

Evolution of the Intelligence Community Staff1960-1980

A significant early step in the evolution of a coherent National Foreign Intelligence Community occurred in 1961 when President Eisenhower, by Executive Order, institutionalized the U.S. Intelligence Board (USIB)¹ and formally established the National Photographic Interpretation Center (NPIC). Refinement of the USIB concept--that it be chaired by the DCI--was formalized by President Kennedy on 16 January 1962 by memorandum to DCI McCone, the same year in which NSA became a USIB member. This instruction also directed Mr. McCone to delegate the day-to-day operations of CIA to his deputy, who would also become the CIA representative to the USIB, so that the DCI could devote more of his time to Community matters.

As successive steps were taken toward a Community which would more fully integrate National Foreign Intelligence activities, the DCI became aware of a growing need for a supporting staff which would focus exclusively on Community concerns. In 1963, Director McCone created a National Intelligence Programs Evaluation (NIPE) Staff for this purpose and placed it under his Deputy for Coordination.

On 4 March 1964, the NSC revised its first formal intelligence directive, NSCID No. 1, to assign the DCI (then Admiral Raborn) primary responsibility for guiding the total U.S. intelligence effort.² Three years later, under the leadership of DCI Richard Helms, the Intelligence Community may be said to have reached figurative maturity--21 years since Congress first enunciated the principle of a Director Central Intelligence.

On 20 January 1969 John Bross, then Director of the NIPE Staff, submitted a comprehensive report to the DCI on the organization of the CIA and the Intelligence Community which set the stage for Community development in the 1970's.

1 The DCI's Intelligence Advisory Committee (IAC) was created in 1947 to coordinate intelligence requirements among Departments. Chaired by the DCI, it included representatives from State, Army, Navy, Air Force, JCS, the Atomic Energy Commission, and others the DCI might invite.

2 NSCID No. 1 was first issued on 12 December 1947. It established the duties and responsibilities of the DCI and prescribed the relationship between the CIA and the intelligence organizations concerning which the IAC (see footnote 1) advised him.

Focusing on the Community, the report addressed the Community's relationship to the DCI's coordinating responsibility under three headings:

- Coordination of the production and dissemination of substantive intelligence;
- Machinery for allocating jurisdictional responsibility among Community components; and
- Guidance and coordination for allocation and use of resources.

While Bross said little on the subject of allocating tasks among Community components, except to note that the National Security Council was the allocating authority, he focused on resource management, noting the DCI's primary responsibility for resource management was to ensure that resources used in the overall U.S. intelligence effort produced intelligence which responded, insofar as possible, to the real needs of policymakers. Given a variety of expensive and sophisticated technical collection options, and the ability to collect enormous amounts of data--some of which was redundant or of marginal interest--and limited numbers of operating dollars, Bross saw as primary questions: How would the DCI determine how much information was enough, and how would he know whether sufficient effort was being applied against the most essential intelligence targets.

These questions remained unanswered despite the efforts of the National Intelligence Resources Board (NIRB) which had been created to establish bases for independent judgments by the DCI concerning the need for individual activities or programs³. Not designed for routine program review, the NIRB advised the DCI on collection programs in light of cost, alternative methods and gaps in collection coverage of critical areas and possible risks to national security. The Board was authorized to draw on all Community components to assist in its assessments. Like the USIB, it was another forum for management by negotiation in the absence of DCI directive authority commensurate with the responsibilities which he was assigned. The NIRB drew on the NIPE Staff and USIB committees for program review and staffing.

In commenting on the DCI's ability to carry out these tasks the DCI's Deputy for Coordination and the NIPE Staff--then numbering about a dozen professionals-- pointed out that their lack of authority to deal directly with either CIA resource elements and other Community components was a serious impediment.

