

THE WHITE HOUSE

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PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD
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THE ROLE OF PFIAB IN AMERICAN INTELLIGENCE

"There is hereby established within the White House Office, Executive Office of the President, the President's Foreign Intelligence Advisory Board." So reads Executive Order 12331, signed by President Reagan on October 20th, 1981, reestablishing an institution which had served five Presidents from Eisenhower to Ford.

The four-year hiatus brought about by President Carter's decision to terminate the Board in 1977 has left a gap in the Intelligence Community's awareness and understanding of what the PFIAB is and what it does. Hopefully, today I can refresh the memories of those who previously knew of PFIAB, as well as provide an introduction to those not as familiar with its history.

The genesis of PFIAB goes back to the first Eisenhower Administration. There were three main factors which contributed to the first Board's creation. First, in 1954, President Eisenhower requested a study of America's technological capabilities to meet its future problems. In particular, the President was concerned with the possibility of a surprise attack by the Soviet Union on the United States. A group called the Technological Capabilities Panel, or TCP, was

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established and chaired by Dr. James Killian, President of MIT. The primary goal of the Panel was to investigate ways of avoiding surprise attack, and to accomplish that goal, they initiated a searching review of weapons and intelligence technology.

The TCP, staffed by over 40 scientists and engineers, after several months of work, presented its report to the President at a meeting of the National Security Council.

A subcommittee of the TCP for intelligence issues, headed by Edwin Land of Polaroid, was responsible for one of the major sections of that report. In part, they stated, in words that are as true today as they were then;

"We must find ways to increase the number of hard facts upon which our intelligence estimates are based, to provide better strategic warning, to minimize surprise on the kind of attack and to reduce the danger of gross overestimation or gross underestimation of the threat."

Among the proposals for improvement made by the TCP's Intelligence Subcommittee was the concept of the U-2 system. The members had learned of the proposed airplane, which, at the time, was the victim of Air Force bureaucratic indifference. They quickly saw the potential for intelligence collection,

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especially when combined with revolutionary photographic abilities envisioned and conceived by Edwin Land. The subsequent contributions of the U-2 to U.S. intelligence need no elaboration for this audience.

The contributions made by the TCP made a great impression on Eisenhower who described its work as "splendid" and "outstanding". The Panel demonstrated to him the advantage of having a group of capable, objective people, with no constituencies to protect within the government, to review issues relating to national security.

The second major factor which contributed to the Board's inception was the establishment in 1955 of a government commission chaired by former President Herbert Hoover to review the operations of the Executive Branch of Government.

Of the several task forces created by the Hoover Commission to carry out its mission, one was chaired by retired General Mark Clark and was requested to study and recommend changes in U.S. intelligence operations.

The Clark Task Force found that while there was "no abuse of power by the CIA or other intelligence agencies," there were inadequacies and weaknesses. The Task Force submitted recommendations to the Hoover Commission, one of which was that the President should create a "small, permanent, bi-partisan commission composed of members of both Houses of Congress and other public-spirited citizens." This commission

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would make periodic surveys of the organization, functions, policies and results of the government agencies handling foreign intelligence operations.

The full Hoover Commission agreed with the Task Force's basic premise of creating a review group, but disagreed with the proposed structure. In the Commission's view, mixed Congressional and citizens committees were useful only when investigating specific problems. There was also a question of how well a President could work with a committee containing Members of Congress. Therefore, the Hoover Commission Report of 1955 recommended that the President appoint "A committee of experienced private citizens, who shall have the responsibilities to examine and report to him periodically on the work of government foreign intelligence activities."

But the Hoover Commission further recommended that the Congress should consider establishing a Joint Committee on Foreign Intelligence, along the lines of the Joint Committee on Atomic Energy.

Which brings us around to the third major element involved in the creation of the PFIAB. On the heels of the Hoover Commission Report, there were steps afoot in Congress to establish an intelligence oversight committee. The prospect of a Congressional committee making formal investigations into intelligence activities was not at all appealing to President Eisenhower, and he was not the only one unhappy

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with the idea: then-DCI Allen Dulles was said to be aghast at the thought of a Congressional committee poking into his business.

