

## Intelligence Reform, 2001–2009: *Requiescat in Pace?*

Patrick C. Neary

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*With the passage of time  
and hard-earned  
perspective, perhaps real  
change is now possible.*  
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*History repeats itself, first as  
tragedy, second as farce.*

—Karl Marx

On 26 July 1947, President Harry S. Truman signed into law the National Security Act, which served as the organizational basis for the US conduct of the Cold War. The intelligence provisions of that bill (creating the CIA and the Director of Central Intelligence [DCI]) were tied to events six years earlier, namely 7 December 1941. That infamous date did provoke some immediate change in our intelligence operations in the Second World War. More importantly, it provided the spark that developed into a white-hot flame for change after the war. As a result, the United States redoubled its commitment to conducting intelligence activities during peacetime—and did so just in time to prepare for the Cold War. This article suggests that once again a national intelligence failure—9/11—has engendered a lukewarm version of intelligence reform that has since its inception virtually run its course. With the passage of time and hard-earned

perspective, perhaps real change is now possible.

The analogy to Pearl Harbor and the 1947 act is imperfect.<sup>1</sup> While the events of 11 September 2001 were emotionally jolting—and the intelligence failure equally shocking—the country did not face an existential threat that reordered the daily lives of millions of citizens. The 9/11 and WMD Commission reports made well-documented arguments for fundamental changes in the scope, authorities, organization, and activities of the US Intelligence Community. While the community has improved in response to the call for intelligence reform, it remains fundamentally unreformed. Three conditions conspired to thwart reform: conflicting motivations in those considering it; environmental challenges at initiation; and failures of leadership. Understanding these factors and seeing where gains have been made suggest that real

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<sup>1</sup> See Dr. Michael Warner's extensive comparison, "Legal Echoes: The National Security Act of 1947 and the Intelligence Reform and Terrorism Prevention Act of 2004," in the *Stanford Law & Policy Review*, Vol. XX.

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*All statements of fact, opinion, or analysis expressed in this article are those of the authors. Nothing in the article should be construed as asserting or implying US government endorsement of an article's factual statements and interpretations.*

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change might still occur, but only if some difficult choices are made while opportunities exist to make them.

### ***Orthogonal Motives***

The Intelligence Community is first and foremost a creature of the executive branch, so then-President George W. Bush's moderate support for intelligence reform set an important precedent.<sup>2</sup> The 9/11 Commission clearly favored structural changes toward greater centralization of the community. The president agreed that some change was needed, but he remained concerned that the community must not be broken in the attempt to improve it. The effect was to set whatever came out of the 9/11 Commission—and later the WMD Commission—as a ceiling for intelligence reform.

If the executive branch appeared ambivalent to intelligence reform, the legislative branch was of two minds. In the

Senate, the enacting legislation fell to the Governmental Affairs Committee, under Senators Susan Collins (R-ME) and Joe Lieberman (D-CT). The Senate came fairly early to the bipartisan conclusion that the community required a strong, central, and independent leader, distinct from the CIA director. While discussion of a "Department of Intelligence" never jelled, the Senate was prepared to give a new director of national intelligence (DNI) substantially greater authority over intelligence resources and capabilities. In the House, Rep. Duncan Hunter (R-CA), leader of the House Armed Services Committee, and others led an impassioned effort to rein in reform lest it imperil intelligence support "to the war-fighter." He appeared to be advocating for Secretary of Defense Donald Rumsfeld, who stood to lose some of the Defense Department's (DOD's) traditional prerogatives in managing intelligence support for the military if reform resulted in an empowered DNI.<sup>3</sup>

As is so often the case, the resulting Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004 was a compro-

mise. The new DNI was separate from the CIA, had more budgetary authority than the DCI, and greater discretion with respect to community policy. However, the IRTPA also included language (section 1018 on presidential guidelines and "preservation of authorities" [see graphic on next page]) that effectively checked the DNI's power to affect existing departments. This challenging compromise was exacerbated by the later behavior of the two chambers of Congress. The Senate acted as if the DNI was a departmental secretary, while the House acted as if all that had changed was a single letter (DCI to DNI). Attempts to satisfy one perspective were sure to annoy the other.

The community approached the notion of reform from another direction: cognitive dissonance. While a minority clamored for fundamental change, many professionals looked at the reform brouhaha with detached bemusement, believing reform would result in no meaningful change.<sup>4</sup> There was ample historical evidence for this view: the community had been the subject of 14 studies in its first 60 years, with the vast majority resulting in little substantial change.<sup>5</sup> One striking example:

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<sup>2</sup> For a detailed description of both the White House and Congressional run-up to Intelligence Reform and Terrorism Prevention Act, see Laurie West Van Hook, "Reforming Intelligence: the Passage of the Intelligence Reform and Terrorism Prevention Act," National Intelligence University. Also, in this issue see Deborah Barger's Oral History account of the congressional deliberations leading up to the IRTPA.

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<sup>3</sup> Rumsfeld stated, "There may be ways we can strengthen intelligence, but centralization is most certainly not one of them." Van Hook, 5.

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<sup>4</sup> See Deborah Barger, *Toward a Revolution in Intelligence Affairs* (Los Angeles, CA: RAND Corporation, June 2004).

<sup>5</sup> Michael Warner and J. Kenneth McDonald, *US Intelligence Community Reform Studies Since 1947* (Washington, DC: Center for the Study of Intelligence, April 2005).

as early as 1949, with the ink on the National Security Act of 1947 barely dry, the Dulles-Jackson-Correa report found that the DCI could not effectively manage both the CIA and the fledgling community. Sweeping remedies to this weakness—suggested in study after study—took 57 years to appear.

