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POINT PAPER

Subj: UTILIZING THE COUNTER-NARCOTICS CENTER EXPERIENCE AS
A BASIS FOR TESTING AND THEN PROPOSING SOME GENERAL
INTELLIGENCE RESTRUCTURING INITIATIVES

Executive Summary

- The existing intelligence bureaucracies and their leaders are too entrenched to support intelligence restructuring initiatives
- The changing nature of the "threat", the increased demand for intelligence across the government, and severe fiscal constraints, all combine to require restructuring, consolidation, and new ways of doing business
- A potential test-bed for testing new intelligence restructuring exists in the Counter-Narcotics Center (CNC) and to a lesser extent in the Counter-Terrorism and Counter-Intelligence Centers
- What is lacking is a systematic process for recording experiments and defining successes across all intelligence functional areas and in relation to major management areas of inquiry
- This paper proposes that such a process be established and suggests several potential sources of planning and evaluation support
- Two defense organizations, the Intelligence Communications Architecture Office (INCA), and the Joint National Intelligence Development Staff (JNIDS), are especially capable source of innovative support
- There is a role to be played by American business and academia in the restructuring process
- There is also a role to be played by foreign governments and their own business and academic partners
- This process, in conjunction with the independent but related determinations of Congress, the Director of Central Intelligence, and the Secretary of Defense, could serve as basis for a new National Security Act

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1. Purpose. This paper outlines some of the steps that would be useful in documenting the Counter-Narcotics Center (CNC) experience as a basis for testing and then proposing some general intelligence restructuring initiatives. It is a personal expression of views and does not reflect the position of any organization.

2. Background

a. The intelligence bureaucracy's reluctance to learn new ways is summarized in the following two quotations:¹

"Unfortunately, left to its own devices, government bureaucracies will change only slowly even in the face of cataclysm. There are strong constituencies supporting the status quo, resisting change, and arguing for a go-slow approach to reordering priorities."

"...it's time to acknowledge that the current organizational structure of U.S. intelligence is an accident of bureaucratic evolution and not the result of a rational organizational scheme. Hence, we should take a hard look at how various intelligence roles, missions, and functions are parceled out among the various intelligence agencies and military services."

b. The reluctance of institutions to change is all the more disturbing in the face of emerging threats which do not lend themselves to being understood and forecast by the bureaucratized intelligence process of the past, and the general challenges of adjusting to new customers, new security threats, and new management dilemmas in the areas of information technology, requirements, and resources.

c. The differences between the conventional and the emerging threats must be understood and accepted as valid if personnel responsible for managing intelligence resources are to

¹ Mr. Keith Hall, Deputy Staff Director for the Majority, Senate Select Committee on Intelligence, "Challenges Faced by U.S. Intelligence", American Intelligence Journal (Summer/Fall 1990), pp. 1-3.

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successfully adjust their designs and methods to meet these challenges.²

<u>CONVENTIONAL THREAT</u>	<u>EMERGING THREAT</u>
- Governmental	- Non-governmental
- Conventional/Nuclear	- Non-conventional
- Static orders of battle	- Dynamic or random
- Linear development	- Non-linear
- Known doctrine	- Unknown doctrine
- Strategic warning	- Ineffective I&W
- Known intel assets	- Unlimited 5th column

Table 1: The Changing Threat

d. The implications of these differences for "the way we do business" are clear but not necessarily agreed upon.³

"The conventional threat lends itself very well to conventional intelligence collection capabilities which include a strong ability at stand-off technical collection, and a fairly methodical, repetitious, and largely bureaucratized way of doing "analysis"; the emerging threats, in sharp contrast, simply cannot be spotted, assessed, fixed, and neutralized by our existing capabilities."

e. The differences in the threat are compounded by two additional short-falls in our national security community: a lack of focus on strategic management challenges, and a failure on the part of our national intelligence managers to distinguish between four completely different levels of analysis which must be addressed we are to meet the needs of four key customer groups

² The difference between the two threats, developed by analysts at the USMC Intelligence Center, was first presented publicly in General Alfred M. Gray's article, "Global Intelligence Challenges in the 1990's", American Intelligence Journal (Winter 1989-1990), pp. 3-7.

³ Mr. Robert D. Steele, "Intelligence in the 1990's: Recasting National Security in a Changing World", American Intelligence Journal (Summer/Fall 1990), p. 29.

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responsible for developing strategic plans, regional or issue-oriented campaign plans, tactical operations, and technical capabilities.

