A Colloquium

The Intelligence Community: Is It Broken? How To Fix It?

John H. Hedley

Editor's Note: The following article was contributed by CIA's then-officer in residence at Georgetown University, John H. Hedley. Mr. Hedley proposed and organized a colloquium at Georgetown which met in late 1994 and early 1995 to consider the future direction of the Intelligence Community on the eve of the launching of the Aspin Commission--which subsequently became the Brown Commission.

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>
> *Robert Gates*

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> *Lee Hamilton*

These words of advice for those who would reform CIA and the rest of the Intelligence Community came from knowledgeable observers at a recent colloquium at Georgetown University on the future of American intelligence. Howard Baker, former Senate Majority Leader and White House Chief of Staff,

chaired the colloquium.

The colloquium's aim was to facilitate thinking and informed dialogue about approaches to intelligence reform. In particular, it sought to inform the work of the soon-to-be-formed Commission on the Roles and Capabilities of the US Intelligence Community. The colloquium brought together, by invitation, a group representing a mix of knowledgeable perspectives from the executive branch and the Congress and from the policy, intelligence, and academic communities.

A session held on the Georgetown campus on 30 November 1994 included former Deputy Directors of Central Intelligence Richard Kerr and John McMahon and the now-deceased Les Aspin, former Secretary of Defense who was Chairman of the President's Foreign Intelligence Advisory Board, and who would be named to head the study commission. They heard expressions of concern, rhetorical questions, and a measure of exasperation mingled with the counsel that came from three speakers: the immediate past chairman of the House Permanent Select Committee on Intelligence, Dan Glickman; former Director of Central Intelligence (DCI) Robert Gates; and the longtime chairman of the House Foreign Affairs Committee, now Vice Chairman of the newly named International Relations Committee, Representative Lee Hamilton.

Some common themes emerge from the formal remarks and ensuing dialogue. One is that change is not an option but an imperative, and that change must be *visible*. It is not enough for the Intelligence Community simply to give public assurances that internal changes have taken place, even though they have, and that more are under way, even though they are. There must be some external involvement in effecting changes that can be seen. This reflects a consensus that the initiative for change has shifted; cooperation should come from within the Intelligence Community, but the political reality is that, like it or not, change will be directed from without.

Another shared view is that there are too many separate entities involved in intelligence and that some kind of consolidation in the Community is necessary. A number of observers expressed concerns about what is to be at the center of it all, how the center relates to the President, and how the Community elements relate to each other. There was unanimous concern about how to control requirements and tasking and how, in the process, to control costs.

Much common ground was evident in questioning collection and analysis on nontraditional targets such as health issues and the environment. There was general recognition that intelligence is not a free good, and that consumers must look more carefully at what they want to buy.

The obvious questions came quickly and found agreement more easily than do ideas for answering them. And underlying them is the acknowledged difficulty of defining the mission of intelligence before defining the international mission of the United States which intelligence is to support.

Glickman, Gates, and Hamilton--influential voices in defining the direction of reform--spoke to these and other concerns at the colloquium. The following portions of their remarks, which are helping to shape the

agenda of the study commission, were excerpted especially for readers of *Studies in Intelligence:*

Representative Dan Glickman:

Change is always very difficult. I've been on the committee for about seven years and Chairman for two years, and I've felt frankly that the Intelligence Community has been particularly resistant to change. But all government agencies are resistant to change, and obviously there's a great deal of change going on on Capitol Hill. I was quoted in *The Washington Post* as saying that I recently turned 50 and that half my life was over and it's time to do something else with the second half. In some sense, I think the Intelligence Community has to look at its life the same way. The CIA is about the same age I am, and I think it is time for a reevaluation about what to do.

The structure of today's Intelligence Community grew up in the aftermath of World War II and further developed during the Cold War. And a fitting and proper question is: Is this construct the most effective and efficient way to do business as we enter the 21st century? The Cold War is over, and the principal purpose for creating most of these agencies has, *in part,* gone away. At the same time, while I may not fully subscribe to DCI Jim Woolsey's point that "we have slain the bear, but there are still a lot of serpents around," I do believe that there are very important and critical intelligence requirements that need to be satisfied both for policymakers and for the military.