The widespread view among intelligence professionals that reform was more apparent than real was also fed by the defensive psychological crouch the community took after the WMD Commission report. The commission reported to the president on 31 March 2005, as the ODNI was standing up. It called the community's performance "one of the most public—and most damaging—intelligence failures in recent American history."<sup>6</sup> Commission findings cited "an almost perfect record of resisting external recommendations" and found that the National Ground Intelligence Center, DIA's Defense HUMINT Service, and CIA's Weapons Intelligence, Non-Proliferation, and Arms Control Center performed so poorly in their core mission areas that they should be "reconstituted, substantially reorganized, or made subject to detailed oversight." This finding, too, was resisted. Some intelligence professionals felt that the growing unpopularity of the Iraq war

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<sup>6</sup> Report to the President of the United States, The Commission on the Intelligence Capabilities of the United States Regarding Weapons of Mass Destruction.

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somehow exonerated collective failure: it was a bad policy, after all, and not our fault.<sup>7</sup>

The net effect of presidential ambivalence, congressional disagreement, and community dissonance was to weaken the structural basis for intelligence reform. While both the 9/11 and WMD Commissions called for fundamental reform, the IRTPA did not lay out the statutory structure to enable it. Reform would not occur by legislative or executive fiat; the new DNI would have to drive it.

### ***Environmental Challenges***

Newborn babies are cute but defenseless; newborn organizations are just defenseless. The notion that the DNI and his new Office of the DNI could drive intelligence reform was flawed. The ODNI faced significant departmental resistance, antagonism from community elements, and a self-inflicted wound in choosing where to consolidate.

Fifteen of the community's 16 elements reside in six different executive branch departments: Defense (DIA, NSA, NGA,

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<sup>7</sup> In the interest of full disclosure, the author takes some personal responsibility. As research director of the DIA/DI in the years leading up to these failures, I ask myself if I could have done something more or different to have avoided them.

NRO, and the intelligence components of the Army, Navy, Air Force, and Marine Corps), Justice (elements of FBI and DEA), Homeland Security (I&A, Coast Guard intelligence), State (INR), Energy (IN), and Treasury (OIA). Defense and Justice proved to be the most resistant to DNI inroads into what they saw as their secretary's statutory authorities. Here the aforementioned section 1018 language came into play: it stipulated that in implementing the IRTPA, the president would issue no guidelines that "abrogate the statutory responsibilities of the heads of the departments" and that the DNI's responsibilities would be consistent with section 1018.

Seemingly innocuous, this provision created the potential for agencies to stall ODNI initiatives—save those related to the National Intelligence Program (NIP)—by asserting the activity impinged on their secretary's prerogatives and thus they would not participate in the process in question. This prompted legal reviews by lawyers of various agencies and departments. The situation was ameliorated by President Bush's July 2008 revision of Executive Order 12333, effectively making cabinet secretaries the *only* individuals who could invoke the charge of abrogation. Nearly three years

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passed before the White House effected this policy, however.

The one community element that did not have cover from IRTPA section 1018 was the CIA. However, some CIA lawyers asserted that the Agency did not work for the DNI, since the DNI did not have day-to-day operational oversight as a cabinet secretary has over a department. The original language of the 1947 National Security Act stated that there is “under the National Security Council a Central Intelligence Agency,” establishing the CIA’s status as an independent organization.<sup>8</sup> By the end of the IRTPA and preceding amendments, this phrase simply stated, “There is a Central Intelligence Agency,” with the DNI as the “head of the intelligence community.”<sup>9</sup> Nevertheless, the assertion of CIA independence developed into Agency gospel: after many community presentations, CIA personnel would dutifully come up to me and privately correct me for suggesting the CIA did work for the DNI.

The IRTPA states the CIA director “shall report to the DNI regarding the activities of

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<sup>8</sup> Section 102(a) of the National Security Act of 1947, as displayed in *The CIA under Harry Truman* (Washington, DC: CIA, Center for the Study of Intelligence, 1994).

<sup>9</sup> Sections 104(a) and 102(a)(2)(B) of the IRTPA respectively.

the CIA,” and the Congressional Record clearly supports the subordination of the CIA director and the CIA to the DNI.<sup>10</sup> If the CIA director does not work for the DNI, for whom does he work? All this was in full view in February 2009, when DCIA nominee Leon Panetta attempted several circumlocutions at his confirmation hearing until pinned by a persistent Sen. Christopher Bond (R-MO) into admitting, “the DNI is my boss.”<sup>11</sup> The question persists: Who is in charge?

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<sup>10</sup> Section 104(b) of the IRTPA; see the dialogue between Senators Collins and Lieberman, Congressional Record Volume 150, December 8th, 2004, No. 139, S11969-11970.

The last factor minimizing the DNI’s early performance at pushing reform was the unfortunate decision to consolidate many of the various ODNI elements at the newly-built Defense Intelligence Analysis Center (DIAC) expansion building at Bolling Air Force Base. Normally, location is not a transcendent issue, but in this case it carried significant baggage. The proximate cause was IRTPA language prohibiting the ODNI from being co-located with the headquarters of any other community element. This unusual provision was due to opinion in the community and in Congress that the old Community Manage-

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<sup>11</sup> “Panetta Promises a Break with the Past at his CIA Confirmation hearing,” Tim Starks, CQ.com, 5 February 2009.

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<b>SEC. 1018. PRESIDENTIAL GUIDELINES ON IMPLEMENTATION AND PRESERVATION OF AUTHORITIES.</b>	
The President shall issue guidelines to ensure the effective implementation and execution within the executive branch of the authorities granted to the Director of National Intelligence by this title and the amendments made by this title, in a manner that respects and does not abrogate the statutory responsibilities of the heads of the departments of the United States Government concerning such departments, including, but not limited to:	
(1) the authority of the Director of the Office of Management and Budget; and	
(2) the authority of the principal officers of the executive departments as heads of their respective departments, including, but not limited to, under—	
(A) section 199 of the Revised Statutes (22 U.S.C. 2651);	
(B) title II of the Department of Energy Organization Act (42 U.S.C. 7131 et seq.);	
(C) the State Department Basic Authorities Act of 1956;	
(D) section 102(a) of the Homeland Security Act of 2002 (6 U.S.C. 112(a)); and	
(E) sections 301 of title 5, 113(b) and 162(b) of title 10, 503 of title 28, and 301(b) of title 31, United States Code.	

ment Staff (CMS) was just an extension of the CIA. The restriction intended to prevent the ODNI from the same fate. Unfortunately, the provision also had a short deadline, which forced the DNI to choose among a series of unfavorable, temporary alternatives. The result was a full-scale move from CIA's Langley campus to Bolling Air Force Base (in the District of Columbia) for two years, followed by a move back to Northern Virginia.