Aware of the value of outside advice, armed with a formal recommendation from the Hoover Commission and anxious to preclude Congressional involvement in intelligence activities, President Eisenhower announced on January 13, 1956, that he was creating a new group to be first known as the Board of Consultants on Foreign Intelligence Activities, and in a few years to be rechristened the President's Foreign Intelligence Advisory Board. In a stroke, the President had institutionalized the kind of advice he had received from the Technological Capabilities Panel and he had protected himself from Congress.

Members of this new Board were to be appointed "from among persons of ability, experience and knowledge of matters relating to the national defense." Eisenhower named eight people to the Board, with James Killian appointed Chairman.

The President was genuinely concerned with the weaknesses in the intelligence system, and he saw the Board as a means to bring about improvements. An early message captures the flavor of Eisenhower's interest:

"While the review by your group would be concerned with all Government foreign intelligence activities, I would expect particular detailed attention to be

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concentrated on the work of the Central Intelligence Agency and those intelligence elements of key importance in other departments and agencies. I am particularly anxious to obtain your views as to the overall progress that is being made, the quality of training and personnel, security, progress in research, effectiveness of specific projects and the handling of funds, and general competence in carrying out assigned intelligence tasks."

President Kennedy allowed the Board to remain inactive for the first four months of his new Administration, in fact believing candidly that it was a "bureaucratic obstruction to a vigorous, activist foreign policy."

Then, in April of 1961, came the Bay of Pigs debacle, a severe wound to the young President and his young Administration. Soon after the failed invasion, Kennedy summoned Clark Clifford to the Oval Office. In a recent conversation, Clifford recalled that he had never seen Kennedy look so blue, so dejected. After bidding Clifford to sit down, the President got right to the point: Kennedy said, "I made an erroneous decision, based on mistaken facts, due to faulty intelligence." Pausing for a moment, the President looked at Clifford and said, "I think I could not survive another disaster like this."

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Distressed over the breakdown of the system in the Bay of Pigs incident, President Kennedy decided to reconstitute the Board which he had only so recently eschewed as an obstruction.

Kennedy christened the old Eisenhower Board with its present name, and two years later, when Killian resigned for health reasons, Kennedy named Clark Clifford as Chairman.

In the aftermath of such a major debacle, Kennedy felt there was a crying need for an overall investigation of this country's foreign intelligence activities. He wanted suggestions for improving and reforming the Intelligence Community. The PFIAB was to be one of his main instruments for change, and Kennedy made it known that anything the Board wanted, they should have. This was as a result of the Board's experiencing problems in getting information it needed due to CIA recalcitrance.

PFIAB undertook a number of activities during Kennedy's tenure. Over 53 recommendations were forwarded to him on such issues as the reorganization of defense intelligence, development of new photographic reconnaissance capabilities, the application of science and technology to intelligence, and tighter policy coordination for covert action programs. But in Clark Clifford's opinion, PFIAB's greatest impact was not so much in its specific recommendations, but in serving notice to the Intelligence Community that the President

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would be told on a regular basis just exactly what was going on in intelligence. As a result, a greater effort was made, more thought was given to various programs, and the whole intelligence product was improved.

When Lyndon Johnson became President he decided to keep the PFIAB intact and functioning with its same membership.

The Johnson Board submitted 16 composite recommendations ranging from problems of intelligence collection and analysis in Southeast Asia, management of satellite reconnaissance systems, and the development of sophisticated data storage and retrieval systems.

Then another election and another President. Half the members of Nixon's first PFIAB had served previously on Eisenhower - Kennedy - Johnson Boards, reflecting the value which was placed on continuity and bipartisanship. Maxwell Taylor served as Chairman until 1970 when he was replaced by Admiral George Anderson, Former Chief of Naval Operations.

One of the most important developments in the Nixon era was a request by the President for the Board to make an annual assessment of the Soviet and Chinese strategic threats. Mark this request, because it was to have a profound effect on PFIAB at a later date.

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Nixon's request was precipitated by the debate then underway over the proposed deployment of the Safeguard Anti-Ballistic Missile System. PFIAB commenced an exhaustive study of the strategic situation, utilizing all the raw data available within the Intelligence Community, and delivered its report to the President in late 1969.