(1) Taking our strategic management challenges first: these are areas of emphasis which have traditionally been ignored by the most senior Executive and Congressional authorities, in part out of frustration and the feeling that cross-agency, cross-service, cross-theater coordination and integration of effort is in the "too hard" box. Without belaboring the point, the fact is that we are simply not "managing" our intelligence community, but rather letting each discipline, agency, service, and theater press on with their individual agendas.⁴

- Meeting Needs of Public Programs Outside the Traditional National Security Arena
- Indications & Warning (I&W) for New Threats
- Theory & Methods for Counterintelligence and Operations Security (CI/OPSEC)
- Establishing Inter-Agency, Cross-Disciplinary Open Architecture for Information Technology
- Cross-Disciplinary Multi-Timeframe Intelligence Requirements Management
- Cross-Disciplinary, Cross-Agency, Cross-Service, Cross-Theater Resource Realignment

Table 2: Strategic Management Challenges

(2) The level of analysis problem helps us understand the failure of national and defense intelligence production authorities to come to grips with the practical applications of intelligence in four completely different arenas. As a generalization, our databases and production tend to be "pipelined" by discipline (imagery, signals, and human intelligence), country, topic, or system. There is very little inherent integration in the way we do analysis, with the result that meaningful generalizations are rarely drawn out. The decision-makers at each level are essentially inundated with a constant stream of intelligence that is not presented with any

⁴ These challenges were first outlined and are discussed at greater length in supra note 3.

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coherence or in relation to specific levels and types of decisions.⁵

<p><u>STRATEGIC LEVEL</u></p> <ul style="list-style-type: none">-- Sustainability (maintain operations over time/space)-- Location (strategic geo-political locations of raw materials or processing materials)-- Allies (external relationships of strategic import) <p><u>OPERATIONAL LEVEL</u></p> <ul style="list-style-type: none">-- Availability (quantities of each key element on hand)-- Resources (nature of controlled resources)-- Instability (degree to which civil factors impede or support operations) <p><u>TACTICAL LEVEL</u></p> <ul style="list-style-type: none">-- Reliability (impact of training & maintenance on existing capabilities)-- Terrain (immediate geographic conditions affecting mobility and transportability)-- Psychology (group dynamics impacting on cohesion) <p><u>TECHNICAL LEVEL</u></p> <ul style="list-style-type: none">-- Lethality (optimal effectiveness of capabilities)-- Atmosphere (climate/weather)-- Infrastructure (road networks, etcetera)

Table 3: Distinguishing Between Levels of Analysis

⁵ This conclusion is based on a review of national and defense intelligence production plans for FY 91, personal experience, and a two year effort by the USMC Intelligence Center to develop a concept of production support for its different customer groups within the Marine Corps. For a complete description of findings and plans, see the author's "Threat Support to Expeditionary Planning & Programming", Marine Corps Gazette (August 1991, forthcoming). A prototype product representing the approach and presentation format needed at the strategic level is provided by Overview of Planning and Programming Factors for Expeditionary Operations in the Third World, Marine Corps Studies Program, Expeditionary Intelligence Study 1-89 (April 1989).

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f. Although the levels of analysis refer primarily to the nature of products as they relate to distinct customer groups, it is helpful to emphasize that this means there are really four distinct intelligence cycles and related infrastructures corresponding to each of these customer groups: the people, systems, facilities, and dollars necessary to deliver these distinct product groups overlap but are not the same. This is the reason our intelligence community is fragmented today - because each manager responsible for an element of the intelligence cycle tried to "do it all", and because each customer (e.g. a theater commander or agency director) either obtained their own resources or "made do" with whatever was provided. We have not done well at evaluating our intelligence requirements in a strategic sense, i.e. in relation to how the intelligence could be used to influence specific decisions and actions.

g. Despite the general institutional reluctance to change basic organizational cultures and the way in which each intelligence, military, and law enforcement organization approaches its mission and the manner in which it develops its human and capital capabilities, there are three Centers in operation today - the Counter-Terrorism Center (CTC), the Counter-Narcotics Center (CNC), and the Counter-Intelligence Center (CIC) which offer a unique opportunity to test and then propose some general intelligence restructuring initiatives.

3. Discussion

a. Each of the three Centers - like the inter-agency task force established for the Olympics - is proving to be a relatively successful mechanism (in comparison to the normal inter-agency coordination process) at establishing new ways to integrate inter-agency resources and multi-disciplinary intelligence collection and production against specific targets of great concern.

b. The Centers are, however, new, and no methodology has been established for recording the new designs and methods their inter-agency (joint civilian and military) personnel are testing on a day to day basis. There is also no framework identified within which to conduct programmatic evaluation as a means of reaching conclusions about effectiveness, efficiency, and returns on investment. What is needed is a systematic process for recording initiatives and identifying both successes and failures in each of the main areas of organizational endeavor: personnel,

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systems, facilities, production, and resource management. In essence, these path-finding endeavors require a combination of a weekly "significant events" reporting schedule, a program evaluation plan, and an institutionalized "lessons learned" methodology.⁶