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The NIRB was established by Director Helms in 1968. His deputy, Admiral Taylor, was appointed chairman. Other members were senior representatives from the Departments of Defense and State. ~~DIA and NSA (were excluded from membership because,~~ as Program Managers, it was their resources which the NIRB would consider for trade-off and adjustment.] *as parts of the DoD,*

Staffing: Munichette
their interests were represented by the DoD.

DCI Helms and his advisors believed that: A Community staff should support the NIRB, maintain the Target Oriented Display (a consolidated presentation of National Foreign Intelligence Resources showing geotopic focus and functional composition);⁴ represent the DCI in reviewing DoD and other departmental intelligence programs; refine objectives and priorities for the overall intelligence effort; and develop a long-range planning capability. There was a recognition that such a staff should maintain a competence in systems and operations analysis and perform Community liaison functions, including support to the President's Foreign Advisory Board (PFIAB).⁵

In a letter to Director Helms on 1 November 1971,⁶ President Nixon noted the urgent need for increased efficiency in the allocation of resources devoted to the intelligence effort. The President directed changes designed to enhance the status of the DCI and to provide him with the support needed to strengthen his position as leader of the Community. He instructed the DCI to focus his primary attention on community leadership tasks -- to plan and review all U.S. foreign intelligence activities, including tactical intelligence, and the allocation of all U.S. foreign intelligence resources. To implement these directives, the President mandated a group of specific management actions, based on a study of National Foreign Intelligence management needs by the staffs of the NSC, OMB, PFIAB, the President's Science Advisor, and the Intelligence Community, i.e.:

- An enhanced leadership role for the DCI in planning, reviewing, coordinating, and evaluating all intelligence programs and activities, and in the production of national intelligence.
- Establishment of an NSC Intelligence Committee (NSCIC) to give direction and guidance on national intelligence needs and provide for a continuing evaluation of intelligence products; and of an NSC Net Assessment Group to evaluate all intelligence products and to produce net assessments.

(first in NSC, then in Sec Def office)

partially from Schlesinger's study.

4 The Target Oriented Display is known today as the Consolidated Intelligence Resources Information System (CIRIS); it is maintained by the IC Staff.

5 President Eisenhower founded the President's Board of Consultants on Foreign Intelligence Activities in 1956. It was an appointive body composed of a group of private citizens who advised the President, but had no authority over the DCI or the Intelligence Community. President Kennedy renamed the group the President's Foreign Intelligence Advisory Board. It functioned as the PFIAB from 1962 until 4 May 1977, when President Carter dissolved it.

6 A following memorandum, dated 5 November 1971, detailed the President's instructions. It is not cited here because of its restricting security classification.

- Establishment of an Intelligence Resources Advisory Committee (IRAC), chaired by the DCI and including senior members from State, Defense, OMB, and CIA, to advise the DCI on the preparation of a consolidated intelligence program budget.⁷
- Retention of the USIB (naming the Deputy DCI vice chairman) to advise and assist the DCI with respect to production of national intelligence and establishment of national intelligence requirements and priorities.

In providing this directive, the President noted that the DCI would require an increased and restructured staff to allow him to discharge his augmented responsibilities. Recognizing that these actions would not provide ultimate solutions, the President stated that he expected additional changes in the Community, consistent with the attainment of prescribed national objectives.

Reflecting these broader responsibilities, Director Helms created the Intelligence Community Staff (ICS) on 1 March 1972 to deal with the Community aspects of his expanded mission, and named Bronson Tweedy as its Director. When Dr. Schlesinger became DCI in early 1973, he reorganized the IC Staff to make it more representative of the entire Community, it having previously been manned by a preponderance of CIA officers.

Under Lt. Gen. Lew Allen who succeeded Bronson Tweedy as Director, the IC Staff reflected the focus of the DCI on his Community management responsibilities. Organizationally, the IC Staff included:

- A Community Comptroller Group ✓
- A Product Review Group ✓
- A Planning and Evaluation Group ✓
- A Data Support Group ✓

The "Product Review Division" (PRD) had the task of regularly appraising intelligence articles and studies, "testing them for objectivity, balance and responsiveness."

