collaboration that effective counterintelligence requires. A far-reaching institutional arrangement to consider would be the creation of a separate counterintelligence component similar to Great Britain's MI-5, which would also control counterintelligence activity in the military services.

- ***The Issues of Openness***

The Commission needs to review and advise the community on how its members, individually and in concert, can better help the American people to understand their country's intelligence mission, process, and management. As a first order of business, the CIA and the rest of the community need to make rapid strides in both declassifying old files and opening them to the public. This can help the community to be accountable and credible and to explain its work more effectively to Congress, the press, and the public. In addition, the total figure for the intelligence budget should be made public.

- ***Congressional Oversight of Intelligence***

The Commission must consider how the Congress can play its unique oversight role more effectively. In particular, the Commission should weigh the possibility of the Congress creating a single, joint committee on intelligence oversight.





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CONFRONTING A CHANGING ENVIRONMENT

In the United States there is no consensus on either the role America is to play or the threats it faces. If America is to play a global role and be proactive in the world, it must have a global intelligence capability. If we are substantially reducing our global commitments (in Africa, for example), then perhaps our intelligence requirements can be reduced.

Key users of intelligence in the executive and legislative branches state that it should go without saying that intelligence still is needed in peacetime and that, indeed, the need may be growing as the world becomes more complex, more unpredictable, more interdependent, and more technologically advanced.

Although the collapse of the Soviet Union has dramatically diminished the danger of either a global thermonuclear war or a major war in Europe, that very collapse will produce aftershocks for decades to come. There is no historical precedent of an empire of such magnitude imploding so suddenly. At a minimum, the former Soviet Union faces a severe economic and social crisis that will not be resolved for many years.

And that is but one of the phenomena in a world fraught with disorder that America will be dealing with far into the future. Another is the accelerating spread of weapons of mass destruction. There are now two dozen countries that have biological and chemical weapons programs and fourteen that have their own ballistic missiles. Still another problem, tragically evident in Bosnia, Central Africa, and elsewhere, is the reemergence or emergence anew of nationalist, ethnic, clan, and tribal conflicts.

If today intelligence seems somewhat easier to acquire, what is harder is knowing what we want and from where we need it. For the forty years following World War II, we mainly wanted to know the military capabilities of the Soviet Union. Now we want to know everything: What happens when OPEC leaders get together? How long can Iraq's government withstand economic sanctions? What is the strategy of foreign trade negotiators? Where is a fugitive Somali warlord? Does a certain leader have a drinking problem? What's in another leader's medicine cabinet?





There are no obscure countries and remote regions anymore. The United States can suddenly be involved in a peacekeeping or humanitarian operation in Liberia or Somalia or Rwanda or Bosnia or Haiti. Being prepared to impose economic sanctions or to involve U.S. forces in military operations employing “smart bomb” technology requires having enormous quantities of intelligence data.

The problems that bedevil us today were frequently put aside or smothered by both sides during the Cold War, mainly in the interest of not letting things get out of hand in that great confrontation. Now these problems crop up anywhere. Algeria is an example. A few years ago, the United States was not interested. We didn’t know a great deal about the players. Today, Algeria is of enormous concern. Similarly, Iran is a black hole, and we don’t know much of what’s going on in Iraq or North Korea. Intelligence insights on the decisionmakers in these countries—what motivates them, what they really want and why, how serious they are, and how they operate—can make a significant difference in framing policy.

The probable collapse of the remaining communist regimes and other authoritarian regimes, among them Cuba, North Korea, and Zaire, will almost certainly cause considerable turbulence or, at a minimum, instability. So too will the growing problems of failed states, particularly in the so-called Third World, and Islamic fundamentalism in the Middle East and North Africa.

One or more of these phenomena affects every major foreign source of oil, underscoring the need for intelligence in the context of America’s growing international economic interdependence. In addition, over the past five years, growth in exports has accounted for seventy percent of U.S. economic growth. Dependence on both foreign oil and foreign trade makes America more vulnerable than before to events in distant places around the world.

All of this forms the backdrop of a turbulent and violent world. All these areas of concern are subjects for intelligence gathering and analysis. The intelligence community began taking them on in the 1980s, when it began getting additional resources, and when American policymakers wanted information nobody else was providing. Policymakers turned to the U.S. intelligence community then, and they continue to depend on it today.