The most difficult task is prioritizing needs. How much money should be spent trying to satisfy the requirements? This is an extremely difficult question. You cannot do any of this on the cheap. For example, satellites are extremely expensive. It is not just building a satellite. It is all of the processing that is needed to take the information and turn it into something that is usable and can be interpreted by analysts.

While the spy business has changed dramatically over the years, there are still secrets out there worth knowing. The challenge is assessing the value of all of the relative contributions of all of the SIGINT and HUMINT and deciding what requires analysis. That is why Senator Warner's idea for the Commission on the Roles and Capabilities of the Intelligence Community was an exceptionally good one. The duties of the commission as outlined in the conference report on our intelligence authorization bill lay out a roadmap that should be extremely beneficial to how the Intelligence Community organizes itself in the future.

This commission should perform what amounts to a bottom-up review similar to that conducted within the Defense Department over the last two years. The effort gets to the heart of what will shape the future intelligence structure by addressing:

- Whether the Intelligence Community should extend its mission beyond traditional areas, such as providing support for defense and foreign policy establishments and, if so, what areas are legitimate for intelligence collection and analysis.

- What functions, if any, should continue to be assigned to the organizations of the Intelligence Community, including the CIA, and what capabilities should these organizations retain in the future.

- Whether the existing organization and management framework of the Intelligence Community, including the CIA, provides an optimal structure for the accomplishment of its mission.

We should not view intelligence as a Cold War anachronism. Far from it. In the areas of technology the Intelligence Community is at the cutting edge. Much has also been done by the Community over the years to improve its relationship with consumers. Our committee conducted hearings over the last few years on economic intelligence, and I can tell you our economic policymakers were extremely praiseworthy for the quality and responsiveness of the intelligence that they had been provided. Intelligence isn't simply counting missile silos as some might believe.

While counting silos is perhaps not as critical a task as it once was, it still needs to be done. More critical, as former adversaries disarm, is knowing how the nuclear materials are being disposed of and that they don't fall into the wrong hands--a task much more complex than counting silos.

In my judgment it is time for a different kind of intelligence. With the proliferation of nuclear, chemical, and biological weapons around the world, as various Third World countries develop these capabilities, it is not as simple as looking at a *picture* to determine who is selling what to whom. There are multinational corporations, numerous countries, and cutouts involved. This is an extremely vexing problem and one that is most critical to our national security interests; it cannot simply be dismissed because the Cold War has ended.

At the same time, we have to ensure that intelligence is not just looking for work. I say this not to be critical, but there was a sense on the part of some of us that, in the aftermath of the fall of the Berlin Wall, that intelligence was willing to take on *any* mission and *any* task to preserve its infrastructure and base. Hence, our committee questioned whether CIA needed to be writing studies on Evangelical Protestantism in Latin America, AIDS, or Norwegian whaling policy--matters better left to academic think tanks or to offices within the Department of State or other government departments. While there is obviously a contribution that intelligence can make in some of these nontraditional areas, like the environment and health, it is not clear how much effort should be expended. And it is not clear how much money wewill have to expend on these kinds of efforts.

As budgets get tighter, resource decisions become more difficult across the spectrum of our national security policy decisionmaking apparatus. So, as the commission gets under way, all of these matters will be examined in terms of present and future threats to our national security interests. Once we have a better appreciation of those threats and what is truly critical to our interests, then and only then will we be able to focus and size the Intelligence Community and, if necessary, reorganize it. But I think any reorganization at this juncture or dramatic changes would be very premature until we get a better idea of what the needs actually are.

