February 22, 1977

Presidential Review Memorandum/NSC-11

TO: The Vice President
    The Secretary of State
    The Secretary of Defense

ALSO: The Secretary of the Treasury
       The Attorney General
       Director, Office of Management and Budget
       The Chairman, Joint Chiefs of Staff
       The Director of Central Intelligence
       The Administrator, Energy Research and Development Administration
       The US Representative to the United Nations

SUBJECT: Intelligence Structure and Mission (U)

I have directed that the NSC Special Coordination Committee undertake a comprehensive review of major foreign intelligence activities and the organizational structure and functioning of the Intelligence Community.

This review will be undertaken in the following manner:

1. A subcommittee of the SCC under the direction of the Attorney General shall review the adequacy of existing laws, Executive Orders, National Security Council Intelligence Directives and Departmental Directives, including:

   -- Legal sanctions for the protection of sources and methods and the issues raised by the Privacy Act and Freedom of Information Act.

   -- Legislation that both protects the civil rights of U.S. persons and provides for appropriate collection of foreign intelligence and counterintelligence through electronic and physical surveillance, and

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-- The need for statutory charters for all foreign intelligence agencies.

2. Under the direction of the Director of Central Intelligence, a subcommittee of the SCC shall review the responsibilities and powers of the Director of Central Intelligence in his role as Foreign Intelligence Advisor to the President, central authority for the production of national intelligence and manager of the national foreign intelligence program and budget. This examination should include an analysis of the mechanisms for:

-- planning, evaluating and improving the Intelligence Community performance;

-- identifying intelligence requirements and tasking all sources;

-- processing, analyzing, producing and distributing intelligence for anticipated activities, warning, crisis support, current and estimative intelligence and net assessments;

-- evaluating intelligence production performance.

3. Based on the foregoing analysis, the Special Coordination Committee should undertake a complete assessment of Executive Order 11905 in light of the experience gained over the last year, including:

-- Evaluation of the performance, capacity and procedural problems regarding the former Committee on Foreign Intelligence and Operations Advisory Group, as well as the Office of the Director of Central Intelligence and the Intelligence Community Staff to act as effective instruments for control, direction and management of the Intelligence Community.

-- An assessment of the role and effectiveness of oversight organizations and the impact of Executive Order 11905 restrictions, and associated guidelines promulgated by the Attorney General on foreign intelligence activities.
-- A critique of existing definitions of mission, division of responsibility and management relationships in terms of organizational structure, efficiency and utility. All elements of the National Intelligence Program (NFIP) and Defense Intelligence activities coming under the cognizance of the Director for Defense Intelligence should be included as well as the roles of the National Foreign Intelligence Board and the DCI interagency committee structure.

-- An analysis of national counterintelligence policies and coordinating mechanisms.

This assessment should present alternative options for dealing with the above issues. These options should address, but need not be limited to:

-- Preserving and improving present arrangements under Executive Order 11905, as amended.

-- Adding to the line of authority of the Director of Central Intelligence over national intelligence collection programs.

-- Separating the role of the Director of Central Intelligence as community manager from the role of the Director of Central Intelligence.

-- Separating Central Intelligence analysis and production from all collection, operational and intelligence-related research and development activities.

The final report should be completed by June 1, 1977.

Interrdependencies among the various intelligence agencies will be assessed and recommendations made to me by the SCA as a whole.

J. Carter

SECRET/KOLS (C)

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