In Washington, life revolves around traffic. Job satisfaction, titles, pay, and promotion are all aspects of selecting where you work, but the commute dominates. Long-time CIA employees serving rotational assignments with the CMS (and now ODNI) were not going to commute to Bolling, situated across two bridges in an isolated part of the District. As ODNI was just starting, it suddenly lost at least 10 percent of its staff, disrupting routine operations. On top of this was the change in basic infrastructure (IT, etc.), which made even simple activities hard. Having discomfited DIA for two years, ODNI then returned to Virginia. Now the DIA employees who had flocked up to backfill ODNI vacancies faced multi-hour commutes across the Wilson Bridge. While the losses did not reach the 10-percent level this time, they were substantial and were again accompanied by routine operational dislocation due to infra-

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structure changes. The locational merry-go-round ensured the staff never found its feet.

A high-performing staff with good morale and stable infrastructure would have been severely challenged by the combined effects of departmental resistance and agency antipathy. The new ODNI struggled to support the new community leadership in the mission of intelligence reform. The final piece of the puzzle was the inability of community leaders to lead the staff to organizational maturity and mission success.

### ***Leadership's Lost Opportunities***

The weakness inherent in the original intentions and the unfriendly environment would have required a superb leader to overcome. The initial DNI leadership teams comprised strong leaders with solid credentials, yet they were unable to surmount the obstacles they faced. It began with an inability to clearly articulate the ODNI's mission and later was compounded by simple mistakes in structure and accountability. Rather than the engine of change, the ODNI became the fulcrum of competing notions of reform, devolving to something larger but only a lit-

tle better than the CMS it replaced.

For 60 years, the community had one form of management—the DCI with (eventually) a CMS—and that model failed to integrate the community. The burden fell to the DNI to define a new model. The lack of a clearly defined ODNI mission and, by association, the management model to integrate the community was the single biggest impediment to reform. Given the uncertainty over legislative intent and the active resistance of departments and community elements alike, it is easy to see why any DNI might shy away from authoritative assertions. The first DNI, Ambassador John Negroponte, did a remarkable job—using the management skills of Ambassador Pat Kennedy—of starting up the ODNI. Director Michael McConnell had a very successful intelligence career and recent business experience to call upon; his focus on actions and timelines was the community's introduction to strategic planning. Yet neither leader clearly articulated how the ODNI might differ from its CMS predecessor.<sup>12</sup>

A new organization lacking strong culture or mission will self-organize around existing structures and personalities. The CMS structure included a powerful budgeting element

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dedicated to building the then-National Foreign Intelligence Program (NFIP) out of the various component programs. The key was to ensure the agencies programmed enough resources to pay for the capabilities required, that the books closed, and that the NFIP could be justified as a coherent whole with some appropriate “chapeau” text. The component program managers were given great leeway to determine what they needed and when; the DCI worked the margins and settled disputes. The CMS also contained elements dedicated to managing the functions of analysis and collection. In most cases, these elements took a hands-off approach, giving the members of each subcommunity great autonomy with a veneer of oversight. The exceptions (for example, when Charlie Allen was ADCI/Collection) were often personality-based, proving the rule.

The CMS structure, upon which the ODNI was built, was not neutral with respect to the community management mis-

sion: it developed under a DCI construct and was optimized for coordinating the community to work together *when the community chose to do so*. It was not designed to, nor did it prove capable of, integrating the community absent that volition. Yet this structure remains the base structure of the ODNI today (see graphic below). The current ODNI structure can create staff coordinated responses, but it struggles to reliably produce in-depth analyses to support the DNI’s strategic decision-making.<sup>13</sup> It oversees the activities of the community and guides the policies limiting or authorizing those activities. If the DNI is a “coordinator of

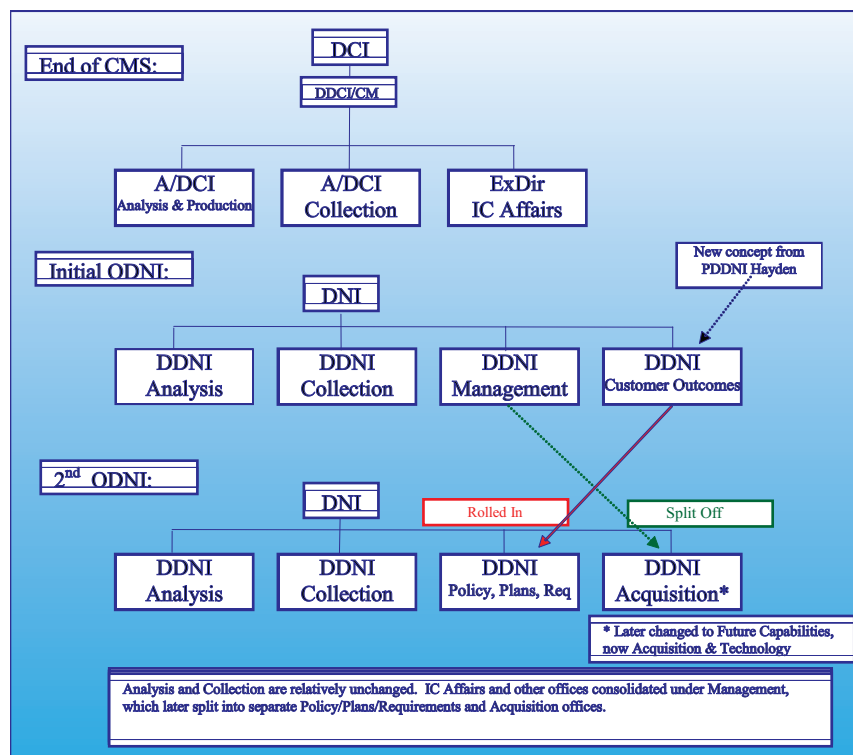
intelligence” as Director McConnell once lamented, then the existing structure is suitable. The ODNI is not organized to be the “Joint Staff” for intelligence.<sup>14</sup>

The final nail in the coffin of intelligence reform as it was envisaged in 2004 was the failure at several levels of leadership to hold intelligence officers accountable for their perfor-

<sup>13</sup> This is reinforced by the fact that the current DNI, Admiral Dennis Blair, is reviewing the existing IC-Strategic Enterprise Management (IC-SEM) model and created an ADNI for Systems & Resource Analysis to provide such analysis.