<u>REPORTING CATEGORIES</u>	<u>FREQUENCY</u>
Significant Events	Weekly
Evaluation Reports	Bi-Annual
Lessons Learned	Quarterly

Table 4: Reporting Categories

c. In establishing any new endeavor, and testing new ways of solving problems, there are five major areas where entrenched bureaucracies resist changes in the "way we do business" - five areas where the greatest changes are required if we are to adjust to the emerging threats of the 1990's and begin producing intelligence that recognizes the four different levels of analysis and their related customer groups in different agencies, services, and theaters. Not surprisingly, these are "core" functional areas encompassing all aspects of the organization - people, tools, products, facilities, and dollars (or, in more traditional language: personnel, systems, facilities, production, and resource management). Over the long-term, we should seek to design, test, and implement new ways of meeting our needs in each of these area. In the short-term, to ensure management attention

⁶ One source of potential information on problems and solutions encountered by new intelligence organizations is the "Command Chronology" file that the military requires each of its activities to prepare annually. The USMC Intelligence Center, the Coast Guard Intelligence Coordination Center, and several other new facilities including the three Joint Task Forces dedicated to narcotics interdiction and the intelligence centers coming into being at Forces Command, Transportation Command, and the Central Command could all be asked for copies of their command chronologies, as well as any "lessons learned" prepared in the aftermath of DESERT STORM/DESERT SHIELD or other events.

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is applied to each of these areas continuously, the weekly "significant events" reports, and the quarterly "lessons learned" reviews should isolate and report on each of the five areas in turn. Following are some of the areas that could be addressed:

(1) Personnel

- Civilian-military-law enforcement mix
- Integration of customer representatives
- Pay, promotion, and recognition
- Permanent-rotational mix
- Per cent time in training
- Per cent time in travel
- Per cent time with customer
- Tasks to be automated or eliminated

(2) Systems

- Secure voice communications
- Secure data communications
- Secure video communications
- Generic word processing
- Generic data base access
- Multi-level security management
- Timeliness of data entry
- Timeliness of data fusion
- Timeliness of product presentation

(3) Facilities

- "One stop desk" at each customer site
- Distributed facilities
- Mobile facilities
- Minimal mandatory space/furniture per person
- Group facilities
- Parking
- Child care
- Location in relation to customers
- Location in relation to affordable housing
- Location in relation to mass transit

(4) Production

- Zero-based review of all products
- Increase analysis, reduce production
- Family of tailored reports to each customer
- Ad hoc production on a daily basis

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- Dissemination of ad hoc production
- Open sources as alternate to production
- Focus production on related decisions and actions, not on "themes" or topics

(5) Resource Management

- Streamline procurement process
- Delegate O&M obligation authority downwards
- Emphasize off-the-shelf acquisition
- Contract out support tasks
- Identify excessive paperwork requirements
- Automate regulations and references
- Develop alternative accountability processes

PERSONNEL SYSTEMS FACILITIES PRODUCTION RESOURCE MANAGEMENT

Table 5: Core Areas of Inquiry and Testing

d. The above core areas of management inquiry are complemented by the ten functional management areas of intelligence.⁷

-- Imagery	-- Training
-- Signals	-- Systems
-- Human	-- Processing
-- Collection	-- Dissemination
-- Indications & Warning	-- Counterintelligence

Table 6: Functional Areas of Inquiry and Testing

⁷ Existing defense intelligence functional areas.

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e. There are a number of ways of undertaking this self-study effort - it need not detract from the availability of internal manpower needed to fulfill the primary mission of CNC or any other center. The only internal cost is that required to complete the weekly significant event reports and the quarterly lessons learned reports. Among sources of funding and expertise suitable for exploiting the CNC experience for the greater benefit of the intelligence community:

(1) Inspector General. Ask the Inspector General of the Central Intelligence Agency to assume a program evaluation role that is constructive, and to assign an individual with management analysis training to supervise planning and evaluation initiatives along the lines suggested in this paper.

(2) Center for the Study of Intelligence. Ask that one of their members be assigned to CNC as a resident observer and recorder. Use that person, and a member of CNC, to present CNC issues to the Warrenton seminar group and stimulate constructive suggestions from seminar members (representative of the entire organization). Encourage CNC personnel as well as external contacts to write articles. Consider commissioning an unclassified edited work. Sponsor a two-day conference.

(3) DCI Productivity Enhancement Initiative. Submit an initiative for one man-year of effort (limited to two year project) to study, document, and refine CNC practices as they might be applied to any intelligence target area.

(4) Security Affairs Support Association. Host a special meeting of their Board of Directors or Program Development Committee, ask them to sponsor a special session with working groups for each area of inquiry. Other professional associations, including the National Military Intelligence Association and law enforcement associations, could also be consulted and/or invited to participate.

(5) American Defense Preparedness Association. Sponsor a working group and newsletter by this group, and seek business funding for a two-three person effort to develop restructuring proposals.

