

APPENDIX C

An Intelligence Community Primer

INTRODUCTION

The U.S. Intelligence Community is a federation of executive branch agencies and organizations that work—both together and separately—to conduct intelligence activities necessary for the conduct of foreign relations and the protection of the national security of the United States. While the U.S. Intelligence Community is a large and complex organization, its primary mission is clear-cut: to collect and convey essential information needed by the President and other members of the U.S. policymaking, law enforcement, and military communities for the performance of their duties and responsibilities. This includes collecting and assessing information concerning international terrorist and narcotic activities; other hostile activities by foreign powers, organizations, persons, and their agents; and foreign intelligence activities directed against the United States. The President also may direct the Intelligence Community to undertake special activities, including covert action, as needed to support intelligence collection activities and to protect against foreign threats to U.S. security interests.

The purpose of the following discussion is to provide an overall picture of the U.S. Intelligence Community today and how it functions. It is intended as a primer for readers who may be unfamiliar with the subject.

MEMBERS OF THE U.S. INTELLIGENCE COMMUNITY

The U.S. Intelligence Community comprises 15 federal agencies, offices, and elements of organizations within the Executive branch that are responsible for the collection, analysis, and dissemination of intelligence. These include fourteen departmental components—eight in the Department of Defense, two in the Department of Homeland Security, one each in four other departments (State, Energy, Treasury, and Justice) and one independent agency, the Central Intelligence Agency. Each member of the Community provides a unique set of capabilities to bear upon the intelligence challenges facing the U.S. government. The members of the Intelligence Community are:

Independent Component

Central Intelligence Agency (CIA): CIA collects intelligence, principally through human means, and provides comprehensive, all-source analysis related to national security topics for national policymakers, defense planners, law enforcement officials, and the military services. CIA also conducts counterintelligence overseas and undertakes special activities at the direction of the President.

Department of Defense Components

Defense Intelligence Agency (DIA): DIA provides comprehensive, all-source, foreign-military intelligence for the military services, policymakers, and defense planners.

National Security Agency (NSA): NSA collects and processes foreign signals intelligence information for members of the policymaking and military communities and protects critical U.S. information systems from compromise.

National Geospatial-Intelligence Agency (NGA): NGA provides geospatial intelligence (described below) in support of national security and Department of Defense missions.

National Reconnaissance Office (NRO): NRO designs, builds, operates, and maintains the nation's reconnaissance satellites.

Army, Navy, Air Force, and Marine Corps intelligence organizations: Each service collects and processes intelligence relevant to its particular needs.

Non-Defense Departmental Components

Department of State/Bureau of Intelligence and Research (INR): INR provides analysis of global developments to the State Department and contributes its unique perspectives to the community's National Intelligence Estimates.

Department of Justice/Federal Bureau of Investigation (FBI): FBI takes responsibility for intelligence issues related to counterespionage, terrorism and counterintelligence inside the United States, threats to homeland security, and data about international criminal cases. Because of its law enforcement mission, the FBI is not, in its entirety, part of the Intelligence Community.

Department of Homeland Security/Directorate of Information Analysis and Infrastructure Protection: This component of DHS monitors, assesses, and coordinates indications and warnings of threats to the U.S. homeland; gathers and integrates terrorist-related information; and assesses and addresses the vulnerabilities of the nation's critical infrastructures.

Department of Homeland Security/U.S. Coast Guard Intelligence: Coast Guard Intelligence assesses and provides information related to threats to U.S. economic and security interests in any maritime region including international waters and America's coasts, ports, and inland waterways.

Department of Energy (DOE)/ Office of Intelligence (IN): The Department of Energy's Office of Intelligence performs analyses of foreign nuclear weapons, nuclear nonproliferation, and energy-security related intelligence issues in support of U.S. national security policies, programs, and objectives.

Department of Treasury/Office of Terrorism and Financial Intelligence (INF): Treasury's intelligence component collects and processes information that bears on U.S. fiscal and monetary policy and threats to U.S. financial institutions.