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Indeed, with their seemingly insatiable appetite for intelligence information, policymakers highlight the need for it. Most of them—past and present, in and outside the current administration—appear to believe the United States cannot withdraw from the world. And global involvement requires a global intelligence service—which is costly. Yet the American people seem to want an America less committed abroad, with smaller amounts of national resources dedicated to foreign aid, force levels, and intelligence. The Commission must take up not only the problem of how much intelligence is needed but also the problem of how to meet this need in today's political and budgetary environment.

CLARIFYING AND ESTABLISHING CONTROL

The relationship with the White House is a critical one for the DCI, the CIA, and the entire intelligence community. At the Georgetown colloquium dismay was expressed at the recent distance existing between the White House and the CIA, a gap harmful to the President, the agency, the community, and the development of sound foreign policy. The DCI is the President's intelligence officer, an officer who should be coordinating and interpreting intelligence for the President. Given the complexity, uncertainty, and rapid changes in world affairs involving American interests and security, there is no reason why a President should not look to—and stand by—the DCI he chose for the job.

When a President disregards the DCI and appears disinterested in foreign intelligence, the result for the intelligence community can be an unfocused, even misdirected, national intelligence effort. This kind of drift leads to malaise and confusion. How to remedy it remains an open question. Having the ear of the President would appear to come with the job, but that is not necessarily so. A close relationship between President and DCI reflects mutual respect, which may grow circumstantially, but depends heavily on personal chemistry. There is no institutional barrier to it, inasmuch as the President chooses the DCI, who in turn serves at the President's pleasure. If the President is not comfortable with the DCI, he can and should replace him.





Clarifying and Establishing Control 9

The President and the DCI should have a close relationship. The President needs to know that the DCI speaks for the intelligence community and has its confidence, and the DCI is more likely to win that confidence if the community knows he has the ear and the confidence of the President.

Relationships throughout the intelligence community return to the questions of who really leads it and whether the U.S. government now gets intelligence by committee, with the DCI merely presiding over a collection of fiefdoms. For the Commission, reinvigorating the DCI's position is a major challenge.

There is a clear need for more effective control of the intelligence community. Whatever the title—be it Director of Central Intelligence, as statute now provides, or something else—there needs to be a central official directly advising the President, an official who possesses both clear lines of authority and responsibility for the U.S. intelligence effort.

The existing forum for DCI interaction with the heads of the intelligence community's member organizations, the National Foreign Intelligence Board, needs to become a council for internal governance of the community. This will be achieved only when those sitting around the table no longer represent independent princelings with budgets over which the DCI has no control.

Improved management and coordination of intelligence require the stronger leadership that can come with greater authority. A new title will not make it happen. The Director of Central Intelligence needs to be empowered, not renamed or relocated. Creating a new position atop the community for some kind of intelligence czar—a Director of National Intelligence, for instance—would not solve the problem. The solution calls for access to, and support from, the President; control of the intelligence budget; a clear line of authority over the member elements; and a stronger voice in choosing the heads of those elements. Otherwise, even a cabinet-level Director of National Intelligence will experience a fate similar to that of the Drug Czar—an impressive office in the White House, but no power and no improvement.

One practical suggestion for consolidating control under the DCI is to end the distinction between national and tactical intelligence program budgets (the latter is controlled by the Defense Department)





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by combining them under the DCI's direct control. The distinction between the two is an outmoded one that divides and dilutes the DCI's authority. Technology has blurred if not eliminated it, enabling national intelligence to be made highly relevant to tactical operations. In war-fighting today, the distinction between space systems run by the DCI and other collection capabilities run by the Pentagon no longer exists. Particularly when it comes to technical collection systems, national systems are tactical systems, and they have been for more than a decade. Consolidating both budgets could go a long way toward establishing and clarifying control within the community, and it is likely to save money as well.

It will not be easy to bring this about. Control of a seamless program budget should not reach down to every instance where there are applications of intelligence, or services rendered to intelligence, that are tactical in nature. It will be hard to distinguish these instances in every case. But the Commission must recognize that enhancing the DCI's authority—essentially through budget control and a strong voice in determining who heads the elements of the intelligence community—is absolutely central to the success of both the Commission and the intelligence community of the future.