On several occasions, at Nixon's direction, the Board served as an ad hoc investigative unit for important issues, including a study of the use of Cambodian seaports to supply North Vietnam, a review of the controversy surrounding Chile, and a report describing how to maintain a Naval capability second to none.

When Gerald Ford became President, he initially retained the Board as it existed at the time of President Nixon's resignation. But, following Watergate, the Intelligence Community began its own long nightmare of press exposes, committees, hearings and commissions to deal with allegations of misbehavior and abuse of power.

Therefore, President Ford created a new group, a three-man Intelligence Oversight Board (IOB) whose job it would be to review intelligence issues for questions of legality and propriety. They would make sure that further misbehavior would be brought to the President's attention.

In a further effort to strengthen U.S. intelligence, President Ford announced on March 9, 1976, that he was

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expanding the membership of PFIAB to 16 people and named Board member Leo Cherne as Chairman. Mr. Cherne was also appointed to be a member of the IOB, Chaired by Ambassador Robert Murphy.

In announcing the changes to the PFIAB, President Ford stated:

"By strengthening the Board as I have done today, and by giving the Board my full personal support, I fully anticipate that the Foreign Intelligence Advisory Board will continue its indispensable role in advising me on the effectiveness of our foreign intelligence efforts."

Those were not just idle words. In a dramatic illustration of the President's valuation of PFIAB, he ordered his staff to immediately notify the Board Chairman whenever there were important developments or emergencies related to intelligence.

I think it's worth noting that one of the people named to the expanded Board was William Casey. Bill Casey is the first DCI who was previously a member of the PFIAB. His tenure on the Board was a case study in the kinds of contributions that PFIAB members make. He joined the Board at a time when it had become active in focusing increased attention on the need for improved economic intelligence.

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Bill picked up those issues and helped to carry them to a new level of importance within the Intelligence Community. The result of his work did, in fact, codify all the main thrusts required for sharply improved and better structured economic intelligence. One of the immediate outgrowths of those efforts was the establishment of a sub-Cabinet mechanism, the Economic Policy Board chaired by Secretary of the Treasury Bill Simon, to provide regular and continuing exchanges between economic intelligence producers and users.

PFIAB has had some interesting and remarkable achievements in each of the Administrations with which it has been associated. But it was during the Ford Administration that the Board became involved in what was perhaps the most contentious issue in its twenty-year history. That issue was the proposed competitive analysis for national estimates, better known as the A Team - B Team Study.

As I've noted, at the request of the President, PFIAB had been making annual assessments of the Soviet threat since 1969. Over the years, the Board had been troubled at the degree of divergence between its own analysis and that which was contained in the National Intelligence Estimate. The Board was concerned that in order to produce the NIE, differences were blurred to achieve a consensus. This resulted in a "euphoric expectation" of Soviet behavior not warranted by the facts. The PFIAB agreed that the short-term estimates

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-- for one year or two years -- were supported by the facts, but for the longer term, the NIE results were overly reassuring. To redress those weaknesses, the Board pressed for several years for improvements and corrections in the estimates process. Finally in August, 1975, PFIAB Chairman George Anderson wrote a letter to President Ford proposing that Ford direct the National Security Council to authorize a "competitive analysis" of the intelligence on Soviet intentions and capabilities. The idea was to establish a separate team of analysts, expose them to the same data and information that CIA analysts received, and then allow them to reach their own conclusions.

Then-DCI William Colby strongly resisted the PFIAB suggestion, arguing that reformed procedures for drafting NIEs at the Agency would answer the Board's concerns. At the time, President Ford agreed with the DCI. PFIAB then suggested an alternative: choose two or three issues and perform a ten-year retroactive review to see how accurate previous estimates had been. That proposal was agreed to, and the Agency commissioned the requisite study. The results were most disturbing. The track record study was so condemnatory of the performance of the Community over a period of ten years on the three issues which had been selected, that clearly something had to be done.

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The Board renewed its call for a competitive analysis in April of 1976, when George Bush was serving as DCI. Faced with the results of the track record study, Bush agreed with PFIAB that a competitive analysis should be performed.