All the responsibilities of the CIA, DIA, NSA, NRO, and NGA are related to intelligence, and therefore each of these organizations in its entirety is considered a member of the Intelligence Community. The other departments and military services listed above are concerned primarily with business and missions other than intelligence and therefore only parts of their organizations are considered part of the Intelligence Community. For example, in the case of the U.S. Navy, only the Office of Naval Intelligence (ONI) is considered a member of the Intelligence Community.

In addition to the fifteen organizations listed above, the Intelligence Community also has established a number of *national centers* such as the Counterterrorist Center (CTC); Weapons Intelligence, Nonproliferation, and Arms Control Center (WINPAC); and the Crime and Narcotics Center (CNC). There is also a national center created by statute—the National Counterterrorism Center (NCTC), created by the *Intelligence Reform and Terrorism Prevention Act of 2004*. These centers are staffed by personnel from organizations across the Intelligence Community and are responsible for

developing collaborative approaches to collection and analysis of intelligence on specific issues.

WHAT IS INTELLIGENCE?

Intelligence is knowledge about the world around us that will help our civilian and military leaders make more informed decisions and prepare for and counter potential and emerging threats to U.S. interests. Intelligence starts with information obtained in response to known or perceived requirements from senior policymakers, defense and law enforcement officials, and military commanders. While some of this information may be available to the public, much of it is concealed by those governments or organizations (such as terrorists) who wish it to remain secret. Thus, such information derives typically from human or technical sources gathered in a clandestine manner. Collecting such denied information is a key responsibility of the Intelligence Community.

There are five primary categories or “disciplines” of information that the Intelligence Community seeks to collect to satisfy the needs of senior policymakers, decisionmakers, and military officials. Sometimes also referred to as collection techniques, these disciplines are:

Human intelligence, or HUMINT, consists of information obtained from individuals who know or have access to sensitive foreign information that has implications for U.S. security interests. The CIA and the Defense HUMINT Service, an element of the Defense Intelligence Agency, and, more recently, the FBI, are the primary collectors of HUMINT for the Intelligence Community.

Signals intelligence, or SIGINT, is information derived from intercepted communications and electronic and data transmissions. NSA is the primary collector of SIGINT for the Intelligence Community.

Imagery intelligence, or IMINT, which is also referred to as geospatial intelligence or GEOINT, is the exploitation and analysis of imagery and other geospatial information to describe, assess, and visually depict physical features and geographically referenced activities on earth. NGA has the primary responsibility for coordinating the collection and processing of IMINT data for the Intelligence Community.

Measurement and Signature Intelligence, or MASINT, describes a category of technically derived information that provides distinctive characteristics of a specific event such as a nuclear explosion, or locates, identifies, and describes distinctive characteristics of targets through such means as optical, acoustic, or seismic sensors. The intelligence organizations within the Department of the Defense—especially DIA, NGA, and the military services—are the primary collectors of MASINT.

Open source intelligence, or OSINT, refers to publicly available information appearing in print or electronic form.

Collected information is often described as *raw intelligence* until it can be sorted, integrated, and evaluated by intelligence analysts who seek to derive meaning and understanding from the information regarding its implications for U.S. interests. Often such information can only provide an incomplete picture of the threats facing the United States. Some collected information may also be contradictory and even deceptive, planted by foreign powers intent on masking their true intentions. Analysts therefore have to supplement the collected information with their own skills, experiences, and expertise to make judgments as to the validity and likely meaning of all the information available to them. Their analysis and judgments are then conveyed to policymakers, defense and law enforcement officials, and the military services in the form of *finished intelligence* reports and briefings.