Some say that simultaneously heading the CIA and leading the intelligence community is a disadvantage for the DCI and that it would be better to have a Director of National Intelligence above and clearly separate from any single member element. But a Director of National Intelligence separated from the heart of the intelligence community—that is, the central intelligence function of the CIA—would be like a general with no divisions to command. Without the CIA institutional base, any Director of National Intelligence would be less effective in both managing the community and advising the President.

The DCI, as a congressionally confirmed official responsible to the President, must oversee clandestine collection and covert actions to carry out the role of chief intelligence officer to the President. For this reason alone there is merit in having the DCI remain the head of the CIA. The responsibility of being the President's chief intelligence officer again returns to the need for true decisionmaking authority over both the entire community and the intelligence budget. The DCI should always bring disagreements and contrary views





to the President's attention. The key is enabling the DCI to be the DCI in fact as well as in name. If the DCI can truly direct and coordinate the community, then the DCI can better serve the President and the national interest, while speaking convincingly to the President and to the community members he represents.

SHARPENING THE FOCUS

Who needs intelligence? What kind? Why? What takes precedence? For the Commission to develop a consensus on cost-saving consolidation, it needs to reach broad agreement on the priorities of intelligence, priorities firmly tied to the pursuit of U.S. foreign policy objectives. There is a sense that sometimes the community collects intelligence just for the thrill of it and to show how good it is at it. Even if this were so, it would be less the fault of the intelligence community than of the policymakers who fail to make clear to the intelligence community what the priorities really are.

The result can be seen in the wide-ranging work of the CIA's analytic arm, the Directorate of Intelligence, whose resources and capabilities are second to none, but spread too thinly as a result of its willingness, born during a time of larger staff and budgets, to accept increasing requirements to analyze peripheral issues concerning health, agriculture, energy, and the environment. These requirements, from both the executive branch agencies and the Congress, continue to climb.

Thus the CIA compiles economic statistics for the Department of Commerce and the President's trade advisor, estimates foreign crop yields for the Department of Agriculture, and conducts studies on AIDS and other subjects not traditionally regarded as core national security issues. It would be inaccurate to dismiss this as a result of CIA efforts to find new intelligence markets in the aftermath of the Cold War. This trend antedates the demise of the Soviet empire. Moreover, the demand for intelligence on the former Soviet Union has not diminished.

Several things have contributed to the growing demand for intelligence on nontraditional subjects. One is a sense by executive and legislative branch officials of changing requirements in areas such as





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economic and environmental issues—issues that reflect an era far different from when the CIA was created. Another is that departments don't always trust the overseas data they are getting and ask the CIA for an assessment to either correct it or validate it. Finally, the quality and the responsiveness of the CIA's analytical products have also contributed to the growing demand for both intelligence information and the services of the CIA's analysts, cartographers, designers, and editors.

The problem is that at the assistant-secretary level various departments have come to see intelligence analysis as “free.” As the quantity of data that policymakers have to cope with grows exponentially and becomes increasingly difficult to sort through, it is tempting to turn to the CIA's Directorate of Intelligence. It has the size, talent, and experience to help filter the mountains of material, albeit mostly from open sources, and to identify what merits attention and concern. The CIA's analytic cadre excel at aggregating, integrating, and summarizing information, but should the CIA help prepare export control licenses just because it knows technology transfer issues? Should it be used as a general information service? On what subjects does the intelligence community not need to collect? What should the Directorate of Intelligence not study?

Because it makes sense out of all the information collected, intelligence analysis, manifested daily in formal publications, ad hoc papers, and oral briefings, is the culmination of the entire intelligence effort. It should remain centralized in an agency not part of a policymaking cabinet department. It can be smaller only if it is allowed to narrow its focus to critical issues of national security. Its aim should be to add value by analyzing secrets, to add the special knowledge that cannot be obtained without utilizing intelligence sources and methods.

Executive departments now demanding intelligence on other subjects might have to look elsewhere or develop their own capability. Indeed, much long-term research may be better provided by the private sector. It is important to preserve the CIA's central clearinghouse function, which was at the heart of its creation, of correlating and evaluating in one place all information from all intelligence sources, however and wherever it was collected. But university and think tank experts, to be utilized when crises develop in otherwise





lower-priority areas, may be a highly effective and economical alternative to standing armies of analysts attempting to provide blanket coverage of every continent and every issue.