Is it perfect? No. Does it work? Yes. Notwithstanding problems like the Ames case and the National Reconnaissance Office (NRO) building and other aspects where good management techniques have just fallen through the cracks. Can it do its job in the 21st century more efficiently and effectively? I believe so. I believe it also can be downsized without affecting the meaningful nature of its tasks, but we ought not to be penny wise and pound foolish. Although the Cold War has ended, there in fact may be fewer dividends than we expected. So this country does need to maintain its effective intelligence network, but it should not be afraid of asking questions that go to the heart of how we've structured that network over the last 50 years.

Robert Gates:

What is the mission of US intelligence? Well, that mission depends on what you think the role of the United States is going to be in the future. Is the United States going to play a global leadership role? If it is, it will need a global intelligence service to support it, and that costs money.

I believe we face a world in which quality, precise intelligence is needed from day to day. With the implosion of the Soviet empire, the accelerating spread of weapons of mass destruction, the re-emergence or emergence anew of nationalist and ethnic conflicts all over the world, the coming collapse of remaining Communist and authoritarian regimes, the problem of failed states, religious fundamentalism, the international networking of drug cartels and crime syndicates, and growing economic interdependence, I think the need for intelligence is clear.

The question really is how do you meet that need in today's political and budgetary environment? First, I think you need to address a few myths. The first is that CIA and the Intelligence Community were products of the Cold War. In fact, CIA was created as a result of Pearl Harbor in an effort to prevent a surprise attack happening again to the United States and to bring together in one place information that bore on its national security interests.

The need to integrate all that information remains. The need to have an organization independent of the policy agencies to do that, both for the Congress and the Executive, remains.

A second myth is that the Intelligence Community was totally dominated by the Soviet problem. Obviously, it was to a considerable extent, but not so completely as people might believe. I think the Community has made a continuing effort to readjust its priorities in the wake of the disappearance of the Soviet Union. People say the Community has failed to adjust its priorities. The last budget I submitted had 13 percent of the Intelligence Community's resources focused on the former Soviet Union. You've got a drop, from fiscal years 1980 (the highest point) to 1993, from 58 percent to roughly 13 percent.

The third myth is that there's a bloated budget for the Intelligence Community. That may be the case, but it's also important to realize the last real growth in the Intelligence Community was in 1986, nine fiscal years ago. And on the current glide path it is on, by 1997 the Community--and the CIA in particular--will

be roughly the same size as in 1980--a point at which the Congress decided it was time to strengthen US intelligence because it had gotten too small and too weak!

The reality is that we have, on orbit today, about half to two-thirds the number of satellites that we had just in 1991, when we fought Desert Storm, yet at a time when our military is more and more engaged. The notion that the Intelligence Community has been immune from budget hits is a myth. The bottom-up review that Secretary Aspin oversaw established that the United States ought to be ready to fight two regional wars at the same time. The reality is that the Intelligence Community was barely able to support one war when we fought Desert Storm--and that was at the height of our resources in many respects, in terms of satellites, manpower, and so on. The notion of being able to monitor two regional conflicts and to provide support for the military under present budgetary circumstances is a joke.

Fourth, there is the myth that the Community is not changing. There have been a lot of changes over the last several years. The Community is deeply engaged in trying to figure out new ways of trying to do business, how to deal with its new priorities, and how to adjust to a post-Soviet world environment. A lot of people believe it should go further, and I happen to be one of them, but I think the Intelligence Community deserves credit for having done a lot.

What I've said may leave the impression that I basically favor the status quo, and that is very wrong. I think there has been a lot of change in the Community, but I believe that it is only a start and that a much more radical approach is needed.

What we need to do is to squeeze more relevance, more value, and more information from the existing resources the Community has. We have to fix the bureaucratic legacies of the Cold War. We have to invest in the future in collection technologies, in information processing, in language training, and in a variety of other areas. The Intelligence Community has to come to grips with the reality that, while preserving its role and missions and capabilities, it does not have to preserve the current way of doing business.