<sup>14</sup> Having served twice on the Joint Staff and in the ODNI, I can confirm that there is great similarity between the purposes of these two organizations. However, the ODNI has never been staffed, trained, or organized accordingly.

<sup>12</sup> The failure to provide strong guidance on the mission of the ODNI, and the DNI’s management philosophy, was strongly cited in two IG reports. See “Critical Intelligence Community Management Challenges,” 12 November 2008, from the Office of the Inspector General, ODNI. In mitigation, both DNIs experienced significant periods without a deputy (PDDNI), straining their ability to attend to all their responsibilities.



mance *and* behavior. The community writ large, including the ODNI staff, has witnessed a rash of unprofessional behavior in the past five years. Insider intelligence “leaks” to media professionals have become commonplace.<sup>15</sup> Former intelligence officers publish breathless, tell-all exposés, appear on magazine covers, and get their 15 minutes of fame. On a mundane level, I witnessed a decline in good order and discipline: office shouting matches, walkouts from meetings, and organizations refusing to acknowledge each other’s existence. I even received an official reply from an agency that later refused to confirm or deny whether their leadership stood behind the response. The right or wrong of these instances is irrelevant: the issue is that in many cases, the behaviors were (officially or unofficially) sanctioned by leaders. When personnel misbehave and are rewarded (bonuses, promotions, or other

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<sup>15</sup> For example, David Ignatius has regularly cited “intelligence insiders” and “I’m told” storylines which echo criticisms found inside CIA, starting with a 21 October 2005, *Washington Post* article entitled “Danger Point in Spy Reform,” which cites former head of the Directorate of Operations Richard Stoltz decrying how “adding more layers causes indecision and confusion.” See also “Repairing America’s Spy Shop” (6 April, 2008), which repeats the complaint that allied services will be confused about who is in charge, and “Intelligence Turf War has to be reconciled” (14 June 2009), which avers the DNI staff duplicates “jobs that used to be done by the CIA” and overreached in seeking “greater oversight of the CIA’s covert action mission.”

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signs of official approval), morale and trust are compromised.<sup>16</sup> The community functions best when it sustains a high degree of trust in its interpersonal relationships and avoids being “in the news.”

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### Diagnosis

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*It’s always darkest just before it goes pitch black.*

—DeMotivators poster @  
Despair.com

Given competing motivations, a hostile environment, and initial missteps, it is unsurprising that intelligence reform appears moribund. The paradox is that we are safer today than we were before reform was attempted. Our improved security owes overwhelmingly to the

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<sup>16</sup> The IC holds annual employee climate surveys. Between 2006 and 2007, the ODNI staff reported a 13-percent decline in ODNI employee “satisfaction with the policies and practices of ODNI senior leaders” and a 10-percent decline in those reporting a “high level of respect for ODNI senior leaders,” as noted in the November 2008 ODNI IG report. The ODNI chief human capital officer found in the 2008 IC Climate Survey that for the third straight year, the IC “needs to improve linkage of pay and promotions to performance, (and) do a better job of holding poor performers accountable.” The IC did rank as one of the 2009 Best Places to Work in the federal government, but it is telling that the lowest IC results were in leadership and performance culture and that the IC scores in these areas closely tracked with the rest of the US government.

fact that in the past eight years, US intelligence spending has roughly doubled.<sup>17</sup> While the community of 2001 had many failings, it *was* an effective intelligence operation; how could doubling its resources *not* result in real improvements?

If the nation is safer, what difference does it make whether intelligence is reformed? Simply put, the largesse that undergirded improved performance will end, and the recommendations noted in the 9/11 and WMD Commissions remain perfectly resisted. Even the signature successes of recent intelligence activities bear witness to our continuing problems acting as an integrated enterprise. Consider the following initiatives, which the ODNI cites as evidence of progress: Joint Duty; the National Intelligence Coordination Center (NIC-C) and Unified Collection Strategies; and Analytic Transformation. Each represents real, positive improvement in community capabilities or performance. Yet close scrutiny shows that each demonstrates the limits of change thus far and points the way to the possibility for fundamental change in the future.

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<sup>17</sup> The DNI publicly released the figure of \$47.5 billion for the FY2008 National Intelligence Program. An earlier release, FY1998 showed a \$26.7 billion aggregate budget for NFIP, JMIP, and TIARA.

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### **Joint Duty**

Jointness was the secret ingredient behind the success of the Goldwater-Nichols reforms in DOD since 1986, and the IRTPA expressly called for an analogous program for the community. In June 2007 ODNI Chief of Human Capital Ron Sanders negotiated with six Departments and the CIA to build the basis for the exchange of personnel, training and development, and all the other administrative activities comprising joint duty. The community is gradually implementing the concept, making joint duty a requirement for the most senior positions and then walking the requirement down the career ladder while employees are given a chance to gain joint experience and compete for senior positions. This approach succeeded in DOD; why not in the Intelligence Community?

The key to jointness is the change in behavior that occurs when a professional is put in an entirely different operating environment (think of a Navy officer in a mostly Army command, or officers of all services working in a joint culture). Joint duty as it is being implemented in the community will not generate significant behavioral change because many intelligence officers are being shielded from the requirement to operate in an unfamiliar

environment. There are no joint civilian intelligence commands, and many intelligence professionals will become joint-qualified without ever serving outside their home agencies. The CIA, NGA, and NSA each has more than 500 *internal* positions that are joint-duty qualifying (i.e., the incumbents and certain predecessors are “joint qualified” simply by virtue of having been in the positions). If these positions actually changed the culture, there would have been no need to establish a joint duty program in the first place. The grandfathering process produced—in CIA’s case alone more than 1,400 personnel who are already joint-qualified, with the possibility of hundreds more every year.