Competitive analysis—that is, the deliberate duplication of analysis by more than one agency to derive independent judgments from the same data on a specific problem—was a staple of Cold War assessments of Soviet strategic warfare capabilities. This practice should now be sharply reduced and limited to select, critical targets that are especially hard to penetrate and assess. These should include indications and warning of foreign military threats to the United States and analysis of programs, such as those in North Korea and Iran, involving nuclear, chemical, or biological weapons of mass destruction. These pose dangers too great to be judged solely by the military.

As the only U.S. intelligence organization that is not part of a policy department, the CIA should remain involved in foreign threat assessment as a check on the temptation to exaggerate those threats on which military missions and budgets depend. The Defense Intelligence Agency, however, should assume much of the military analysis the CIA has done in the past, such as maintaining data bases on foreign military order-of-battle and weapons capabilities.

Community-produced National Intelligence Estimates should be limited to a few special cases, such as the North Korean or Iranian nuclear programs and the assessment of other real or potential strategic threats. Coordinating iterations of study drafts throughout the intelligence community has certainly helped identify gaps in information and areas of disagreement. But in many instances, these efforts have been time-consuming exercises in compromise, resulting in watered-down judgments and overly long documents lacking both timeliness and relevance. Given their reputation, their record of use by policymakers, and the resources available to do them, they have largely outlived their usefulness. Yet there is a role for selective, sharply focused special estimates that respond promptly to decisionmaking needs on especially challenging subjects.

Demands on the intelligence community will continue to escalate until a better way is found to set priorities for the intelligence requirements that dictate collection and analysis. A strengthened DCI should help exercise control over whose requests get filled,





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how, and by whom. Another possibility is to adapt the British model of a filtering organization that must approve requirements put forward by intelligence consumers before those requirements are tasked out. There needs to be a centralized requirements “funnel” at the level of the National Security Council (NSC) that would both ascertain what can be discovered from open sources and screen all new requirements to limit demands on intelligence.

The Commission cannot expect to list definitively what these requirements will be. Indeed, some of today’s seemingly intractable concerns are doubtless ephemeral and will be replaced by others. But categories of requirements—on economic or environmental topics, for example—can be identified and ranked by priority. It is important for the American people to recognize that there is a vast array of needs and that a process is in place to manage effectively the way intelligence addresses them.

RECONSIDERING AND CONSOLIDATING

Consolidation should begin in the Department of Defense, where duplication in organization and process is the most extensive and obvious, and which accounts for five of every six dollars America spends on intelligence. Although much of the expenditure produces technical collection used throughout the community, such as signals intelligence and imagery, it makes sense to look for savings first where the size and expenditure is greatest.

The U.S. defense effort is a major user of intelligence. In the post-Cold War period, the U.S. military may need more of it, and on an increasingly diverse set of targets. Open sources don’t provide the technical details that are needed on foreign radars, weapons, communications systems, military organizations, and force deployments. Nor do they adequately cover changing military technologies, the diffusion of advanced industrial capabilities, and all the related data required to support intelligence for military operations and for material and force development. Only a highly active and effective global intelligence system will do that.

Intelligence plays a critical role in determining whether the Pentagon’s monies are spent effectively or are wasted. The Persian Gulf





War provided evidence that America's Cold War intelligence system worked well. U.S. forces enjoyed a vast advantage—precision-guided munitions, tank guns, air defense suppression systems, the capacity to track and target enemy forces—against largely Soviet equipment. The U.S. performance in Operation Desert Storm vividly showed the results of many years of quiet work in material and force development based on intelligence that knew enough about those Soviet-designed weapons systems to enable the design of superior weapons to defeat them. This required a comprehensive, ongoing effort, not eclectic studies conducted here and there.

The Cold War's end is unlikely to alter the essential need for sustaining this kind of intelligence effort. The focus will change, as will the locations of the targeted militaries and military industrial bases, but the demand will remain high.