⁷ The IRAC superseded the NIRB and perpetuated the intent to provide a Community forum which would address critical intelligence resources matters.

The CIA's Intelligence Directorate had no formal or independent system for quality control, depending instead upon its regular review and coordination process. Most of PRD's attention during the period was directed to the conduct of community-wide post mortems on particular crises -- for example, the 1973 Middle East war, the Cyprus crisis in 1974, the Indian nuclear detonation and the Mayaguez incident. The Division was involved in changing the daily Central Intelligence Bulletin from a CIA publication into a community publication (now called the National Intelligence Bulletin). PRD participated in discussions leading to the transformation of the old Watch Committee into the DCI's Special Assistant for Warning, with a Strategic Warning Staff.

PRD was not significantly involved in the development of new analytic methods, in resource allocation for production elements, or in training or recruitment issues. Contact with consumers of intelligence products was on an irregular basis (mostly for post mortems), although PRD was at work, through other CIA organizations, collecting consumer reactions on particular papers of concern to the USIB. The Division had no authority to order changes in the management of production which might affect the quality of the product, rather it was in the position of making recommendations to the USIB and encouraging their implementation.

The National Intelligence Officer (NIO) organization, which was created about a year later under DCI Colby, replaced the previous office of National Estimates, and extended the DCI's role and presence throughout the intelligence production process. Each NIO had a specific area of geographic, or topical, responsibility. The NIO concept was an answer to the continuing problem of finding ways to concentrate Community capabilities on substantive problems of major interest to consumers without incurring the costs and dislocations of continual reorganization. The NIOs, given no line authority over any Community component, were authorized by the DCI to draw on all Community entities. Their mission was to view their respective areas of responsibility, and the Community's total performance, thereto just as the DCI would view them if he had the full time and expertise to devote to the particular subject area.⁸

Collaboration of the IC Staff and NIOs under DCI Colby's direction, for example, led to the development of Key Intelligence Questions (KIQs) and an attempt to evaluate the Community's performance in addressing/satisfying these questions. The KIQs were the Community's response to a national requirement for a single system by which NSCIC members could specify their most important immediate intelligence needs and thereby provide definitive guidance to the DCI and to managers of national intelligence programs. The KIQ personnel evaluations, KEP, was a joint ICS/NIO attempt to measure and evaluate IC performance with respect to annually defined KIQs.

⁸ The NIOs replaced the Board of National Estimates (BNE) had been created in 1950 to provide a forum in which senior experts from outside the Community might review estimates drafted by CIA's Office of National Estimates (ONE) Staff. Over time BNE membership was dominated by senior CIA analysts, creating an insular BNE-ONE relationship and diminishing the objectivity which was its charter. Director Colby abolished both the BNE and ONE and created the NIOs.

Responding to the White House guidance of late 1971, which called for the DCI to develop and submit a consolidated intelligence program budget (including tactical intelligence) to OMB, the Community Comptroller Group of the DCI's IC Staff prepared a National Intelligence Presidential Memorandum (NIPM) as a start in the direction of disciplined substantive analysis of the National Intelligence Program.

The process of development of the 1972 NIPM served to underscore the DCI's coordination problem. Nearly every working-level element in, or related to, the Intelligence Community became involved at one or more points in the lengthy process: The IC Staff, the USIB and USIB Committees, State, CIA, the Assistant Secretary of Defense (Intelligence), the IRAC and IRD&C, DIA, NSA, the DDS&T, the Services, Special Reconnaissance offices, the NSC Staff, the OMB Staff, Program Managers and most senior officials in State, CIA and Defense. Despite thousands of hours of review and coordination, the NIPM had virtually no impact on final budget decisions. From the DCI's viewpoint--tasked as he was to embrace the responsibility for allocation of intelligence resources--he found once again that the collegial management mechanisms of the Community were inadequate. The effort was constricted by Defense policies which limited DCI staff access to review processes within Defense. (Intelligence Community elements within DoD were obliged to deal with the IC Staff through the office of the Assistant Secretary of Defense (Intelligence), thereby limiting the organizational interface and freedom of discussion).