The Community Joint Duty Program has the form of its successful DOD predecessor, but not the substance. Joint duty is a means to an end: a change in the community’s culture that emphasizes enterprise mission accomplishment over agency performance. It is unclear how that change will occur without a significant change in the assignment patterns of our professional workforce.

### ***NIC-C and Unified Collection Strategies***

DNI McConnell established the National Intelligence Coor-

dination Center (NIC-C) to “direct and integrate collection activities of all national, defense, and domestic intelligence organizations.”<sup>18</sup> It was designed to provide “the DNI with a mechanism to optimize collection to satisfy the country’s most important intelligence priorities,” and for “enhancing situational awareness.” It may one day achieve that goal. For now, the NIC-C remains a simple staff element, conducting manual data calls and reliant on the voluntary compliance of the large collection agencies. There is no real-time feed (or operational status) of SIGINT, HUMINT, GEOINT, or even open source information into the NIC-C. There is no comprehensive collection dashboard display, no 24-hour operational capability,<sup>19</sup> and no immediate mechanism to issue directive changes. NIC-C guidance is transmitted by the National Intelligence Collection Board (or NICB), the same group which has coordinated collection for 16 years. The NIC-C represents a cautious improvement in overall management of the collection enterprise.

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<sup>18</sup> This and all subsequent quotes in this section come from the US Intelligence Community 500-Day Plan (for) Integration and Collaboration, signed by DNI McConnell on 10 October 2007.

<sup>19</sup> The NIC-C is co-located with the Defense Intelligence Operations Center (DIOC), which does have some operational connections, but the linkage between the two elements is manual and fragile.



Unified Collection Strategies is an effort to conduct in-depth studies of our collection posture against our toughest intelligence challenges, with an eye to fostering integrated approaches. The collection strategies effort drew on well-established best practices in engaging the key collection partners but also innovated by bringing analytic voices to the table. While these strategies contain real value, they are fundamentally like the many efforts (e.g., hard target boards) which preceded them. They are time intensive: the first strategy took almost a year to complete, and the collection staff does not have the resources to accomplish more than one or two strategies per year.

The NIC-C and Unified Collection Strategies represent a consensual, artisan's approach—crafted for the occasion with traditional methods—to management of the collection enterprise, consistent with how collection was handled under the DCI. While each is successful at one level, both fall short of the fundamental change needed to manage an integrated, agile collection enterprise. Such an enterprise should provide the DNI full, continuous, and immediate situational awareness of our collection posture.

### **Analytic Transformation**

Analytic Transformation (AT) has as its tag line “unleashing

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the potential of a community of analysts.” AT is one of the most ambitious reform efforts sponsored by the ODNI; it comprises an authoritative repository of disseminated intelligence (the Library of National Intelligence [LNI]), a collaborative analytic network workspace (A-Space), a discovery toolset to address data overload (Catalyst), and a variety of other efforts.<sup>20</sup> While each of these initiatives will—if and when they are successfully deployed—improve the daily routine of community analysts, it is entirely unclear when a transformation in analysis will occur. As in the past, analysts struggle to gain access to all sources. They author products built around an article or book format with time-consuming editing and supervision. They must “coordinate” these products, first with a variety of associates within and outside their organization, and finally in a final product where agencies or organizations must give formal concurrence. Assuming success for the LNI, A-Space, and Catalyst et al., analysts might find some aspects of their daily grind eased, but the process not transformed.

The progress of AT to date does not bode well for its prospects for leading to a fundamental change. The LNI is furthest along, with nearly all IC elements contributing. Its success (with over 1.8 million products) is due in part to the fact it remains a virtual card catalogue. The LNI is still a prototype; full capacity would include all disseminated intelligence, along with useful metrics on topics/types of product, and an interface to request access to the products. The LNI's transformational potential relies on a significant shift in access control away from agencies—an enormous change that remains to be implemented.

A-Space, a virtual collaborative work environment for analysts at the TS/SI-G/TK/HCS level, achieved public acclaim as one of *Time* magazine's “top 50 innovations of 2008.” Along with an expanding suite of tools, A-Space lets analysts “think out loud” and develop their analysis collaboratively from the start. Many cutting-edge analysts on Intellipedia were initially critical of A-Space as another top-down, “build it and they will come” effort, but they warmed to its improved usability and responsive development. However, like Intellipedia before it, there is no off-ramp for analysts to move from the work environment (i.e., A-Space) to the

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<sup>20</sup> Descriptions drawn from *Analytic Transformation: Unleashing the Potential of a Community of Analysts*, a pamphlet published by the DDNI/Analysis, 1 September 2008.

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*Joint Duty, NIC-C/Unified Collection Strategies, and Analytic Transformation all have potential to further intelligence reform.*

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existing agency product approval process. No agency acknowledges A-Space coordination as official, and there are no A-Space “products.”

While LNI, A-Space, and other AT efforts are undeniably innovative, they will fail to “unleash the community of analysts” because they target symptoms rather than root causes. While the AT initiatives are necessary preconditions to analytic reform, they do not address the decentralized management of analysis or the product-centric analytic process. Real reform in analysis will require agencies to give up proprietary products and share customer relationships, establish new rules facilitating on-line collaboration, and focus more on intelligence as a service than a product. Much like Intellipedia today, LNI, A-Space, et al., may exceed all their initial expectations only to arrive back where they started, asking why things have not fundamentally changed.

Joint Duty, NIC-C/Unified Collection Strategies, and Analytic Transformation all have potential to further intelligence reform. Each has thus far produced an incremental improvement over past efforts. The inability to realize their full reform potential illuminates a number of challenges: How do we become “joint” in the absence of joint commands like

the military? How do we drive change beyond simple incremental improvements? Where is integration most needed (or perhaps, most resisted)? If an agency-based approach to personnel, culture, and operations could have answered these questions, there would have been no need for a DNI or intelligence reform.