Having said all that, there are those who see the military intelligence component as a prime target for significant consolidation that will eliminate most duplication in, and rationalize the structure of, the intelligence community by reducing the size and expense of its largest component. Those who take this position often point to the fact that when President John F. Kennedy and Defense Secretary Robert McNamara created the Defense Intelligence Agency nearly 35 years ago, the idea was that it would subsume the separate air force, army, marine, and navy intelligence organizations into a single, centralized military intelligence entity. Instead, four organizations were joined by a fifth: a robust DIA was added to an even more robust set of service intelligence organizations.

One solution might be to create a single Director of Military Intelligence who would also head the Defense Intelligence Agency, consolidating under this official all functions of the service intelligence organizations, especially all of the administrative, general analytical, and research infrastructure activities. Everything would be centralized except the targeting functions that are unique to each service. There is insufficient justification for having the military support and conduct research and analysis in triplicate, layer upon layer, in the DIA, the service intelligence organizations, and the major military commands.

Moreover, if the DIA were to become the single military intelligence organization it was intended to be, it could do much of the





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analysis of foreign weapons and military force levels that the CIA has done. This could also help create a leaner, more focused CIA.

All this is not to say, however, that all duplication is inherently bad and all consolidation is inherently good. The Commission must proceed carefully. It would be a mistake, for example, to destroy departmental intelligence. The current intelligence functions of the DIA, the State Department's Bureau of Intelligence and Research, and the Joint Chiefs of Staff's J-2 have important roles to play. And a measure of competition very likely produces better analysis. But the Commission must look at the fact that while the CIA's intelligence directorate may have some 1,500 analysts, there are some 13,000 in the military doing analysis, much of it derived from analysis already completed. The Commission must take a hard look at layering and redundancies in light of priority requirements and cost effectiveness.

Much of the institutional consolidation needed in the intelligence community pertains to the coherence of functions. The three major categories of intelligence collection—the intercepting of communications or signals intelligence (SIGINT), photo reconnaissance or satellite imagery (IMINT), and human intelligence (HUMINT)—cry out for greater coherence. Imagery collection is a prime example of change being needed, not because the Cold War is over, but simply because it is in the interest of rational organization and procedure.

The SIGINT area can be improved, but with regard to structural coherence, it is in the best shape of the three. The community HUMINT function, resting primarily in the CIA's Directorate of Operations, needs better direction and coordination. The IMINT area especially needs an institutional basis. There should be a National Imagery Agency, similar to the SIGINT area's National Security Agency, that could collect and process imagery intelligence information and then report it throughout the community.

A National Imagery Agency would replace the existing Central Imagery Office and a number of imagery components, including the CIA's National Photographic Interpretation Center. Central management and operation of the entire array of imaging systems from reconnaissance aircraft to satellites would improve the exploitation of these increasingly sophisticated technologies. Integration would reduce the size and cost of the present proliferated approach and create better operational support for users of imagery intelligence.





Opportunities for consolidation abound, not merely in military intelligence, but throughout the community as a whole. There is no compelling reason why many of the community's administrative structures—facilities, training, and security, for example—cannot be integrated. This not only would generate substantial cost savings but also could foster greater cooperation and integration within the intelligence community.

The CIA is at the heart of the U.S. intelligence community and of much of the concern about its future. Although it is only one of thirteen organizations in the intelligence community, and consumes less than one-ninth of the intelligence budget, the CIA is the lightning rod for criticism of any of the real or imagined sins of intelligence. It is the most well-publicized secret organization in the world. By statute it plays the central role in American intelligence.

Because the CIA is the major source of analysis, is preeminent in human intelligence collection operations, is involved in counterintelligence, and conducts covert operations, it raises issues of size, scope, and what should be housed in a single intelligence organization. With some exceptions, dilemmas over how well these disparate activities fit within CIA generally lead to the conclusion that they would fit no better elsewhere.

Like any other segment of the intelligence community, however, the CIA's roles and missions will determine its composition, and its roles and missions cannot be defined in a vacuum. The CIA's Directorate of Operations is the national manager of clandestine human intelligence collection. At the President's direction, it also conducts covert action operations abroad. It performs a counterintelligence role overseas as well, requiring close collaboration with the FBI when responsibilities overlap, as they inevitably will when foreign-based intelligence operations against American targets involve activities within the United States.

