

Opening Statement of
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to the
US Senate Homeland Security and Government Affairs Committee
Hearing titled "Ten Years After 9/11: Is Intelligence Reform Working?"
Room SD-342, Dirksen Senate Office Building
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Mr. Chairman and Members of the Committee:

I retired from the Intelligence Community (IC) nearly 10 years ago, but have remained involved with it ever since. In my career, I held senior positions including CIA's Deputy Director of Intelligence, Assistant Director of Central Intelligence for Analysis and Production, and Chairman of the National Intelligence Council. After retirement, I worked in the White House Transition Planning organization for the Department of Homeland Security, heading the team for Information Analysis and Infrastructure Protection. I subsequently served for two years as the staff director of the House Select Committee on Homeland Security and briefly as the first staff director of the permanent Homeland Security committee.

Since government retirement, I have served voluntarily on various research committees and task forces supporting US intelligence agencies. I am currently a sector president of BAE Systems, which provides products and services to customers including the US defense and intelligence communities. From all these experiences, I have observed the performance of the IC in recent years with keen interest, though I clearly no longer qualify as an insider. My comments, therefore, should be seen as informed impressions rather than authoritative assessments, but hopefully they will be helpful in any case.

I will address the six questions provided by the Committee staff on 5 May:

1. ***Should the DNI be a coordinator, manager/integrator, or leader? What is the DNI's role currently?***

The Director of National Intelligence (DNI) should be seen as a leader with explicit responsibilities for clearly defined, selective oversight of IC performance, for the development and application of interagency program standards, and for the implementation of the National Intelligence Program. These responsibilities must be seen as legitimate by the IC leadership and workforce, which requires, in turn, that they be backed up by the Executive and Legislative branches. The actual role of the DNI today falls short of all this, despite the strong efforts of four capable incumbents since 2005 to fulfill IRTPA's intent. The DNI is a manager, coordinator, facilitator, and troubleshooter, not the leader of the Intelligence Community. The CIA Director appears to report to the DNI only on paper and leaders of the Executive Branch and Legislative Branch seem to consult with major agency heads in a crisis as much as with the DNI.

The Intelligence Reform and Terrorism Prevention Act (IRTPA) of 2004 states its intention to establish the position of DNI with three core responsibilities: (1) to serve as the head of the intelligence community; (2) to act as the principal adviser to the President, to the National Security Council, and to the Homeland Security Council for intelligence matters related to national security; and (3) to oversee and direct the implementation of the National Intelligence Program. This, in my view, implied a significant shift of power from multiple, heavily resourced agencies in an increasingly decentralized community to an historically weak center with minimal resources. What we have today is an ODNI that is considerably stronger and more effective than the former Community Management Staff but way short of IRTPA's model of a central authority.

IRTPA did not delineate any practical architecture for an incumbent to do this difficult job and it did not anticipate the extent to which leaders of the Executive and Legislative branches would continue to rely on the legacy intelligence agencies rather than the DNI for advice on priority intelligence matters. The DNI, with negligible top cover, has been left to fight for legitimacy among more powerful agencies, some of which resist existing DNI authorities, let alone invite new ones. And legitimacy is still the core issue.

More broadly, the legislation drafted in 2004 underestimated the impact of the irreversible movement of the IC over the past 20 years toward a distributed model of intelligence support that defies centralized leadership. Military leaders, diplomats, civilian agency heads and homeland intelligence customers all want real-time intelligence support dedicated to their missions and priorities. In my judgment, the legislation underestimated the extent to which the changing global threat environment and the resulting decentralizing pressures on the IC would strengthen individual agencies and frustrate any DNI's efforts to establish centralized authority. More than ever, globalization enables the delivery of real-time intelligence and close-in operational support anywhere in the world.

Finally, the IC's distributed services delivery model increasingly runs in parallel with a distributed leadership model that, in the nature of the intelligence business, will always be somewhat ragged at the edges — at least that's the way successive Presidents have managed it. From crisis to crisis, program to program and issue to issue, the DNI, the SECDEF, the CIA Director, or a key military commander may be in direct, sustained contact with the President and/or the National Security Council, and this is unlikely to change. And, in my view, this in itself would not necessarily undercut the broader authorities of a strong DNI.