In a memorandum to all heads of governmental agencies on 18 April 1973, President Nixon directed the preparation of major goals and objectives to be accomplished during the upcoming year for each organization. The Director of OMB interpreted the directive to pertain to the Intelligence Community as an entity--not merely CIA--emphasizing that objectives should be clearly of Presidential significance. As a consequence, Director Colby established as his Community objective the assurance of authoritative and responsible leadership for the Community as a whole.

Toward that end, the USIB became more active as an advisory body to the DCI. The Treasury member of USIB became a regular participant as economic intelligence requirements increased. The ASD(I) and the Under Secretary of the Air Force, both of whom had large resource responsibilities for major intelligence efforts, were invited to participate at the USIB when matters affecting their interests were involved. Similarly, on other occasions, the Director of the Arms Control and Disarmament Agency and the Director of Defense Research and Engineering were to develop active relations with USIB. Cooperation at the USIB was apparent and important. It permitted open treatment of consumer requirements and constructive discourse on the implications of resource constraints. It also elicited important substantive and procedural commentary on such matters as the KIQs, structural adjustments to improve the family of intelligence products, and the means to improve what was beginning to be called the intelligence "nervous system," information handling for crisis management.

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Also that year, the Intelligence Community Staff, under the leadership of Lt. Gen Dan Graham, USA, later replaced by Lt. Gen Sam Wilson, USA, focused on the need to develop resource packages showing relationships between costs and outputs. The Staff set a course for FY 1975 aimed at the development of a National Foreign Intelligence Program (NFIP) developed around a five-year projection of needs for all national activities, grouping national assets irrespective of parent agency or source of appropriation.

In a year-end report to the President in 1974, the DCI noted that the Community "requirements machinery" still needed more attention. His intention was to work through the USIB to fashion better ways of making judgments on requirements, and for setting collection priorities within budgetary constraints. He noted as well that using manpower reductions as a trade-off for increasing program costs and inflationary pressures had attenuated program flexibility. In the meanwhile, there was no diminution in expectations of the DCI's role in the Community. A memorandum⁹ from President Ford reaffirmed his charge.

You should continue to exercise leadership in maintaining a proper balance among intelligence activities by planning and reviewing all intelligence programs and resources. Your views on intelligence activities, including tactical intelligence, should be incorporated in an annual consolidated program budget which considers the comparative effectiveness of collection programs and relative priorities among intelligence targets.

The following year witnessed a series of investigations and public exposure of questionable practices of the past. Four separate investigations of intelligence activities, by the Rockefeller and Murphy Commissions and by the Senate and House Select Committees on Intelligence stimulated considerable internal review of Community management, organization, and methods of resource allocation.

On 13 October 1975, Director Colby sent the President a CIA study of the organization of intelligence which he believed offered special insights into contemporary intelligence problems. The study, in concentrating on basic issues to be considered in a reorganization of American intelligence, recognized a need for the structure to be made more efficient and effective. In addressing issues, options, and recommendations for the reorganization and management of the Intelligence Community, the study noted that the 1971 Presidential directive gave the DCI resource review responsibility for the entire Community, but did not provide directive or fiscal authority to enable him to meet such responsibility. Arguments were developed for centralization of intelligence functions, based upon the growing resource management task, the DCI's lack of real authority, the Community's increasing reliance upon expensive collection systems, and the need to serve a growing range of intelligence consumers. The study group, anticipating that the Congressional Select Committees would be making proposals for reorganization, suggested that the President would be well advised to set forth his own proposals "which could be useful as guides for Congress in its deliberations."

⁹ Memorandum, 9 October 1974, to DCI Colby, subject: "Leadership and Management of the U.S. Foreign Intelligence Community."