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### Remedies

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*It is too early to tell.*

—Zhou Enlai, when asked his views about the outcome of the French Revolution

Perhaps I am premature in elegizing intelligence reform. During the community’s preparation for the presidential transition after the November 2008 election, senior intelligence officials advised that the community was suffering “reform fatigue” and that the new leadership should avoid any grand plans for change. I believe that the only people suffering reform fatigue were reform opponents: it must be exhausting impeding every change that develops! The community has improved, yet fundamental change has proved illusive. The solutions to the four key challenges left unanswered by our progress to date could propel the community into real, fundamental change. The challenges are:

Who is in charge? How do we become “joint?” How do we continue to drive change? and Where is integration most needed? Any of the following four remedies would be a major step toward fundamental change; collectively, they would greatly accelerate the move from an Intelligence Community to an Intelligence Enterprise.

### ***Who Is in Charge?***

We do not need a Department of Intelligence, but we must make clear that the DNI is in charge. *The most direct approach is to move the large all-intelligence elements (CIA, DIA, NSA, NGA, and NRO) directly under the DNI.* The DNI could continue to share hire-and-fire authority for the leaders of the former defense agencies with the secretary of defense but with the roles reversed (DNI as primary, Sec-Def must concur). Under this approach, there is little reason for the CIA director (DCIA) to continue to be a congressionally confirmed presidential appointee; no other head of a major community element is.<sup>21</sup> That continuing status leads to confusion within the community and with foreign intelligence services.<sup>22</sup> This consolidation eliminates the

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<sup>21</sup> Some flag officers are confirmed by the senate for their positions (e.g., DIRNSA), as are some leaders of smaller departmental intelligence elements (e.g., under secretary for information and analysis, DHS)

prospect of future friction over who is in charge in both DOD and the CIA.

*The authority decision should be accompanied by completion of the neglected reform of intelligence oversight.* The recent furor over CIA's congressional notification on the use of enhanced interrogation techniques is symptomatic of the problem, and an opportunity for change. Hill leaders must choose one of the many options<sup>23</sup> to create meaningful oversight distinct from that provided by (defense) intelligence authorizing and appropriating committees. Working with the administration, they should move the National Intelligence Program out of the defense budget and declassify the top line. Traditional security and counterintelligence concerns on total intelligence funding are made moot by recent legislation requiring release after each fiscal year ends.

The key is to hold the empowered DNI accountable both to the president and the Congress. DOD retains ample influence within the commu-

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<sup>22</sup> Interestingly, the "DNI is causing confusion by getting into CIA's turf" argument was first raised by "US intelligence officials familiar with the (EO12333) negotiations" in a 31 May 2008 *Los Angeles Times* article by Greg Miller ("Intelligence Agencies Resist Plan to Shift Power"). Clearly subordinating the DCIA will end that confusion, although not in the manner the original complainants imagined.

<sup>23</sup> See the *Final Report of the National Commission on Terrorist Attacks Upon the United States*, July 2004.

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nity through its dual-hatted undersecretary of defense for intelligence (USD(I)) (also the Director for Defense Intelligence, or DDI, under the DNI), and by retaining the Military Intelligence Program (a separate appropriation to ensure intelligence gets to/from the warfighter). Unitary control of the community's core organizations and a separate appropriation will complement the DNI's existing authority to determine the program and conduct reprogramming. The increased transparency will create an incentive for the DNI to explain (to the Office of Management and Budget and the Hill) what precisely the US public gets for billions in annual intelligence spending—which exceeds the discretionary funding for all federal departments save Defense, Education, and Health and Human Services.<sup>24</sup> Finally, these changes are absolutely essential as we approach a period of declining intelligence budgets. During past budgetary reductions, the DCI's inability to exert direct control led to salami-slicing that undermined intelligence capabilities.

The proposed change in status of the DCIA will raise the politically charged issue of con-

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<sup>24</sup> Based on 2008 data from the FY2009 Federal Budget, at [www.GPOAccess.gov](http://www.GPOAccess.gov).

gressional oversight of covert action. Rather than debate who, how many, or when members of Congress are briefed, perhaps a completely new approach is needed. What the current oversight approach lacks is an independent voice to consider the moral or ethical implications of the actions. One could argue that the DCIA serves this purpose, yet the DCIA leads the element executing the action. The DNI is—arguably—also an interested party. Congressional notification does provide for independent review, although it is unclear if members of Congress would be comfortable formally providing a moral or ethical judgment on the proposed activities.

*The DNI should propose the creation of an independent, presidentially appointed and congressionally confirmed ethics monitor for covert activities.* Consultation with the monitor would be mandatory before covert action programs are finally approved and undertaken; while the monitor would not have a veto, any president would pause before approving an activity the monitor found suspect. The DNI could also submit other aspects of community operations to the monitor to consider their moral and ethical implications.

While some may question such a novel approach, covert action is undoubtedly one of the

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most novel activities of our republic, and our existing oversight process has proved contentious at best.<sup>25</sup> A monitor could provide an independent voice, and a firebreak for both the inevitable political and legislative-executive branch frictions. One might also have proved useful in the past, for example, in cases involving the recruitment of sources with poor human rights records, alleged associations with drug-traffickers, and more recently with enhanced interrogation techniques.<sup>26</sup> The ideal candidate for the monitor would be a distinguished individual with a long, spotless career record. Ideally, he or she should be familiar with the ways of Washington but probably not a recent member of the community. Former political leaders on the Hill, past presidential appointees, and successful civil servants would form a potential pool of candidates, although outsiders with unquestioned

moral authority (e.g., religious figures, doctors) should also be competitive.

The introduction of a monitor should accompany a comprehensive review and streamlining of the multilayered covert action oversight process: we need improved oversight, not necessarily more oversight. The monitor is not a panacea for the difficulty inherent in dealing in the shadows of intelligence, but it would shine an independent, ethical light into those shadows.