THE INTELLIGENCE CYCLE

The process of tasking, collecting, processing, analyzing, and disseminating intelligence is called the *intelligence cycle*. The intelligence cycle drives the day-to-day activities of the Intelligence Community. It starts with the needs of those who are often referred to within the Intelligence Community as intelligence “consumers”—that is, policymakers, military officials, and other decisionmakers who need intelligence information in conducting their duties and responsibilities. These needs—also referred to as intelligence requirements—are sorted and prioritized within the Intelligence Community, and are used to drive the collection activities of the members of the Intelligence Community that collect intelligence. Once information has been collected it is processed, initially evaluated, and reported to both consumers and so-called “all-source” intelligence analysts at agencies like the CIA, DIA, and the State Department’s Bureau of Intelligence and Research. All-source analysts are responsible for

performing a more thorough evaluation and assessment of the collected information by integrating the data obtained from a variety of collection agencies and sources—both classified and unclassified. This assessment leads to a finished intelligence report being disseminated to the consumer. The “feedback” part of the cycle assesses the degree to which the finished intelligence addresses the needs of the intelligence consumer and will determine if further collection and analysis is required. The cycle, as depicted in the figure below, is thus repeated until the intelligence requirements have been satisfied.

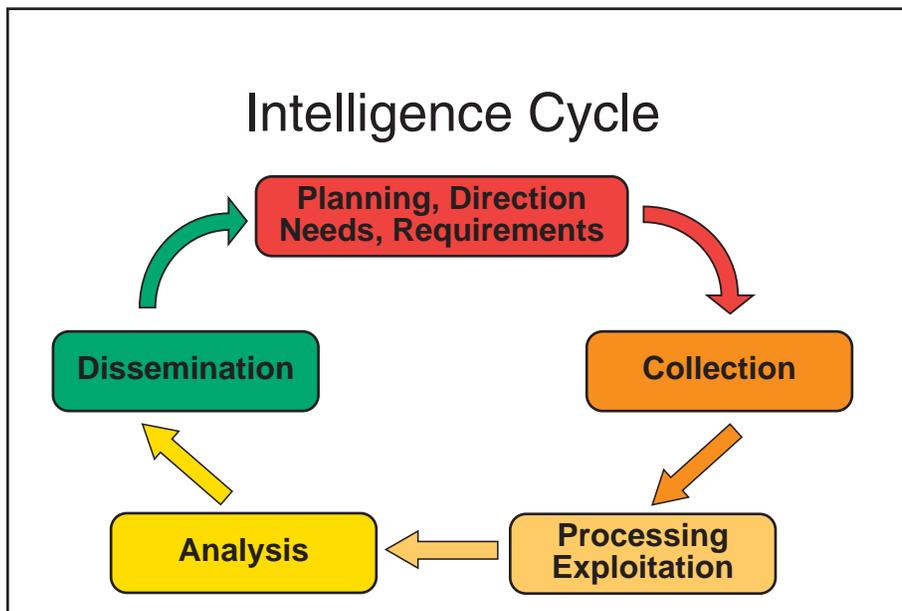


Figure 1. The Intelligence Cycle

OTHER INTELLIGENCE ACTIVITIES: COUNTERINTELLIGENCE AND COVERT ACTION

Counterintelligence encompasses actions taken to detect and counteract foreign intelligence activity that adversely affects U.S. national security interests. The FBI is the government’s primary organization responsible for counterintelligence within U.S. borders, and addresses foreign intelligence services operating within the United States. CIA has the primary responsibility for conducting counterintelligence abroad. A number of other departments and agencies maintain counterintelligence elements to protect their own oper-

ations and activities within their own organizations, including the Army, Navy, and Air Force, and the Department of Energy. The Counterintelligence Field Activity (CIFA) has broad responsibilities for counterintelligence across the Department of Defense, while the National Counterintelligence Executive (NCIX) is responsible for coordinating and overseeing counterintelligence across the Intelligence Community.

Covert action is defined as activity undertaken by the U.S. government that is designed to influence foreign governments, events, organizations, or persons in support of U.S. policy and security interests in a manner that is not attributable to the United States. Typically, covert actions are carried out by CIA with such assistance as may be necessary by other elements of the Intelligence Community as directed by the President. U.S. law requires that all covert actions be approved prior to their execution by the President in a written “*finding*” and that notification be provided to the two intelligence committees in Congress. Covert actions may involve political, economic, propaganda, or paramilitary activities.