The DNIs have instituted constructive programs to improve intelligence tradecraft, to integrate intelligence collection and analysis, to increase information sharing, and to promote interagency collaboration. They also have used their "bully pulpit" to good effect. But the position has not achieved a level of legitimacy among IC agencies to give confidence to an incumbent DNI that he can fully exercise existing authorities, let alone any new ones, in a manner that the agencies will accept and that both the Administration and the Congress will support. The DNI is still burdened by the longstanding IC principle of "mother may I," IRTPA notwithstanding.

2. *In what areas has the Intelligence Community improved its integration and thus its performance?*

Successive DNI's have developed noteworthy programs to drive integration of collection and analysis and to improve IC-wide performance in enterprise management, customer relations, information management, human capital, security and counterintelligence, mission management, procurement, and science and technology. While the impact of these programs has been uneven and while they represent a relatively small contribution to major IC accomplishments over the past five years, they are commendable efforts by the DNI to implement both the letter and spirit of IRTPA.

In my view, the performance of the US Intelligence Community, overall, has improved dramatically since 9/11. Analytic and operational tradecraft have advanced significantly. Performance in counterterrorism programs has reached the highest standard of professionalism and dedication. The application of technology has broadened, deepened, and accelerated. Interagency collaboration, especially in support of the warfighter, has improved markedly. And progress toward a more distributed model of intelligence support to users anywhere in the world is palpable and encouraging. The fusion of intelligence, the synergy of well-trained people and advanced technology, and the interagency teamwork in Afghanistan and Iraq are at their highest level ever — a level that seemed unattainable when I left government.

The creation of the DNI has contributed to this progress but other leaders and individual agencies — with Administration and Congressional support — also have taken impressive steps on their own. The Department of Defense (DoD) won Congressional approval to establish in 2002 the position of Undersecretary of Defense for Intelligence to improve management of its considerable intelligence assets and programs. Most significantly, in my view, the Secretary of Defense elevated the authority and boosted the budget of the Joint Special Operations Command (JSOC) to provide in the field a strong coalescing leadership, a clear chain of command, and a powerful authority to coordinate focused requirements for intelligence collection and analysis. I would risk the outside judgment that the cooperation of CIA, including its Counterterrorism Center, with the military has never been closer or more effective. While there is always room for improvement in the intelligence business, the strong, collaborative performance of our agencies “down range” today is unprecedented — and a source of justifiable pride for the IC.

3. *In which areas of integration is improvement needed? Why do such gaps in integration remain — and are they due to inadequate DNI authorities, the DNI's failure to utilize authorities, or to other reasons?*

The domestic picture is mixed. The key difference with “down range” is that there is no JSOC counterpart in the homeland to integrate intelligence processes and products. The FBI has built an impressive intelligence infrastructure and has shifted significant resources, once wholly devoted to law enforcement, to domestic intelligence collection and analysis. The National Counterterrorism Center is integrating foreign and domestic intelligence and analysis. The Department of Homeland Security, with its 22 constituent agencies sometimes taking initiative on their own, has made commendable strides in border security and some — but uneven —

progress in sharing threat-based information and coordinating policy with state and local governments and the private sector. Overall, however, domestic agencies do not show the strong unity of effort that is evident in theaters of conflict abroad. Domestic intelligence and security is a much slower work in progress. I would not assign significant blame for this to the DNI.

4. *What is the status of the DNI's relationships with the CIA, DoD, and other entities, and how can they be improved? To what extent has Section 1018 of the 2004 Act, which requires that the DNI manage the Intelligence Community without abrogating the statutory authorities of the cabinet secretaries, been an impediment?*

I believe that the DNI continues to pursue constructive relationships with key stakeholders to US intelligence — the IC, DoD, NSC, the Congress — but his efforts to establish legitimacy are hampered by the lack of clarity in his roles and responsibilities and by the perception of some that the DNI does not enjoy strong support from the Executive and Legislative branches. Within some components, the ODNI is viewed as another layer of bureaucracy without demonstrated value.

The requirement of IRTPA Section 1018, which requires the DNI to manage the Intelligence Community without abrogating the statutory authorities of the cabinet secretaries, is in the nature of self-evident “bumper sticker” guidance for any government agency head. It will not impede the DNI’s progress, but neither did I see it as a vote of confidence by the Congress.