The dangerous business of covert action, however small a facet of intelligence and however infrequently employed, is a capability that should continue to rest with the CIA. The colloquium broached the idea of having the military's special operations forces, rather than the CIA, conduct covert actions of a military or paramilitary character—with the DCI remaining in charge through clear lines of accountability and oversight. On balance, however, the risk of expos-





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ing the U.S. hand recommends against moving covert action of any kind anywhere else. Special forces personnel can be seconded to CIA's Directorate for Operations as military or paramilitary operations may require.

To be a vital, active, and effective clandestine service in the future, the CIA's operations directorate may have to be significantly reorganized. There is much to retain that is both strong and positive. To assess its relevance and to restore its credibility, however, questions about its alleged parochialism, failures in personnel management, tolerance of unsatisfactory performance, and lack of diversity must be addressed and answered.

Beyond these subjects of public debate, the Commission must assess the unique future contribution the clandestine service should make in the overall intelligence effort. It may be time for an outsider to head the CIA's operations directorate, and the directorate itself may need more resources to improve human intelligence collection. It needs greater personnel diversity so that its officers can move more easily around the world. It needs to continue to move away from cover in embassies, focus more on joint training and cooperation with the military, and perhaps place more military officers in its ranks. The CIA also needs to better integrate the military's clandestine capabilities with its own collection efforts.

The counterintelligence function is not a neat organizational fit. It is divided between elements of the FBI, CIA, and the military and possesses both a mixed record of success and a poor record of departmental cooperation and coordination. The function does not mix well with the FBI's traditional criminal law enforcement activity, and the CIA has not given it high priority. The two organizations have neither related well to each other nor worked well together. The Commission must carefully critique the recent efforts to improve CIA-FBI collaboration. Indeed, it may even decide to explore a more far-reaching option: to concentrate the important counterintelligence capability in a separate national counterintelligence agency similar to the British MI-5. A lean agency of this type could centralize the function and direct counterintelligence activity in the military services.

Striving for greater public openness should not be underestimated as a powerful, good faith commitment by the intelligence community to be accountable to the American people. The CIA in particu-





lar, and the intelligence community in general, should make it a high priority to speed up recent progress toward greater openness. Excessive secrecy and insularity have done a disservice. While being faithful to its statutory mandate to protect sensitive sources and methods that, if revealed, would damage national security, the intelligence community can do much more to disclose what it does and what its role is. With the CIA in the lead, each member of the community should intensify its review and declassification of old documents, and Congress should provide the means to accelerate this labor-intensive effort.

For Congress the key question is oversight. Congress clearly plays a major role as both consumer and overseer of the nation's foreign intelligence efforts. Its security record is commendable, as is the bipartisan approach of the Select Committee on Intelligence in each house. Concerns exist about the extent of oversight and how best to conduct it, but no one questions the intrinsic value of congressional oversight—including even its recipients.

From an executive branch perspective came a complaint at the colloquium that the intelligence community tends to work more for the Congress than it does for the President. The congressional appetite for intelligence information has grown exponentially in tandem with greater congressional involvement in the making of foreign and defense policy. Fearing trouble with either appropriations or investigative hearings—so the accusation goes—the intelligence community grows more concerned about protecting its congressional flank than serving the executive branch, and is thus more responsive to Capitol Hill.

Another speaker—not from the intelligence community—worried aloud about the amount of time DCIs have come to spend, and feel they must spend, on Capitol Hill. It seemed to this speaker that Congress has accumulated unto itself a level of detailed scrutiny of the intelligence community that is both unworkable and beyond the scope of ordinary oversight. Also from outside the intelligence community came concern that Congress's increasingly intrusive oversight might raise a constitutional problem by carrying oversight to the point of prior approval of executive actions rather than of monitoring and reviewing them.

As the Commission reviews the relationship of the intelligence community to those who task and oversee it, it should also assess the





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mechanism and makeup of congressional oversight. Can it be simplified? Is there effective sharing by the intelligence committees with other members and other committees? Is too much oversight performed by staff members and not by elected members of Congress? How motivated are members who cannot send press releases to their constituents publicizing their labors on the Intelligence Committee? And how well-equipped are they, in the course of a limited rotation on the committee, to develop an in-depth understanding of this arcane, yet necessary, endeavor?