A NEW MANAGEMENT STRUCTURE FOR THE INTELLIGENCE COMMUNITY: THE INTELLIGENCE REFORM AND TERRORISM PREVENTION ACT OF 2004

The *Intelligence Reform and Terrorism Prevention Act of 2004* established the position of the Director of National Intelligence (DNI) to serve as head of the Intelligence Community and act as the principal adviser to the President on intelligence matters related to national security. The creation of the DNI separates the responsibilities of leading the Intelligence Community from heading the CIA, which had been combined in the position of Director of Central Intelligence (DCI) previously. As we discuss in our report, the legislation gives the DNI new authorities and responsibilities that the DCI did not possess under prior law.

The DNI will be assisted in his responsibilities by the Principal Deputy Director for National Intelligence and up to four Deputy Directors for National Intelligence. The Intelligence Reform and Terrorism Prevention Act also established that the Office of the DNI (ODNI) will contain the following components to assist the DNI in his leadership of the Intelligence Community:

The National Counterterrorism Center (NCTC) serves as the primary organization in the U.S. Government for analyzing and integrating all intelligence possessed or acquired by the U.S. Government pertaining to terrorism and counterterrorism, excepting intelligence pertaining exclusively to domestic terrorists and domestic counterterrorism. The NCTC also conducts strategic operational planning for counterterrorism activities, integrating all instruments of national power, including diplomatic, financial, military, intelligence, homeland security, and law enforcement activities within and among agencies. Other national centers that may be created in addition to NCTC (for example, a new ***National Counter Proliferation Center***) would also be part of the ODNI.

The National Intelligence Council (NIC) is responsible for producing National Intelligence Estimates (NIEs) for the U.S. government and evaluating community-wide collection and production of intelligence by the Intelligence Community.

The National Counterintelligence Executive (NCIX) is responsible for improving the performance of the counterintelligence community in assessing, prioritizing and countering intelligence threats to the United States and providing integration of counterintelligence activities of the U.S. government.

The Director for Science and Technology (DST) is to act as the chief representative of the DNI for science and technology and to assist the DNI in formulating a long-term strategy for scientific advances in the field of intelligence.

A Civil Liberties Protection Officer will ensure that the protection of civil liberties and privacy is appropriately incorporated into the policies and procedures developed by the ODNI.

A General Counsel will serve as the chief legal officer for the ODNI.

The statute also establishes the ***Joint Intelligence Community Council***, which consists of the heads of each Department that contains a component of the Intelligence Community (*e.g.*, Secretary of Defense), and which will assist the DNI in developing and implementing a joint, unified national intelligence effort to protect national security.

U.S. INTELLIGENCE RESOURCES

The intelligence resources of the United States—including manpower and funding—are grouped primarily into three categories: the National Intelligence Program, the Joint Military Intelligence Program, and Tactical Intelligence and Related Activities.

The National Intelligence Program (NIP): The *Intelligence Reform and Terrorism Prevention Act of 2004* provides the DNI with the authority to develop the budget and allocate resources under the NIP. NIP resources support national intelligence priorities and are applied to intelligence activities outside the Department of Defense and a sizable portion of the intelligence activities of the military departments and defense agencies. The agencies and organizations whose resources are included as part of the NIP include the CIA, NSA, DIA, NGA, NRO, and the intelligence elements of the Department of State, Department of Justice, Department of Energy, and Department of the Treasury.

The recent legislation provides a role for the DNI in transferring and reprogramming funds and personnel within the NIP. The Act provides the DNI with the authority to transfer funds within the NIP to an intelligence activity that is of a higher priority or in support of an emergent need, to improve program effectiveness, or increase efficiency. Such transfers or reprogramming of funds must have the approval of the Director of the Office of Management and Budget and be made in consultation with the heads of the affected department and agencies with the Intelligence Community. In addition, the transfer or reprogramming of funds for these purposes out of any agency or department funded in the NIP in a single fiscal year is not to exceed \$150 million annually—or five percent of an agency or department’s budget under the NIP—without approval of the head of the department or agency affected. The DNI is also authorized to transfer up to 100 people to a new intelligence center within the first twelve months of the establishment of that center, with the approval of the Director of the Office of Management and Budget and in consultation with the appropriate congressional committees. Intelligence resources under JMIP and TIARA (described below) will continue to be managed by the Department of Defense and the military services; however the DNI will participate in the development of the JMIP and TIARA budgets.