5. *Has the DNI made effective use of the budget, personnel, and other authorities contained in the 2004 Act and E.O. 12333, as amended? If not, why not?*

To the limited extent that I am qualified to comment on this, I would say that the DNI has pushed the envelope to execute his limited budgetary authorities and that his dialogue within the IC on the matter is dynamic and evolving. I have read that DNI Clapper and SECDEF Gates have made an agreement, important details of which are unknown to me, that would give the DNI “control” of both the National Intelligence Program and Military Intelligence Program. Potentially, this would be a major breakthrough giving the DNI budgetary authority spanning the whole IC. The agreement, however, would not have enduring significance until it has the force of a Presidential Executive Order or is embedded in law.

6. *Does the DNI need additional authority? If so, what specific additional authorities are warranted, and why? For example, should the DNI be in the chain of command for covert action conducted by the CIA?*

The DNI likely will need additional authorities over time, but I would not make this a priority now. We need to take a big step back, reexamine IRTPA’s assumptions, and seriously consider a new model for a DNI based on clear, discrete responsibilities that can be justified as value added for the 16 intelligence agencies and would be defended by the White House and the Congress. While I can argue from both sides of the covert action issue, I would give the DNI

only a consultative role here and have the CIA Director report directly to the President on what are often extremely sensitive issues involving the protection of sources and methods. In the larger scheme of things, this would not dilute the authority of the DNI to carry out his otherwise weighty responsibilities in the distributed leadership model I have described.

Looking ahead, I believe that the DNI position can be transformed to give it a legitimate, wholly constructive leadership role in the Intelligence Community, despite the obstacles that are now in the way. We should recall that IRTPA created the position after decades of controversy about the failure of successive DCIs to manage the Intelligence Community. To be successful, the DNI's roles and responsibilities need to be tied clearly to IC strategic priorities and requirements; stake-holder expectations of the DNI's performance must be managed within the context of the IC's time-tested distributed model of leadership; and it must be assumed that both the Executive and Legislative branches will back the incumbent in the exercise of his authorities.

The DNI should continue to improve IC-wide performance in such areas as information management, integration of analysis and collection strategies, human resources programs, and mission management. I would also identify seven strategic areas in which the leadership of the DNI would boost IC performance and strengthen US national security. The DNI should:

- ***Increase the focus on strategic, versus tactical, collection and analysis:*** The IC needs to be able to “steal secrets” that matter for the long term and produce strategic, integrated assessments of foreign and domestic threats to US national security — assessments that can drive resources.
- ***Enable analysts to exploit the information age:*** I am confident that CIA analysts over the years have informed policymakers that the Arab regimes of the Middle East were generally corrupt, repressive, and threatened by youth bulges. Confronted by the Arab spring, however, I suspect the analysts had trouble playing catch-up ball because of their minimal access to the internet, social media, and outside experts.
- ***Strengthen the IC's commitment to science and technology (S&T):*** We are threatened today, more than ever, by technological surprise. The IC is too slow, in my view, to invest in internal scientific capability and in external relationships with experts.
- ***Boost IC Training and Education:*** The DNI is establishing a National Intelligence University. It should work to codify intelligence as a profession, strengthen interagency relationships, teach intelligence successes and failures, promote research, and convene the stakeholder of US intelligence from across the intelligence, policy, and congressional domains for constructive dialogue.
- ***Mature IC security and counterintelligence policies:*** The dramatic change to both the geopolitical and technical threats we face today represents a profound challenge to our security and counterintelligence policies. The DNI can assist the agencies to adapt their policies to the new fast-moving and complicated threat environment, and he is doing so. But this will be a work in progress for some time to come.

- ***Continue to advance information sharing across the agencies.*** It is increasingly difficult for intelligence analysts to detect precise signals amidst overpowering noise. We have had notable setbacks in recent years. But the DNI has made measurable progress on this, despite the fact that the individual agencies own their own data.
- ***Rationalize and harmonize IC procurement strategies and policies — improve government performance in contract management.*** Easy problems to cite but among the hardest to solve. The DNI is positioned to make progress over time on this top priority.