Once their idea had been accepted, the Board withdrew and allowed the CIA to manage the entire process, including the selection of outside analysts. The regular NIE drafting process was already underway, and the Intelligence Community analysts working on the NIE became known as the "A Team." The competing group of outsiders was dubbed "B Team." It was composed of the following: Professor Richard Pipes of Harvard, who headed the group; General Daniel Graham, former Director, DIA; General John Vogt, former Director of the Joint Staff; William Van Cleave, former SALT Delegation member; Thomas Wolfe, RAND Corporation analyst; General Jasper Welch, USAF; Paul Wolfowitz of the Arms Control and Disarmament Agency; Ambassador Seymour Weiss of the State Department; and Paul Nitze, a veteran of government service. This distinguished group produced a very strong critique of the failures of U.S. intelligence to predict and analyze the scope of the Soviet strategic developments.

When both Teams had completed their reports, they appeared before PFIAB to argue their respective positions. Through that interaction, it became clear that the A Team had given certain factors inadequate weight. The B Team clearly

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demonstrated that the Intelligence Community had failed to predict the scope of Soviet strategic deployments in the 1960s and early 1970s. Many of the B Team's views were subsequently reflected in the NIEs which were produced after the debate.

The A Team - B Team experiment was a major accomplishment for the PFIAB. It is, therefore, most ironic that the issue which gave the Board one of its greatest successes also sowed the seeds for its own destruction.

Now, it is important to remember the timing: while the A Team - B Team debate was underway, we were in the middle of the 1976 Presidential election which resulted in a new Administration taking office. The new NIE, which incorporated many of the conclusions drawn by the B Team, was presented to the United States Intelligence Board (USIB) for review in late December. Unfortunately, within a few days, information about the NIE and the A Team - B Team story leaked to the press. The leak, the source of which was never uncovered, provoked a great deal of publicity, some of it very unfavorable, about the recent competitive analysis.

Within the new Carter Administration, there were several forces hostile to the Board, and the publicity PFIAB received from the estimates story only served to aggravate things. Against arguments from the Board, as well as from other supporters within the Administration, President Carter decided to terminate PFIAB.

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PFIAB was gone, but not forgotten. During the Carter Administration, an amendment was introduced in the Senate by Malcolm Wallop, which would have created an Intelligence Advisory Board composed of members appointed by the President and the Congress. Additionally, the Association of Former Intelligence Officers adopted a resolution at their 1980 convention calling on the President to reestablish PFIAB.

It's interesting to note that even after abolishing PFIAB, President Carter, on at least one occasion, felt compelled to employ a PFIAB-like mechanism for intelligence review. With respect to the Soviet brigade in Cuba, Mr. Carter convened a group of 18 or 20 people for a day to evaluate the situation, a role which PFIAB could have assumed had it still been in existence.

A key milestone in the rebirth of PFIAB was the 1980 Republican Party Platform, drafted at the National Convention, which included a plank pledging to "reestablish the President's Foreign Intelligence Advisory Board, abolished by the Carter Administration, as a permanent, non-partisan body of distinguished Americans to perform a constant audit of national intelligence research and performance."

On assuming the Presidency, Ronald Reagan redeemed that pledge, announcing almost exactly one year ago today the restoration of PFIAB.

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I have provided this historical overview in order to give you some understanding about the various contexts in which PFIAB has operated. But explaining all those events still does not really address the question of why PFIAB exists. Why, with all of the committees, panels, groups and boards within the Intelligence Community, does there need to be a PFIAB? The short answer is because the Board has value -- value first and foremost to the President. One President called it the most important Board in Washington. And as a result of serving the President, there is value to the Intelligence Community and value to the public.

The Board exists because Presidents have found that they need a continuing source of outside advice on foreign intelligence which is provided to them by men and women of experience and integrity in whom they can have complete trust. PFIAB is the President's Board, serving solely at his discretion. It is not involved in the day-to-day operations of intelligence, nor is it immersed in the conflicts, differences and rivalries which are an inescapable by-product of any huge organization.

The Board members, many of whom were former intelligence consumers in their own careers, are free to make independent judgments as to whether the intelligence needs of the President are being served.