(6) Congressional Staff. Seek their support for a General Accounting Office or Congressional Budget Office evaluation, or the assignment of a single full-time management analyst to serve as the Director's Special Assistant for Planning. Use that individual to coordinate efforts of others

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and to write articles, speeches, and testimony supportive of the restructuring initiative. A well-chosen individual could also serve as a source of knowledge of the vast number of studies that have been conducted by others with similar objectives, and then relegated to the dust bin.

(7) Media. Consider taking in a single cleared journalist for a year, funded by the media parent and under strict pre-publication review rules, to serve as an independent observer, brainstormer, and drafter of alternative proposals.

(8) Management Advisory Group. Start one, with a core group of CNC employees and several supporting groups (e.g. one of senior customers, another of senior business representatives, etcetera. Meet with the core group monthly, the other groups quarterly.

(9) Existing Organizations. Two defense organizations: the Intelligence Communications Architecture Office (INCA), and the Joint National Intelligence Development Staff (JNIDS) are especially capable sources of innovative support.

(a) INCA's charter could be expanded to include law enforcement and civilian agencies, and thereby serve as the principal advisor to CNC management regarding intelligence communications and computing architectures and systems.

(b) JNIDS has accepted responsibility for funding a four year project to create counternarcotics analysis tools - in conjunction with the Computer Aided Tools for the Analysis of S&T (CATALYST) now being developed so successfully by the Office of Scientific and Weapons Research (OSWR), JNIDS monies could be used to bootstrap CNC into the twentieth century.

(10) Foreign Governments. Establish a separate international advisory/study group which uses the narcotics target as a basis for considering alternative means of satisfying intelligence requirements in the various functional areas, and pays special attention to the changing relationships between U.S. intelligence and law enforcement agencies, those of their countries, and home/host country industrial and academic communities.

f. A critical aspect of any emerging threat and the change that it brings to our world is the rate at which the threat emerges and imposes costs on those affected. The proliferation of modern weapons and the widespread availability of means of

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communication and transport have dramatically reduced the "lead time" in which new organizations (or groups of individuals) can acquire and exercise threatening capabilities. This is a major reason why our fragmented intelligence system, which was once effective despite its inherent inefficiencies, is no longer suitable and must be restructured. Another reason is naturally the shortage of national capital - redundancies and expensive inefficient organizations and system are no longer affordable. Time is running out - we need to cut through institutional biases and predispositions, and rapidly test new ways of doing business.

4. Conclusion. A concerted and organized effort by CNC and other similar centers, to develop a completely new "standard operating procedure" spanning the gamut of core issues and documenting different and more effective ways of "doing business", could be the necessary precursor and catalyst to a much broader and more comprehensive effort to restructure the entire intelligence community. The modest resources necessary to examine and document alternatives can be marshalled without great inconvenience. Foreign governments and their respective business and academic communities have a role to play.

5. Recommendations

a. Require weekly "Significant Events" reports from all branches and external liaison representatives, organized into the five strategic areas of inquiry and cross-referenced to the ten functional areas.

b. Require quarterly "Lessons Learned" Reports, and host quarterly reviews intended to establish corrective milestones and objectives in each area of inquiry.

c. Obtain a detailee from the Inspector General or the Center for the Study of Intelligence and put that person in charge of "transition research and public diplomacy", to include submission of a DCI Productivity Enhancement Initiative, sponsorship of a joint industry-government symposium, and call for papers to put into an edited work.

d. Establish an inter-agency Management Advisory Group that meets monthly with the Director of CNC (Saturday mornings), and related support groups of senior customers and business advisors.

e. Ask Congressional staff assistance in assigning a professional management analyst from the Government Accounting Office or any other appropriate source to design and conduct a

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program evaluation focused on evaluating performance in each core area of inquiry for applicability to other target areas.

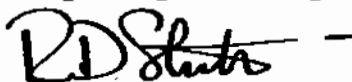
f. Establish Memoranda of Understanding (MOU) with INCA and JNIDS, and use them to rapidly infuse "state of the shelf" technology into the counternarcotics intelligence process at every level.

g. Adopt the CATALYST hardware and software suite at the CNC standard.

h. Establish an international advisory/study group which uses the narcotics target as a basis for considering alternative means of satisfying intelligence requirements in the various functional areas, and pays special attention to the changing relationships between U.S. intelligence and law enforcement agencies, those of their countries, and home/host country industrial and academic communities.

6. Bottom Line. One person full-time on the inside CNC, and reliable participation by another 100 people as required (e.g. one day a month each) as well as responsive reporting from CNC elements and associated domestic and foreign entities, could lead to a tested and documented package of recommendations for how the intelligence community as a whole should be restructured.

Very respectfully,



R. D. STEELE