In commenting on the study, Director Colby observed that the selection of any reorganization option would depend upon a presidential willingness to make major changes. He noted that Congress appeared to be moving toward proposing eventual change, but doubted that the disruption of effort resulting from an organizational initiative by the Administration would be justified by the results. He proposed, therefore, that a move be made to achieve better management of the Community in a way that would not require lengthy congressional debate. The Colby view came to be known as "Option 4 Modified," or "Collective Management," which could be achieved with minimal legislative change. In essence it held:

The DCI would continue to be advisor to the President, coordinator of the Community, and Director of CIA. The existing structure of committees and boards would be consolidated into two, both chaired by the DCI: An NSC executive committee at the Deputy Secretary level responsible for all Community management and policy matters, and a national intelligence board at the USIB Principals level responsible for substantive production. To enable the DCI to give full attention to his Community responsibilities, he would be provided with a second deputy.

Presidential Executive Order No. 11905, issued on 18 February 1976, entitled "United States Foreign Intelligence Activities" in taking cognizance of the DCI's recommendation clarified the authority and responsibilities of intelligence departments and agencies and established effective oversight to assure compliance with law in the management and direction of intelligence organizations of the national Government. One of the most important provisions of E.O. 11905 was the creation of an NSC Committee on Foreign Intelligence (CFI), chaired by the DCI and including as other members the Deputy Secretary of Defense responsible for intelligence matters and the Deputy Assistant to the President for National Security Affairs.¹⁰ The CFI, for the first time, gave the Community leadership a formal arena in which it might exercise resource control over all elements of the NFIP. In theory, the CFI would receive guidance on the formulation of national intelligence policies from the NSC and would be empowered to control budget preparation and resource allocation for the NFIP--a decision-making mechanism which would rule on resource questions. While the detailed process of identification, study, and negotiation of resource issues in the CFI was considered to be a major improvement, past problems persisted.

The CFI met 19 times in 1976, devoting its primary attention to formulation of the FY 1978 NFIP budget which was forwarded to the President in November. Differing interpretations within the Community of CFI responsibilities made this an arduous task because the authority of the CFI was ambiguous where it appeared to conflict with statutes governing Defense Department budget authority. Since Defense-managed programs still represented about 80 percent of the NFIP resources, differences among CFI members were predictable and unavoidable. Progress was made toward central review and

¹⁰ DCI George Bush served as CFI chairman from its inception until near the end of the Ford Administration. Other members were Robert F. Ellsworth, DoD, and William G. Hyland, NSC.

rationalization of a consolidated NFIP budget, but this depended upon a protracted process of negotiation and persuasion. In late 1976, the State Department entered an informal petition to add the Deputy Secretary of State to CFI membership, reasoning that the allocation of national intelligence resources should not be divorced from foreign policy considerations and the interests of that Department.

The stature and duties of the DCI's Community Staff increased significantly following Executive Order 11905, which charged the IC Staff to provide support to the CFI, as well as to the DCI. The Staff continued under the direction of a Deputy to the DCI for the Intelligence Community, and an active duty military officer of four-star rank was eventually appointed to the job.¹¹ Broadened duties required an increase in the size of the Staff and a realignment of its major functions. It was restructured to support the DCI in his Community role in three areas: Resources management (CFI support); collection assessment, product evaluation and improvement; and coordination and planning. The IC Staff included the Executive Secretary to the CFI, who also served as Executive Secretary to the National Foreign Intelligence Board (NFIB), the successor to the USIB. The DCI named his Community Deputy (instead of his "CIA Deputy") to be Vice Chairman of the NFIB and full voting member.

An early move in President Carter's administration was to reassign the duties of the CFI to one of the two new NSC committees (all others were abolished). Henceforth, the CFI would be known as the NSC Policy Review Committee Intelligence¹² and would include a State Department member.

On 20 January 1977, President Carter issued instructions establishing the instrumentalities which would direct the work of the NSC and participating agencies during his administration. Among these were the Policy Review Memoranda (PRM/NSC), to be used to direct the reviews and analyses to be undertaken by departments and agencies in the Executive Branch.