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Since the PFIAB is not confronted with the relentless operating pressures facing the regular intelligence bureaucracy, it has the time to consider broader questions and issues. In effect, the Board has the opportunity to "see the forest and the trees."

PFIAB's greatest strength lies in the knowledge, capabilities, and judgment of its membership. The Executive Order reestablishing the Board calls for members to be appointed "from among trustworthy and distinguished citizens outside the Government who are qualified on the basis of achievement, experience and independence." Indeed, the names of PFIAB members constitute a veritable "Who's Who" in American government, business and academia. Besides those whose names have already been mentioned, other PFIAB members, past and present, include Robert Lovett, Joseph Kennedy, Nelson Rockefeller, George Shultz, Edward Teller, James Doolittle, Gordon Gray, Edward Bennett Williams, William Baker, Clare Boothe Luce, Frank Borman, and John Connally.

However, to be frank, in the past the Intelligence Community, in general, and the DCI, in particular, have viewed the PFIAB with some trepidation. Perhaps it's best expressed as a resentment of having someone looking over your shoulder. Moreover, by the very fact of its existence, the Board imposes an enormous discipline on the Intelligence Community. But I don't view this situation as harmful. PFIAB can be likened to a doctor's medicine: You don't have to like the taste to know that it's doing you some good.

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Bill Casey made some very appropriate remarks in one of his first speeches as DCI:

.....the time has come to recognize that the Intelligence Community has no monopoly on truth, on insight, on initiative in foreseeing what will be relevant to policy.

In serving the President, the Board also serves the Community. If the President, because of PFIAB's reports and recommendations, is more confident about the Intelligence Community, then the Community and their product will have a higher value in the councils of government.

In general, the CIA and other components of our intelligence apparatus have performed a magnificent job in effectively serving the needs of our leaders and policymakers. But from time to time, there have been instances where, because of its expertise and full access to information, the Board has been able to make recommendations to the President that were not forthcoming from the Intelligence Community. Usually the effect of those recommendations has been to strengthen and improve this nation's intelligence capabilities.

Finally, the Board has value to the public at large by providing reassurance that there is a group of experienced, independent outsiders reviewing the intelligence process. One of the key elements in our system of government, the one we have all learned in our grade school civics classes, is the

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idea of checks and balances. By necessity, intelligence work is exempt from the traditional mechanisms by which we limit power in this country. But those exigencies have not placed intelligence so far outside normal channels that no controls are possible. PFIAB fills the need as one of the checks by reviewing intelligence activities and keeping the President informed.

For all of these reasons, Presidents, past and present, have valued the PFIAB. Each President has viewed the Board differently and utilized it in different ways. The Board has served at the very least to give the President an opportunity to ask for another opinion, to discuss issues that concern him with people willing to tell a President of the United States things that others might not be able or not want to say. There is no substitution for such advice.

Over the years PFIAB has not sought attention or publicity for its activities. Most public mention has concerned the bare facts of executive orders establishing the various Boards and announcements of the memberships. Beyond the knowledge that the Board exists, there has thus been little information about PFIAB's goals, accomplishments and effects of its advice. I would like to lift the curtain.

In the abstract, PFIAB's goals are as follows:

1. To identify deficiencies in collection, analysis and reporting of intelligence.

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2. To eliminate duplication and waste.
3. To insure that major programs are responsive to clearly perceived needs.
4. To develop up-to-date technological expertise.
5. To examine allegations of intelligence failures or major breaches in U.S. intelligence security.

When advice to the President has been rendered and accepted, its effects have at times been:

1. To influence the composition of the intelligence community.
2. To improve the development of major intelligence systems.
3. To determine the degree of emphasis given to substantive areas.

In its twenty-plus year history, PFIAB has made over 200 specific recommendations to Presidents concerning almost every aspect of U.S. intelligence. One would be hard-pressed to think of a major issue in that time that at some point had not received the Board's imprint.

To give you an idea of some of the specific PFIAB accomplishments other than those previously discussed, I would like to review a few of the more notable cases the Board has dealt with.

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Despite its many successes, PFIAB, like any other organization, has its shortcomings and has had its share of critics. Perhaps many of you in the audience before today were more familiar with the criticisms than with the positive accomplishments.

