DEPARTMENT OF STATE
THE DIRECTOR OF INTELLIGENCE AND RESEARCH
WASHINGTON

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11 January 1972

MEMORANDUM FOR: Mr. Bronson Tweedy
Chairman, NSCIC Working Group

SUBJECT: Items for NSCIC Working Group

Pursuant to our 13 December meeting, the following is submitted for consideration by the NSCIC Working Group in preparing a suggested work program for the NSCIC. Our items are presented under two broad headings: (1) basic tasks of the NSCIC and (2) specific problems for priority attention. Supporting annexes provide additional discussion.

BASIC TASKS OF NSCIC

We suggest that one of the first jobs of the Working Group should be to consider the kinds of basic tasks that might be proposed to the NSCIC and the kinds of data the committee will need in order to address itself to the most important issues and to prepare guidance for the intelligence community.

It seems to us that the NSCIC can most usefully serve as a kind of high court of review where the intelligence community can get a realistic reading of the needs of the policy makers and users of intelligence. In order to function in this capacity, NSCIC will need to have at hand the kinds of data which will enable it to consider issues in the context of the usefulness of the intelligence effort as a whole and deal with fundamental choices in priority of emphasis affecting specific intelligence programs, projects and activities. We propose, therefore, that the Working Group suggest to the NSCIC a set of basic types of information and problems which it should review as groundwork for preparing guidance. It seems to us, for example, the NSCIC will need in due time to review the following in support of its basic tasks:

1. Findings resulting from the DCI's reviews of the needs and performance of the intelligence community, particularly proposals

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for changes in deployment of resources suggested by the Intelligence Resources Advisory Committee.

  2. The intelligence objectives, requirements and priorities established for the entire collection program by the DCI in consultation with the United States Intelligence Board. (As a contribution to an understanding of the requirements process currently in use, appended at Annex A is a description of State Department procedures.)

  3. The consolidated intelligence program budget prepared by the DCI.

  4. The product evaluations and net assessments prepared by the Net Assessments Group with the assistance of the agencies represented on the NSCIC.

  5. Special issues of consequence involving differences of view between intelligence agencies about areas in which collection and analysis appear prima facie to be inadequate, redundant or needlessly overlapping in the light of national policy interests.

  Consistent with the discussion in the first meeting of NSCIC, we also anticipate that the committee will receive a presentation on the major findings of a recent Department of Defense study of tactical intelligence.

SPECIFIC PROBLEMS FOR PRIORITY ATTENTION

  Beyond this basic work program, NSCIC could profitably, in the view of the Department of State, sponsor studies of specific current problems of some magnitude affecting the capability of the intelligence community to satisfy real needs in the foreign policy and national security field.

   a. In a number of cases we have found that in international crises in third-world areas (e.g., Near East, South Asia), State's needs for intelligence to support critical diplomatic activity run ahead of our resources, or at least of the capability to focus resources on specific areas. The Egyptian missile crisis of 1970 is a case in point. We feel strongly the need for

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improved flexible intelligence capabilities for quick-reaction crisis response. This includes particularly the need for a quick-response photographic satellite system to support pre-crisis diplomacy and crisis management, as well as quick-response signals-intercept facilities for local deployment. We believe that consideration of this subject should be at the top of NSCIC's priorities. (See Annex B for additional discussion and recommendation.)

b. We recognize that one important objective of the reorganization is to cut down on unnecessary or duplicative efforts. The USIB community has already undertaken studies of prioritization of intelligence objectives by country and we at State are reviewing our own requirements for information. A broad conceptualization of intelligence objectives and requirements provides a useful standard against which to measure the performance of major intelligence programs. On the other hand, the experience of the India-Pakistan war is a fresh reminder of the pitfalls of simply trying to forecast needs on the basis of present expectations. We believe that a systematic study of ways in which certain intelligence capabilities could be placed on stand-by and quickly restored or augmented to respond to a crisis would enable us more rationally to go about cutting back existing efforts without destroying recovery capability. In this context, the State Department is prepared to draft a list of countries, areas, or topics which -- for a foreseeable period ahead -- warrant very little active attention by intelligence collectors and could be placed on "stand-by" or reduced activity status until further notice if some risk of surprise can be accepted. We believe key decisions on such matters should be reviewed at the national level. (Annex C provides a draft illustration of a source-oriented analysis of requirements which can serve as a basis for selective increases, selective decreases, and stand-by capabilities.)