The colloquium floated the idea of a joint Committee on Intelligence comprising House and Senate members appointed by the leadership and supported by a small staff. The first and primary responsibility of the joint committee's members would be to report to the leadership, which, in turn, would make a filtering judgement on how much information it would be appropriate to convey to their respective caucuses. The Commission should give this concept serious thought.

The congressional oversight role is unique. CIA and the rest of the intelligence community, which at times have resisted and resented congressional scrutiny, have come to accept it and see merit in it. It is too important not to be exercised as effectively as possible.

RECOGNIZING MYTHS AND REALITIES

The Commission needs to examine critically some widely held notions that could lead it astray. One is that the CIA and the intelligence community were products of the Cold War. The CIA was, in fact, created as a result of Pearl Harbor, primarily to prevent future surprise attacks against the United States by consolidating in one place information relevant to U.S. national security interests. This need for a central clearinghouse for all-source intelligence remains: Both the President and the Congress need an organization independent of the policy agencies to integrate intelligence information.

Another common belief is that the intelligence community was totally riveted on the Soviet threat and now needs to redirect its efforts elsewhere. To a large extent it was, but much appears to have been done to readjust its priorities after the breakup of the Soviet Union. At its highest level the intelligence community spent in fiscal





1980 less than 60 percent of its resources on the Soviet problem, but by fiscal 1993 it had reduced to less than 15 percent the resources focused on the former Soviet Union.

Even the conventional wisdom that the intelligence budget is bloated also deserves scrutiny. It has been said that the last real growth in the American intelligence community was in 1986, nine fiscal years ago, and that on its current glide path both the CIA and the intelligence community will soon be roughly the same size as in 1980. At a time when the U.S. military is increasingly engaged in overseas missions, today there are said to be in orbit only about one-half to two-thirds of the satellites that were operating during Desert Storm. The Pentagon's Bottom-Up Review established that the United States ought to be capable of simultaneously fighting two regional wars, yet the intelligence community was stretched to the limit to support Desert Storm at what was, in many respects, the height of its resources in satellites and manpower.

Many inside the intelligence community cling to myths as well. One of them is that people surely must understand what intelligence is about and thus endorse its intrinsic indispensability. They don't. Paradoxically, another myth is that only people on the inside—the intelligence professionals—can truly understand the arcane arts and sciences of intelligence. Insiders too often dismiss any prospective outside involvement in their craft as feckless meddling by people who simply don't know what they're doing.

This hubris serves neither the CIA nor the rest of the intelligence community well. The insiders, too, must abandon some widely held assumptions and see that it is in their own best interest to embrace a collaborative approach to reassessment and reform.

MOVING AHEAD

The Presidential Commission on the Roles and Capabilities of the U.S. Intelligence Community has a tall order. To make its report and recommendations by March 1996, it cannot wait for either a clarification of America's global role or the emergence of a clearly defined foreign and defense policy. The Commission has a mandate to chart reform. It has to get moving.





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As it does, the process of change in the intelligence community may itself help define the role the United States will play. And if for no other reason, changes are overdue because present-day intelligence structures grew up more than forty years ago. If the waning of the Cold War, the discovery last year of a “mole” in the CIA, or the creation of the Commission can catalyze reform, so much the better—but it would be a mistake to confuse the need for reform with these developments alone. Changes in technology and operations also recommend them, and changes in national priorities may require them.

Bringing coherence to collection functions, eliminating duplication in noncritical areas, and integrating administrative activities all can go a long way toward creating a more rational, smaller, and cost-effective intelligence community. But the core missing element remains a solution to the problem of controlling the intelligence tasking that drives targeting, collection, and analysis. Simply put, if the intelligence community is to be leaner and less costly, it must shed missions. Thus the Commission should focus first on the requirements and missions rather than on the budget and personnel.

Members of the intelligence community must contribute to this historic inquiry by telling the Commission what is feasible and what trade-offs different rankings of priorities will involve. The debate on curtailing the runaway tasking of intelligence resources will turn on whether to revert to a concentration on more traditional intelligence concerns and targets—such as warning of threats to U.S. security and interests and collecting intelligence from especially sensitive targets in denied, or hard-to-penetrate, areas where the unique capabilities of the intelligence community are required.

