

Week 3: Current IC structure and Budget

A. IC Structure Prior to 9/11 (Chart)

- Large DOD component.
- CIA only non-departmental agency. No policy agenda.
- DCI with three hats: Presidential, IC, CIA. Too many hats?
- IC stovepipes on collection and analysis. Few interagency efforts.

B. Major reasons for Reform

- DCI not strong enough to oversee and manage IC. DOD too powerful.
- No unified IC counter-terrorism effort. No clear responsibility for CT operations.
- No common/shared data base on foreign-domestic terrorists activities. CIA-FBI handoffs.
- No domestic intelligence agency. Focus on law enforcement. The wall.
- No truly joint IC centers to combine intelligence and ops outside of military commands.

C. Recommendations of 9/11 Commission

- Create National Counterterrorism Center (NCTC). Use DOD Goldwater-Nichols model for national centers, including regional ones. ie Middle East, Far East.
- Create DNI with greater 1) control of IC budget 2) hire and fire authority 3) ability to set standards on computerized data sharing and classification 4) common standards on personnel policies, fewer separate intel career services.
- Strengthen CIA, more analysts and spies, but separate from DNI
- Move all paramilitary ops to DOD
- Stronger FBI domestic intel, but no MI 5.
- Open Intel budget.
- Streamline Congressional oversight and budget authority.

D. Reform Act of 2004.

- Creates DNI, but with little real control of DOD budget. \$150m limit. Can't cancel acquisitions.
- Creates large new DNI staff and downgrades CIA.
- Creates NCTC and NCPC, but leaves centers concept vague in terms of ops.
- No new intel services (foreign, domestic, military) Functional deputies instead.
- No stronger hire and fire. Limited movement of personnel.
- Budget still secret, and no streamlining.
- BUT, provides for common data bases and centralized hiring/clearance process.

E. Current IC (Chart)

- NIC and National Centers under DNI.
- No real streamlining. Proliferation of CT centers. Food fights over ops.
- IC agencies still evolving. NRO, FBI, CIA etc.
- Role of Collectors (NRO, NSA, NGA, CIA, FBI)
- Role of all source analysts (Centers, CIA, DIA, State, FBI)
- Role of Consumers (HSA, smaller departments, military services)

F. Budget

- \$40+ billion, 85% in DOD. (NRO, NSA, NGA)
- NIP \$23b
- JMIP 3b
- TIARA 15b
- Budget still secret and authorized by Congressional Armed Services and Appropriations Committees.
- Reason. Big bucks, lots of pork, many fingers. Keep it secret.