The Joint Military Intelligence Program (JMIP): The JMIP encompasses military intelligence activities that support Defense-wide objectives, as opposed to a single military service. The JMIP falls under the authority of the Secretary of Defense. JMIP resources support multiple defense organizations across functional boundaries and mission areas. Many of the programs under JMIP parallel those in the NIP. As a result, some agencies, like NGA, receive funding from both the NIP and JMIP budgets. The Deputy Secretary of Defense oversees the day-to-day activities of the Defense Department, which include the Defense Department's intelligence efforts. The Under Secretary of Defense for Intelligence serves as the JMIP Program Executive and provides policy, substantive, and programmatic guidance for the programs, projects, and activities within the JMIP.

Tactical Intelligence and Related Activities (TIARA): TIARA also falls under the authority of the Secretary of Defense and represents an aggregation of intelligence activities funded by each of the military services and the Special Operations Command to meet their specific requirements.

THE BUDGET PROCESS

Managing the annual intelligence budget can be a lengthy and complex process. As provided for in the *Intelligence Reform and Terrorism Prevention Act*, the process starts with the DNI providing guidance to the heads of agencies and organizations within the Intelligence Community for developing the NIP budget based on the priorities set by the President. The DNI will also participate in the development of JMIP and TIARA budgets managed by the Secretary of Defense including providing budget guidance to those elements of the Intelligence Community not within the NIP. This new participatory role has yet to be clearly defined. After the heads of the agencies and organizations within the Intelligence Community respond with their budget proposals and, as appropriate, after obtaining the advice of the Joint Intelligence Community Council, the DNI develops and determines the annual consolidated NIP budget. The DNI then presents the consolidated NIP budget, along with any comments from the heads of the agencies and departments containing organizations within the Intelligence Community, to the President for approval. After the NIP budget is approved and authorized, the DNI will manage the appropriations for the NIP by directing the allocation of such appropriations through the heads of the departments containing agencies or organizations within the Intelligence Community and the Director of the Cen-

tral Intelligence Agency. The DNI also will monitor the implementation and execution of the NIP by the heads of the elements of the Intelligence Community that manage programs and activities that are part of the NIP, which may include audits and evaluations.

OVERSIGHT OF THE INTELLIGENCE COMMUNITY

The Intelligence Community is subject to both Executive and Legislative oversight.

The National Security Council (NSC) is the senior Executive Branch entity that provides guidance for and direction to the conduct of national foreign intelligence and counterintelligence activities. The statutory members of the NSC are the President, the Vice President, the Secretary of State, and the Secretary of Defense.

The President's Foreign Intelligence Advisory Board (PFIAB) reviews the performance of all Government agencies involved in the collection, evaluation, or production of intelligence or in the execution of intelligence policies. The PFIAB also assesses the adequacy of management, personnel, and organization in the intelligence agencies and makes recommendations to the President for actions to improve U.S. intelligence efforts. The Intelligence Oversight Board is a standing committee of the PFIAB and is the White House entity with oversight responsibility for the legality and propriety of intelligence activities.

The Office of Management and Budget, as part of the Executive Office of the President, reviews intelligence budgets with respect to all presidential policies and priorities.

The Senate Select Committee on Intelligence (SSCI) and *the House of Representatives Permanent Select Committee on Intelligence (HPSCI)* are the two committees of Congress with primary jurisdiction for oversight of the Intelligence Community. These committees, along with the House and Senate Armed Services, Senate Foreign Relations, House International Relations, House and Senate Judiciary, and House and Senate Homeland Security Committees, are also charged with authorizing the programs of the intelligence agencies and overseeing their activities. The appropriation committees, by virtue of their constitutional role to appropriate funds for all U.S. Government activities, also exercise some oversight functions over the Intelligence Community.