As I have mentioned, many of the past DCIs have not been happy with the Board. Until the advent of Congressional oversight committees, we were viewed as a lesser of two evils. Those attitudes undoubtedly had an impact on how the rest of the Community saw the Board.

Outside critics have accused the Board of being an ineffective watchdog, a role to which the Board never aspired and a role which it was never intended to fulfill. The IOB has been responsible for watchdogging the Community since its inception in 1976.

The Board has also been criticized for being composed of part-timers who are not intelligence experts or specialists. But what that particular criticism calls a weakness is, in fact, one of PFIAB's great strengths. As I have mentioned, the Board is composed of people outside the government with no stake in the system other than to serve the President. If the Board was full-time or had closer connection with the Intelligence Community, that would only compromise the objectivity necessary to the performance of its role. And as

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far as the question of expertise is concerned, just try to argue about weapons systems with Dr. John Foster, or telecommunications with Dr. William Baker, or law with Leon Jaworski, Esquire!

Admittedly, given that the positions are part-time and filled with people who are very busy with their own lives, the Board will only be as effective as the time and effort that the members put into it. But based on the past record of success, more than sufficient effort has been devoted to the Board's work.

Four years is a very long time. A great deal of the institutional memory and continuity of PFIAB was irreparably lost when the Board was abolished. Because of the time gap, this Board has had a lot of obstacles to overcome in making up lost ground--everything from comparatively minor problems such as regaining our secure conference room to important ones such as reearning our spurs of credibility with members of the Intelligence Community.

As has been the case with previous PFIABs, we are charged, in the words of the Reagan Executive Order, with assessing "the quality, quantity, and adequacy of intelligence collection, of analysis and estimates, of counterintelligence, and other intelligence activities."

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To carry out that mission, we have assembled the largest membership in the Board's history. Currently, PFIAB has 19 members and is broken down into six functional task forces. They are: Analytical and Political; Counterintelligence, Human and Covert; Economic and Natural Resources; Organization, Management and Personnel; Strategic and Military; and Science, Technology and Communications. Topics for consideration are assigned to these task forces for background work and then their reports are submitted to the full Board.

PFIAB has a very small staff made up of four professionals and two support personnel with offices in the Old Executive Office Building. The staff serves to provide research and other back up to the task forces and full Board, as well as handling various administrative tasks. In addition, we are able to hire outside consultants as the needs arise.

The issues we deal with can be raised by the President, of course, individual Board members and the staff, the National Security Advisor, and also by the DCI and others from within the Intelligence Community.

We employ a variety of means to deal with the issues that are raised. There are meetings with intelligence officials and other senior government officers, substantive briefings from experts, both inside and outside the Community; visits to installations; "fact-finding" trips, both at home and abroad; and, of course, employment of the considerable skills, backgrounds and knowledge possessed by our members.

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The Board makes a semi-annual report to the President, as required by Executive Order, dealing with the various issues we have had under consideration. In addition, we report periodically on issues of special concern.

President Reagan has been most interested in our work, and our record of meetings with him would bear that out. The full Board has met with him twice in the past 10 months and the Vice-Chairman and myself have met with the President on several occasions.

Event though we have only been back in business for a short time, this Board has been actively involved in a number of topics.

I strongly believe that the role of intelligence has become more important today than ever before. The United States faces a number of challenges to its security and well-being, from the financial problems of Third World economies to the hard target kill capabilities of Soviet reentry vehicles. As the challenges have grown and as the dangers have proliferated, the margins for error which we enjoyed in the past have been concomitantly reduced. How well the U.S. addresses these challenges and dangers will depend in large part on the strength and vitality of our intelligence capabilities.

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Since President Reagan has taken office, he has supported and worked for a number of measures to upgrade and improve American intelligence, including the passage of "Gray-mail" legislation, the "identities law" and the recent Foreign Missions Act. I count the reestablishment of a strong, capable Foreign Intelligence Advisory Board as another one of the important steps the President has taken to vitalize America's intelligence efforts.

I'm proud of the accomplishments that PFIAB has achieved in the past, and I'm confident that we can make a valuable contribution in the future.