PRM/NSC-11 was issued on 22 February 1977. It ordered a comprehensive review of major foreign intelligence activities and the organizational structure and functioning of the Intelligence Community. The review was designed to lead to options for dealing with, inter alia, the following:

- Preserving and improving the arrangements of E.O. No. 11905.
- Adding to the line authority of the DCI over national intelligence collection programs.

¹¹ Admiral Daniel J. Murphy, U.S. Navy, who served as Deputy to the DCI for the Intelligence Community during the period April 1976 - June 1977. This position had, since 1972, been authorized to be held by a military officer of three-star rank, or civilian equivalent.

¹² The other NSC committee, known as the NSC Special Coordinating Committee (SCC) was established on 20 January 1977 by Presidential directive to deal with "specific cross-cutting issues requiring coordination in the development of options and the implementation of presidential decisions." Chaired by the Assistant to the President for National Security Affairs, the SCC included the statutory members of the NSC or their representatives, and other senior officials as appropriate.

- Reducing ambiguities in the dual role of the DCI as Community Manager and as Director of the CIA.
- Ensuring the independence of CIA analysis and production from policy considerations and possibly separating them from collection, operational and intelligence-related research and development activities.

President Carter added a hand-written note to PRM/NSC-11 which directed the NSC Special Coordinating Committee (SCC) to assess the inter-relationships among the various intelligence agencies and to make appropriate recommendations to him.

The PRM contained three principal "tasks." Task 1 pertained to the propriety and legality of intelligence operations. (The Attorney General chaired an interdepartmental group to address those issues.) Task 2, for which the DCI was directed to chair an interagency group, was to analyze the role, responsibilities and authorities of the DCI. Task 3 entailed the development of principles and alternatives. The Task 2 report was largely drafted in the IC Staff, after several interagency meetings, and was widely circulated for comment in the Community. The final report acknowledged that it might "be judged biased by an ICS point of view" and, indeed, contained several dissenting footnotes provided by the Department of Defense. Footnotes, notwithstanding, the report captured the essence of the Community coordination problem. It said (without apparent dissent):

Historically, U.S. intelligence resource management has been largely decentralized, both in the Community as a whole and in the Department of Defense, where most of the resources reside. But pressures to centralize the process of managing those resources labeled "national" have been increasing for several years, culminating last year in Executive Order 11905.

-- Refinement of the programming and budget process created by that Order is one way of enhancing the integrity of national intelligence resource management in the future; it has the significant virtue of an evolutionary approach that builds on existing organizations and accumulated experience.

-- As it now stands, however, the present system gives the DCI responsibilities that extend beyond his pure management authority to fulfill.

-- It obliges him to proceed on most matters by persuasion and negotiation. This means, that, to a great extent, initiative in the process lies with program elements and outside critics. As a by-product, this structure places significant strain on the DCI in discharging his dual roles as head of CIA and as Community leader.

The report also observed that the DCI's role as producer of national intelligence is central to his entire function, but noted that:

One major ingredient of the present national intelligence process that (the) Community structure places largely beyond the DCI's influence is the quality of departmental participation in that process. While he can enlarge, strengthen, or reorganize the analytical elements of CIA, he has little power, in practice, over the major departmental producers who also contribute to national intelligence analysis and production. He reviews their budgets in the NFIP process and can undertake to evaluate their performance. But he has no authority to compel the departments to make changes to meet his own criteria of improvement.

After 80 pages of discussion, the Task 2 report identified the central issues by asking these questions:

- If there is to be a national intelligence manager, with special emphasis on and responsibility for resource management, who should he be and to whom should he report?
- Over what elements should he have line authority, collegial influence, or some advisory responsibility?