### ***How Do We Become “Joint?”***

*We become joint by embracing mission management as an organizing and operating principle across the community.* The IRTPA called for a Goldwater-Nichols reform of the community, but today’s community is more like the defense establishment of the 1940s than that of the 1980s. The CIA, NSA, DIA, and NGA function as the original military services, building culture and capabilities and then deploying and operating those capabilities as they see fit. They coordinate with each other as necessary, provide assistance, but “fight” (i.e., conduct HUMINT, SIGINT, GEOINT, etc.) independently. The functional centers (NCTC, NCPC, NCIX) have tried to integrate operations within

their functional purview but have faced varying degrees of agency resistance. Even NCTC, the most mature and robust center, lacks control over the community’s counterterrorism analytic efforts: the Office of Terrorism Analysis (OTA) in CIA’s Counterterrorism Center (CTC) produces independent analysis, as does DIA’s Joint Intelligence Task Force-Combating Terrorism (JITF-CT).<sup>27</sup>

While the concept of strong mission management is established under an Intelligence Community Directive (ICD 900), there are five different approaches:

- Functional centers (NCTC, NCPC, NCIX)
- Country managers (Iran, North Korea)
- National intelligence officers (NIOs) acting as mission managers for their regions/functions
- Senior officers in DDNI/Analysis and DDNI/Collection who serve as mission managers for areas otherwise not covered by a mission manager
- A new associate DNI for Afghanistan/Pakistan

At one point in time this could be considered experimentation

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<sup>25</sup> There are precedents for taking into account moral or ethical considerations. The Office of Government Ethics provides the entire executive branch with binding rulings on legal limits and advice on avoiding even the appearance of impropriety. Presidents Clinton and Bush (43) used the National Bioethics Advisory Commission and the President’s Council on Bioethics (respectively) to address the thorny moral and ethical challenges in biotechnology.

<sup>26</sup> To be clear, these examples fall under the “other aspects” the DNI could submit to the ethics monitor, not covert action.

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<sup>27</sup> While a case can be made for competing analyses, there is no excuse for multiple products independently produced from the same background material, uncoordinated, on the same topic.

(à la DOD's Unified and Specified Commands in the 1980s and 1990s), but it remains difficult to explain. With the exception of NCTC (and the nascent ADNI for Afghanistan/Pakistan), these mission managers exert a coordinating authority over agency efforts rather than directive control.

What the community desperately needs are structures analogous to the military's joint commands to serve as the integrators of "enterprise" (the community's term for joint) operations and incubators of culture change. After establishing some common principles for mission management, the DNI could sponsor new mission centers throughout the community. They would be led by mission managers or via an executive agency. Such centers would require the mixing of analysts and collectors across agency lines,<sup>28</sup> by reassigning operational control or even collocating (perhaps NGA's eventually vacant Bethesda campus might serve as a ready-made home).

These centers would not only focus on mission accomplishment but would also further the notion of enterprise operations and provide a true joint duty

<sup>28</sup> The mixing of analysts and collectors is a necessary but insufficient element of jointness. Fusing analysis and collection is an intelligence best practice, but most closely resembles the military notion of combined arms (e.g., infantry and artillery, or submarines and carrier air working together) more than jointness.

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experience. Not every country or function needs a mission manager, and the substantial rest-of-world coverage should be left to the agencies to conduct (and hopefully experiment with other means to develop jointness). Where we create centers, we must also establish hard metrics for success and mission completion, so as to avoid becoming permanent entities.<sup>29</sup> Mission centers would be the complementary counterparts to the existing agencies, giving intelligence personnel the environment to rotate through and develop into joint professionals.

To oversee this substantial change and to ensure situational awareness, the DNI would need a chief operating officer, J-3, or DDNI for mission management. Some critics point out that the DNI should not have an operational role. *A DNI without operational oversight is by definition a bureaucratic layer of no additional value; why would any president want a DNI who cannot immediately answer the question "What is our intelligence status?"* Some question the concept because the combined functions of collection and anal-

<sup>29</sup> A not insignificant example: after how many years of no attacks does the NCTC revert to being a traditional intelligence function not requiring a center: Ten? Twenty? Fifty?

ysis are too large and complex for a single individual to oversee. Coincidentally, this was the same argument opponents of jointness in the military tried: no single service officer could ever master the complexities of all the services.

The new DDNI would oversee the start-up of mission managers or centers, monitor the operations of existing ones (or agencies assigned coverage roles), and supervise the completion of those no longer needed. Operational oversight would require transparency on existing analysis and collection capabilities, which could be achieved by transforming the NIC-C into a real operations center. These organizational changes would go a long way toward eliminating the duplicative staff actions and overlapping functional responsibilities critics have cited in the existing ODNI organization.

### ***How Do We Continue to Drive Change?***

To continue driving change, we need a focal point for future experimentation, doctrinal development, and enterprise professionalism. The military experience in using the existing service—and building joint—professionalism institutions is instructive. No matter how well intentioned, the military services could never have

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*We need a focal point for future experimentation, doctrinal development, and enterprise professionalism.*

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independently trained and developed their personnel into a joint culture. DOD seized some assets outright,<sup>30</sup> mandated and supervised joint instruction throughout the established service's professional architecture, and even went as far as to transform a geographic operational command (Atlantic Command) into a developmental organization (Joint Forces Command). None of these initiatives created immediate change, but they established the conditions for jointness to be institutionalized and to grow.

By comparison, there is little institutional enterprise momentum within the community. The National Intelligence University (NIU) has been (in four short years) everything from a "virtual university," to a "state university system," to a "bricks-and-mortar" facility, to now a force for professionalism. When the DDNI/Analysis tried to follow the military model by creating a mandatory training course to level the playing field for all new analysts, some agencies refused to participate and worked against the training.<sup>31</sup> We have no community focal

point dedicated to innovation or enterprise concepts. At the agency level, innovation elements are under siege: in CIA alone, IN-Q-Tel waxes and wanes, the Center for Mission Innovation died, ID8 hangs on by a thread, and the Global Futures Partnership is on life support under State/INR. Activities like the DNI's Galileo Awards (for innovation) or the Quadrennial Intelligence Community Review (QICR) have no dedicated element they can turn to in order to further polish the rough, conceptual diamonds they uncover.