Now, let me offer nine or 10 suggestions specifically of what I think could be a starting agenda of things that could be looked at usefully. First, I think one of the areas of potentially the greatest savings for the intelligence budget is in the military intelligence arena. When President Kennedy and Secretary McNamara created the Defense Intelligence Agency, the idea was that the service intelligence organizations would wither away. And that you would have a centralized military intelligence organization. Well, as things happen in Washington, we ended up with not only a robust DIA, but also an even more robust set of service intelligence organizations.

My view is that a Director of Military Intelligence should be created. He or she should have four stars and also should be the director of DIA. And all the functions of the service intelligence organizations, especially all the administrative, general analytic, and research infrastructure activities, would be consolidated under the Director of Military Intelligence. The only thing I would leave decentralized would be their targeting functions, which would be unique to each of the services.

Second, I think there is no longer any need to duplicate military intelligence analysis in the Community. I think it served a useful purpose most of the time during the Cold War, but I think that the critical questions are no longer so dangerous to the existence of the United States as to warrant the continued expenditure. So, in my view, I would give to DIA most of the military analysis efforts CIA has undertaken. This also means that DIA would have to be given the resources to do this properly, and the authority. And the DCI needs to be able to represent that kind of military analysis in the Situation Room and in the Oval Office, so there needs to be a further bridge between the DCI and the military intelligence organization so he can get that information.

Third, I believe the time has come to eliminate the differentiation between the national foreign intelligence program and TIARA, the tactical program. The reality is that, particularly when it comes to technical collection systems, national systems *are* tactical systems, and they have been for better than a decade. At least since we started putting SIGINT or different kinds of ELINT into the cockpits of planes when we attacked Libya, we have increasingly used those national systems for tactical purposes.

I think we should complete the vertical integration of the collection stovepipes, if you will--the collection disciplines. Along the lines of the National Security Agency, we should proceed with creating a National Imagery Agency and the authority it requires to do its job, including the tasking of all collection assets. And then we should pay a lot of attention to building crosswalks among these different collection disciplines--human intelligence, SIGINT, imagery, and so on.

Fifth, I think we need to build an open-source gateway. Many of the problems the Intelligence Community is dealing with today have at least some elements that can be answered through openly available information. But the Community is not structured to share that information, not in a way that can access the national library network and university library networks in a network that would enable the Community to assess what kind of information is available that responds to questions being asked by policymakers.

As we get into economic intelligence and other kinds of issues, I think this will become critical. What we require, in my view, is for all new requirements to come through the open-source gateway, at some point, to determine how much we can answer through information already available to the US Government before we go off and start tasking spies and satellites to try and get it.

Sixth, I think we need a new requirements and evaluation process. It should be structured in a way that forces the participation of senior policymakers and decisionmakers. And it should allow for evaluating the performance of both the analytic and collection capabilities in terms of whether their budgetary allocations are justified by what actually comes out the other end.

Seventh, I believe CIA needs to be smaller and more focused. The Clandestine Service needs to continue the efforts it has been making to move away from cover in embassies. It needs to focus more on joint training and cooperation with the military, with more military officers assigned to CIA. It needs greater diversity so that its officers can move more easily around the world.

I believe that the covert, paramilitary capability should be moved out of CIA and into the Department of Defense. CIA should not do paramilitary covert action any longer. In the area of science and technology, I believe that, with the restructuring of the NRO, it is no longer necessary for CIA to sustain an independent capability to do the kind of groundbreaking research it did for so long. I believe that should be in the hands of either the collection stovepipes or the NRO itself, with the science and technology side of CIA focused on specialized technical collection efforts in support of the Clandestine Service.

I think the analytic side of the agency should be much smaller. (I say that after having spent a good part of the eighties building it up!) I believe we should force back to other departments of government the kinds of issues that Dan Glickman was talking about that really are ancillary to the core national security issues facing the United States--issues relating to the environment, agriculture, health, energy, and so on. These things ought to be forced back to the departments so that CIA can focus on the really critical issues.