Meanwhile, the Task 3 report was developed within a special working group¹³ and was forwarded to the SCC on 31 May 1977. Among the several principles postulated in the report, the principle of efficient management was treated with greatest elaboration. The report observed that there must be sufficient centralizing authority to force painful choice where it is needed on a rational basis, to compel programs to be justified on the basis of their ultimate contribution to intelligence, and to preclude resource allocation purely on the basis of organizational ownership and "clout." The decision-making power of this central authority, the report continued, must be commensurate with the responsibility it has to assure efficient resource management.

The DCI, Admiral Stansfield Turner, noted in his Notes from the Director of 13 June that the SCC would meet on 15 June 1977 to consider the results of NSC/PRM-11 and to begin to formulate recommendations to be presented to the President. Admiral Turner observed that the study presented a wide range of options which primarily addressed the Intelligence Community and the responsibilities of the DCI as director of that Community, and identified the key issue as being the authority of the DCI over other elements of the National Foreign Intelligence Program. Thus Director Turner joined former DCIs Bush, Colby, Schlesinger, Helms and McCone in expressing concern for the effective management of the U.S. foreign intelligence effort, absent some greater measure of budgeting and operational control of the Community.

¹³ Samuel Hoskinson, NSC Staff, Chairman; Vice Admiral Bobby Inman, DIA; Wheaton Byers, former Executive Secretary of the PFIAB; Arnold Donohue, OMB; and Fritz Ermarth, IC Staff.

The NSC's Special Coordinating Committee met in mid-June to consider the studies and options resulting from NSC/PRM-11. The first session got quickly to the central issue, on which the interests of the DCI and the Secretary of Defense were divided: Control of the assets and resources of NSA and overhead reconnaissance. Both DoD and DCI representatives were asked to develop positions which, discounting all the variants and middle-of-the-road options, would clearly articulate opposing views.

The SCC met for the second time on 28 July 1977. In addition to the recommendations submitted by Defense and Community representatives, OMB presented a separate proposal. The OMB proposal suggested creation of a "Foreign Assessment Agency," drawn from the NIOs and the CIA's Directorate of Intelligence, and the transfer of CIA's Directorate of Science and Technology to the Department of Defense.

The "Presidential Directive on Reorganization of the Intelligence Community" (PD-17) was signed on 4 August 1977. On that date President Carter announced a number of major decisions designed to effect needed changes while retaining the structural continuity of the Intelligence Community. The purpose of the changes was to provide for strong direction by the President and the National Security Council (NSC), and to centralize the most critical national intelligence management functions under the Director of Central Intelligence (DCI). The reorganization built on the experience of the past by strengthening the roles of both the NSC system and the DCI. Changes were designed to enhance responsiveness to both the intelligence requirements of major national-level consumers and the operational needs of Federal departments and the military services.

These measures, now set forth in Executive Order 12036, were taken to help close a critical gap--which had been widening over a period of many years--between the growing responsibilities assigned to the DCI and his authority to fulfill those responsibilities.

The DCI outlined in his Notes from the Director of February 1978 the following:

"I want to clarify some of the organizational changes that have taken place as a result of Executive Order 12036.

As you know, the Executive Order was promulgated on 26 January 1978 and assigned the DCI significantly increased responsibilities:

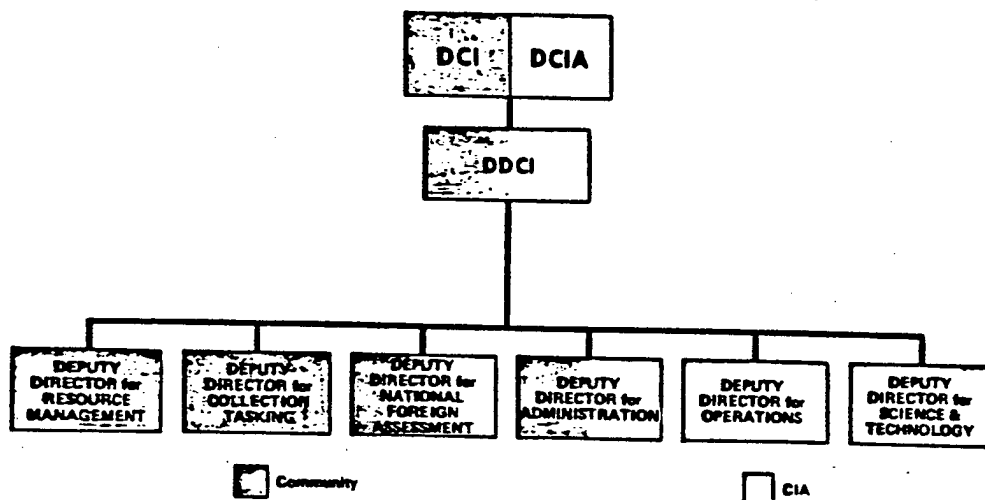
- For tasking of all Intelligence Community collection assets and dissemination of the results;
- For formulating the national intelligence budget; and
- For ensuring the production of national intelligence estimates.

To meet the first two of these responsibilities, tasking and budgeting, I have elected to split the existing Intelligence Community Staff: One-half under a new Deputy for Collection Tasking, the other under a Deputy for Resource Management. The former will manage the existing collection committees; in addition, he will establish a National Intelligence tasking Center. This Center will attempt to ensure that for any given collection problem we utilize the full resources of the Intelligence Community and do so in a coordinated manner. The Deputy for Resource Management will be responsible for supporting me in my new "full and exclusive" responsibility for preparing the National Foreign Intelligence Program Budget and submitting it to the Office of Management and Budget and the President. The division of the IC Staff into these two components is subject to congressional approval which we hope for shortly.

The third new responsibility above is simply a somewhat more explicit statement of the DCI's traditional role in producing National Intelligence Estimates. Under the new Executive Order, I am empowered to require participation of other agencies in developing National Estimates, but not to interfere with their normal analytic work. We want separate and independent centers of analysis in our Intelligence Community. In order to carry out the national estimating role in a more coordinated manner, we have, as you know, merged the old NIO and DDI structures into the National Foreign Assessment Center (NFAC). Those two organizations always worked very closely together.

The following chart depicts this planned new organization, including those components under the direct jurisdiction of the DCI and the components of the CIA, and briefly describes the major responsibilities of each."

Organization Under New Executive Order



1. The Deputy Director for Resource Management is the principal adviser to the DCI on all matters relating to the National Foreign Intelligence Program (NFIP) budget prior to its presentation to the President and Congress. He will ensure the DCI has full access to relevant information and will conduct audits and evaluations as necessary. He will also assist the DCI in arriving at budget recommendations and will oversee the execution of the budget once it is approved.

2. The Deputy Director for Collection Tasking is the principal adviser to the DCI on all collection efforts within the Intelligence Community. He is responsible for managing, through the National Intelligence Tasking Center (NITC), which he heads, intelligence collection objectives and tasks to all intelligence elements of the Intelligence Community. He establishes priorities for issuing national intelligence collection systems in response to the production priorities set by the National Foreign Assessment Center. Through the NITC, he ensures dissemination of the information collected.

3. The Deputy Director for National Foreign Assessment is the principal adviser to the DCI on the production of national intelligence, both as to how it is accomplished and what it contains. He is responsible for organizing national efforts to assess and evaluate foreign intelligence data in support of national intelligence objectives as established by the National Security Council. He is the Director of the National Foreign Assessment Center and oversees the production of that Center. He also ensures product quality and evaluates product responsiveness.

4. The Deputy Director for Administration is responsible for supporting administratively those Intelligence Community components under the jurisdiction of the DCI as well as performing other tasks as assigned. He will continue to serve all his assigned functions as the Deputy Director for Administration of the CIA.

5. The Deputy Director for Operations and the Deputy Director for Science and Technology will continue to serve all their previously assigned functions for the Central Intelligence Agency.