To rectify this problem, the DNI should designate an enterprise lead for innovation, experimentation, and doctrinal (or tradecraft) development. NRO, which has at times served as a community innovator, might be ideal, as it is not tied to any single intelligence discipline. The enterprise lead should be directed to build a real NIU, take on professionalization activities of common concern (e.g., joint training), and estab-

lish an organizational structure (including resource lines) to experiment with and develop future capabilities. This will also require a review of the separate agency training and capabilities-development activities, and directive guidance where coordination is necessary and where duplication will be permitted. While this mission would be a substantial challenge to any existing community element, it is an essential service of common concern for the development and future health of the enterprise.

### ***Where Is Integration Most Needed?***

Few would argue with the assertion that human-source intelligence (HUMINT) is the most independent activity in the community, and the National Clandestine Service (NCS) the most independent organization. *Bringing HUMINT "in from the cold" would represent a major step toward integration.* The challenges to HUMINT were well delineated by both the 9/11 and WMD Commissions.

In 2004, President Bush directed a 50-percent increase in CIA analysts, case officers, and proficiency in mission-critical language capability.<sup>32</sup> Yet the

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<sup>30</sup> In 1949, the new National War College occupied the former facility of the Army War College on Fort McNair in the District of Columbia; the Army eventually relocated to Carlisle Barracks, Pennsylvania.

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<sup>31</sup> Analysis 101 was a month-long course for new analysts to establish professional networks while building a common analytic framework. After receiving positive initial feedback, DDNI/A sought to make it mandatory. Some agencies responded by trying to eliminate it. The compromise shortened the training to two weeks and made it optional, with DIA acting as executive agent; CIA stopped participating in it.

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<sup>32</sup> White House Press Release, "President Directs CIA to Increase Analysts, Operatives," 18 November 2004.

CIA admits that just 13 percent of all employees and only 28 percent of NCS personnel speak a foreign language,<sup>33</sup> and former case officer veterans continue to call for urgent reform.<sup>34</sup>

Reforming HUMINT in an active operational environment is like retraining infantrymen in a war zone. The challenges of recruiting acceptable foreign-language capabilities and training new case officers are well understood by the NCS and best left to the professionals to address. Fundamental change is necessary regarding how HUMINT activities relate to the rest of the community and the policy-making apparatus, however; this is one area NCS has not addressed—and may be incapable of addressing.

CIA has only recently and grudgingly acknowledged DNI oversight of HUMINT; the first logical step is for the DNI to review NCS progress to date and establish firm metrics for success. What has the president's emphasis purchased the country in terms of HUMINT capability? How has the move

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<sup>33</sup> "Despite heavy recruitment, CIA still short on bilingual staff," Pete Eisler, *USA Today*, 19 April 2009.

<sup>34</sup> The latest of many examples, "The CIA's National Clandestine Service urgently needs reform," Joseph Augustyn OpEd in *CSMonitor.com*, 7 April 2009.

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*Reforming HUMINT in an active operational environment is like retraining infantrymen in a war zone.*

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to out-of-embassy operations and nonofficial cover improved collection against the most important targets? What approaches have failed and been discontinued? Which have worked and been broadened or reinforced? While it is right and proper for the NCS to run HUMINT, it is right, proper, and necessary for the DNI to oversee their stewardship in light of the community's overall performance.

The DNI should also review the unique manner in which HUMINT is offered directly to customers. More so than any other collection discipline, HUMINT has cultivated a direct flow, via the *President's Daily Brief* (PDB), to senior policy officials. HUMINT reports often have an aura of insider gossip, and senior officials genuinely enjoy reading them. Since 2001, every senior director for intelligence on the NSC staff has been a former Directorate of Operations or NCS professional. While it is natural to have someone familiar with handling sensitive material in the role, it also has the unintended consequence of feeding the policymakers' appetite for timely, actionable intelligence.<sup>35</sup> The DNI should

require a rigorous accounting of how much HUMINT is delivered directly to senior officials, by whom, and for what purpose.

These remedies would go a long way to realizing the type of intelligence reform intended by the 9/11 and WMD Commissions. The result would be a definitive DNI in charge, ending the needless and debilitating squabbles over authorities. That DNI would be clearly accountable to the president and Congress and would own a mission mechanism to guide the community, measure its performance, and provide the opportunity for joint service. The community would gain a proponent for future enterprise development, freeing the agencies to concentrate on trade-craft excellence and mission accomplishment. The integration of HUMINT would assist both the other collection disciplines and the analytic community. Finally, the existence of an ethics monitor could remove some of the heat from the ongoing firestorm over congressional oversight of covert action.

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<sup>35</sup> I have heard more than one case officer state that senior policy officials are their primary customers.

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*We are now at a critical point: without fresh commitment, the community will relapse into old habits.*

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**In Sum**

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*It is futile to talk of reform  
without reference to form.*

—G.K. Chesterton.

The preceding short history of intelligence reform is not exhaustive. There are other examples of positive change, from the mundane (the single IC badge) to the profound (Foreign Intelligence Surveillance Act modernization), but they do not alter my basic premise that fundamental change (reform) is not realized. President Bush's changes to Executive Order 12333 ameliorated some of the challenges from the IRTPA and past practices. A new administration with strong majorities in both houses provides additional impetus.

The DCI model was tried and found wanting; a secretary of intelligence was never seriously considered. Reducing the ODNI in authority and scope would simply return the community to its condition on 10 September 2001. Clearly, an

empowered DNI is required to drive the community toward a real enterprise.

Our customers, from the president to policymakers, diplomats, warfighters, law enforcers, and homeland security officers, should know that US intelligence is better than it was in 2001, but that improvement has been neither fundamental nor inexpensive. We are now at a critical point: without fresh commitment, the community will relapse into old habits. The eventual end of our operations in Iraq and Afghanistan, success in overseas contingency operations (nee the Global War on Terror), and inevitable budget cuts must sap the will to change; such fruits of an intelligence enterprise that have germinated since 2005 will wither. The American people should know that the quiet they sense is not the peace of security assured by the best intelligence, but the deadly silence of the graveyard we are collectively whistling by.