In that context, I think we need to look again at the value of National Intelligence Estimates, whether they're even worth doing based on their value to the senior policymakers--or whether the *way* they're done is of value. I know that efforts are under way now to look at the way analysis is done. We need CIA's analytic function to focus on key issues of national security.

Eighth, we need greater integration of the Community. There is no reason why many of the administrative structures of the Community--security, facilities, training, and so on--cannot be consolidated, and there would be substantial savings. It also, I think, would have the effect of bringing about greater cooperation and integration in other activities of the Community.

Ninth, I believe that the DCI should continue to be the head of CIA. Otherwise, he faces a fate similar to that of the Drug Czar--which is a really nice office in the White House, and no power and nothing getting done. I also believe the DCI, as a Congressionally confirmed official and one who is responsible to the President, has to oversee clandestine activities, covert actions, and so on. I believe he also has to have that function in order to carry out his role as the chief intelligence officer for the President.

And, last, I think the Intelligence Community has to accelerate the moves it has made in recent years toward greater openness. In today's environment, the Community has to be able to explain more effectively to the public, to the press, to Congress and others what it does for a living, what the realities are, and where there are efforts being made to change.

Finally, it seems to me that there will be criticism, if you try to do the kinds of things that I've described and some others like it, that this is not going far enough. But I think these steps, if taken, would make significant changes in the way business gets done. I think you have to keep in mind that the political imperative in Washington today for radical action against the Community and against CIA comes up against the real-world reality of day-to-day support for policymaking that we cannot imperil, as the President and the Congress are involved in these issues. That said, I have warned for the last several

years that if the Intelligence Community did not move boldly and publicly to change, that change would be forced upon it. That has now happened with the creation of the commission.

The commission ought to conduct its efforts interactively with the Intelligence Community. You're going to bring in a lot of people who have either no experience or familiarity with the Intelligence Community or experience that is very outdated. And I think the reality is, when it comes to figuring out the best ways to implement and manage change, the people who are going to be responsible for doing it ought to be involved in that process. They should have the opportunity to weigh in in terms of how you make the change, not whether you make it, but how you implement it.

And if the Intelligence Community doesn't have the boldness and imagination to figure out a way to come back to the commission with some useful ideas and say, "now here's how we can do what you want to have done," then you're going to have to take your chances with a group of people who don't know how to do it.

My last observation is that the commission has a very tough task in that it has to meet three challenges simultaneously: first, it has to preserve the capabilities and skills of the Intelligence Community while it carries out its work and afterward; second, it needs to make real, workable, sensible, and needed changes in the way the Community goes about its business; and, third, it has to do all of this while coping with a political blood lust, especially on the Hill, to kill something.

Representative Lee Hamilton:

I've served on the Intelligence Committee, but almost 10 years ago. My perspective now is really as a consumer of intelligence. I have been a heavy consumer for almost 30 years.

My overall impression is that the quality of US intelligence is generally high. There is little doubt in my mind that intelligence played an essential role in helping us win the Cold War. I also have great admiration for the personnel in our Intelligence Community. Many work under difficult and sometimes dangerous conditions, with the knowledge that good work will rarely receive outside recognition.

But there is no doubt US intelligence is at a crossroads. The debate on intelligence sparked by the end of the Cold War is far from over. And one of the things that really strikes me is the lack of consensus even about the most basic questions on intelligence: How much money do you spend on it? What's its mission? What about the CIA; should it continue in its present form? Just very fundamental questions we don't have a consensus on yet.

So the commission that Les Aspin and Warren Rudman are heading I think is very timely. And Senator Warner deserves a lot of credit for pushing that idea forward. The commission has a critical role to play. We need it to do a lot of bold and creative thinking for us. Intelligence policymakers will be looking to it for guidance. That places a great burden on the commission. But it also means that consensus positions

developed by the commission stand a good chance of being adopted.