c. We think it would be very useful to make a national policy level determination on the feasibility and wisdom of making more use of the intelligence capabilities and products of foreign governments in selected cases and areas. We suggest that in the first instance there be a careful compilation of significant intelligence data already being made available by foreign countries, together

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with an assessment of potential further use (taking
account of advantages and disadvantages). In this
process, of course, it will be desirable to consider
cases where divergence of national interests can
cause significant changes in intelligence relationships
and reduce the contributions which foreign countries
make to US intelligence requirements.

d. The NSCIC should ensure that there is a continuing
study of the extent to which advanced systems of
intelligence collection can substitute for collection
by other means, and whether such systems appear to be
cost-effective in comparison with existing alternatives.

e. We think it might be illuminating to the study of
resource allocation if serious attention could be given
to analyzing data on overt, intelligence-related functions
of the Department of State (e.g., Embassy political and
economic reporting, communications, and automatic data
processing) which have not traditionally been viewed as
elements of the intelligence process or budget. While
these are operationally dedicated foreign policy assets,
they directly support the intelligence process and are
indispensable to it. Perhaps a cost-performance analysis
of this overt collection and evaluation activity would
provide some basis for measuring the relative contribution
of other classical "intelligence" programs.

f. Examination of the allocation of effort in various
parts of the government to the collection, and particularly
to the analysis, of economic intelligence on the "free
world" (as distinct from communist areas) might improve
the production of trade and investment oriented reports
available to the economic and commercial staffs in our
Embassies and to private American business interests
abroad.

g. We believe also that the business of defining major
critical intelligence needs of the future could be assisted
by informed efforts to make projections of alternative
world environments of the future -- say for the next
five years. The process of preparing such projections
would involve a close interaction between intelligence
officers and policy makers -- a process which in itself
should help to stimulate and sharpen the expression of
end-user needs for intelligence. Against the alternative
projections we could measure in broad terms our existing
intelligence capabilities and our potential intelligence

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options for the future, consider possible shifts of emphasis, and better prepare for contingency intelligence resources and deployment.

h. Perhaps as a part of improved projections of world environments, special consideration should be given to the impact of policy and political trends on the deployment of intelligence resources overseas. We need to bring into closer relationship all of the factors which affect the size and distribution of our intelligence activities in foreign countries -- budgetary constraints, balance of payments, existing or potential political considerations, and technological developments. The NSCIC Working Group might propose that the NSCIC take the lead in sponsoring a new and far-reaching look at our total world-wide intelligence base structure, identifying more clearly what our priorities are, and trying to come up with orderly and phased adjustments in the overseas profile that would be more compatible with our policy imperatives, technical trends, and the intelligence needs we see ahead of us. (See Annex D for a suggested method of proceeding with a NSCIC study of this subject.)

i. In connection with anticipated NSCIC consideration of product evaluation and product improvement, it may be desirable to seek NSCIC authorization for the Working Group itself to launch a series of specific evaluation projects. We do not propose that the NSCIC Working Group consider at this time a comprehensive across-the-board approach to product evaluation. It seems to us that the evaluation methods need to be specially tailored to the kinds of products being evaluated in particular cases, to the types of production involved, and to the specific end uses served. Specific projects might include, for example:
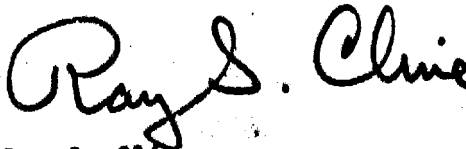
(1) An analysis of the relationship of intelligence to NSSMs, particularly with respect to critical intelligence gaps exposed by the NSSM experience. and ways in which intelligence can be made more responsive to the needs of policy makers in the NSSM process.

(2) An evaluation of intelligence products before, during and since the recent Indo-Pakistani War, giving special attention to (a) lessons for intelligence contingency planning and the need for better stand-by capabilities; and (b) the intelligence

posture which should be planned for the future against South Asia.

(3) An evaluation of the quality and scope of intelligence production in response to the greater significance of financial, commercial and economic factors in the international environment.

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