The Georgetown colloquium held that it is both necessary and costly to maintain an effective intelligence network and that with the end of the Cold War there may be fewer “peace” dividends than the American people had hoped. But the U.S. intelligence community can be downsized without degrading its capability to provide the intelligence America needs. It can be made smarter and better. It should not be afraid of questions that go to the heart of how that can be done, and its member agencies should collaborate in seeking the answers.





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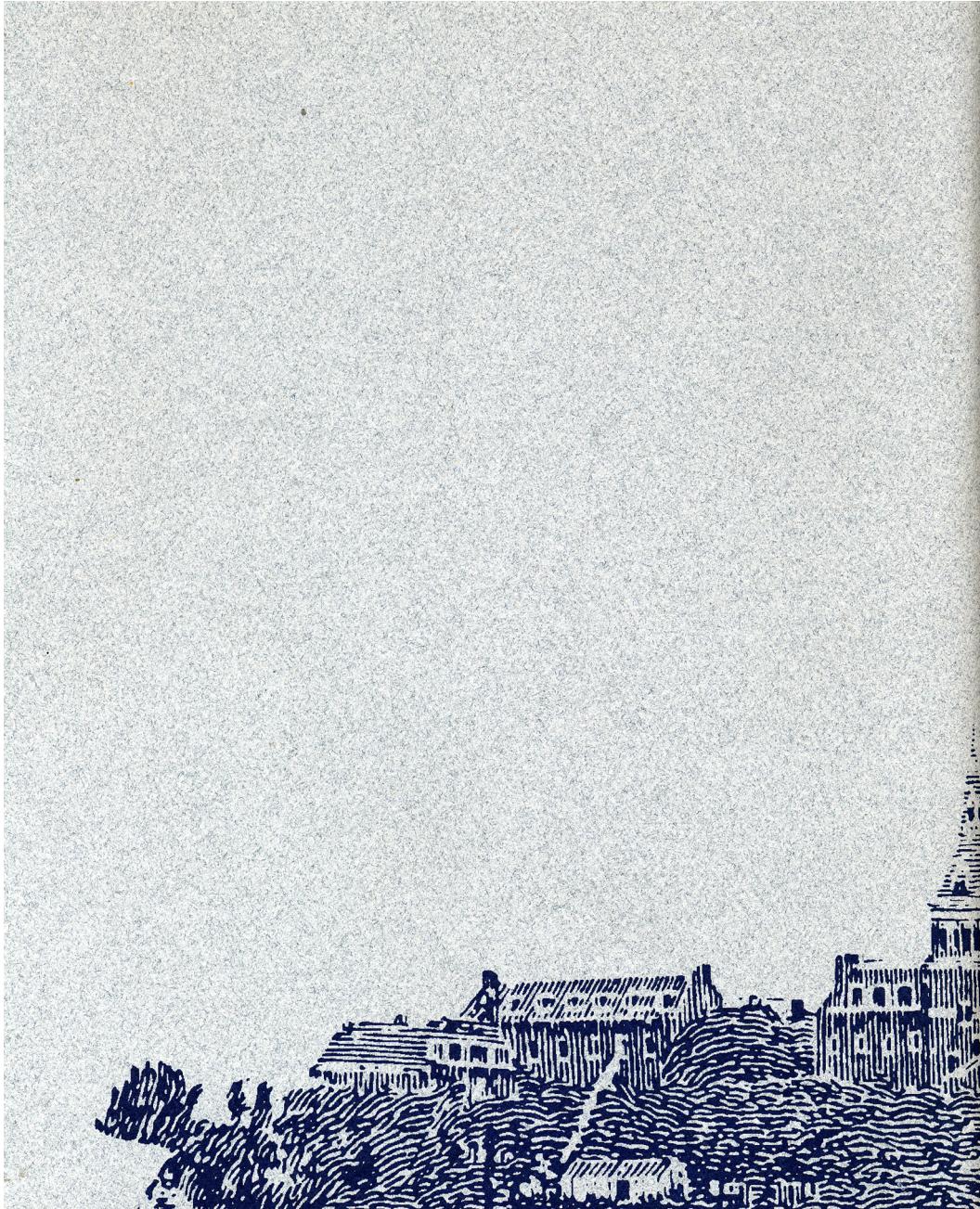
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