Now for my impressions. We have too many intelligence organizations and intelligence products. More than a dozen separate military and civilian entities engage in intelligence collection, and an even larger number engage in analysis. They produce more than 30 different daily, weekly, or other written intelligence reports and conduct thousands of briefings every year.

We have too many personnel and too many systems. We have too many targets, and we have the capacity to collect mountains of data that we can never analyze. We just stack it up. Our electronic collection systems appear to produce far more raw intelligence data than our analysts can synthesize and our policymakers can use.

The key to intelligence is getting the right information to the right person at the right time. We're good at collecting the data, but I'm not sure we're very good at analyzing it and getting it to the right person. I think the intelligence agencies are not very well coordinated. We've had a lot of examples of that, one being the North Korean nuclear problem. We were getting different intelligence analysis, and what you began to see from the Capitol Hill perspective was various intelligence agencies leaking information to the Congress to try to get a leg up in the debate. But there wasn't any coordination, and there wasn't any control over the system, and you had competing intelligence.

Another impression I have is that we don't really have a Director of Central Intelligence. There is no such thing. The DCI at CIA controls only a very small portion of the assets of the Intelligence Community, and there are so many entities you don't have any Director. There is not a Director of Intelligence in the American system, and I think we have to create one.

There needs to be much broader agreement on the priorities of intelligence, which ought to be driven by the foreign policy objectives of the United States. Sometimes I think we just collect intelligence for the thrill of collecting it, to show how good we are at it. This is not the fault of the Intelligence Community; it is a fault of the policymakers. We don't make clear to the Intelligence Community what the priorities really are.

Enormous numbers of requirements now are put upon the Intelligence Community and just keep growing and growing without a clear relationship to priorities. I think we first have to think about foreign policy, our objectives in the world and what the national interests of the United States are, and then have intelligence flow from that. I think intelligence now is getting into a lot of nontraditional missions that really use up a lot of our assets. And I think policymakers too often use intelligence as a tool to make policy look good rather than as a tool for making good policy.

There is tremendous interest in human intelligence, and broad agreement on the need to improve it. Perhaps the most compelling recent example of the gap between our technical and human capabilities was the Persian Gulf war. US military commanders had superb imagery and signals intelligence, but we had only sketchy human intelligence on Iraq's intentions prior to invading Kuwait, Iraq's ability to

withstand sanctions, and the status of Iraq's weapons programs.

Intelligence officials acknowledge that we have not been very successful in penetrating countries that have posed critical security concerns, like North Korea, Iran, and Cuba. The good news is that HUMINT is cheap in comparison with technical collection systems. The bad news is that HUMINT is hard to develop and exploit.

I have a *very* high regard for the intelligence information that CIA and other intelligence agencies provide. I do not think the CIA should be abolished. I don't think it should become exclusively an analytic agency. I don't really know what to do with covert actions, quite frankly. It doesn't make any sense to put them in a Central Intelligence Agency, but I'm not sure it makes any sense to put them anywhere else. I would bring the Defense Department in on the covert action that required a military component, but I'd keep the authority over covert actions probably anchored in the CIA, largely on the argument that it's not clear to me that there's a better alternative.

Finally, although the mandate of the Commission on the Roles and Capabilities of the US Intelligence Community does not explicitly include Congressional oversight, it is bound to be addressed. The intelligence committees have an unusual responsibility as the only institutional check on the Intelligence Community outside the executive branch. They conduct their work largely in isolation from the rest of the House and Senate. Most members of Congress simply do not know what is in the intelligence bill when it is on the floor.

I oppose the idea of a joint congressional intelligence committee because, from my perspective, we need more oversight, and the two committees often have quite distinct oversight concerns.

I believe members of Congress should serve on the intelligence committees permanently, or at least substantially longer than the current six-year term on the House Committee. We have permanent memberships on other committees because we believe experience and continuity outweigh any advantages of turnover. Rotating a committee's membership also has one clear disadvantage: it tends to shift power to staff and the executive branch. The work of the intelligence committees is as important as that of our permanent committees, and the budget they authorize is just as large.