4 August 1976

Why the Intelligence Directorate Should be Organized Along Geographic Lines

- I. The primary problems with the current organization that I will address in espousing a geographic organization for the DDI are:
 - -- the existence of bureaucratic barriers to <u>inter-</u>disciplinary analysis.
 - --overlapping responsibilities and duplication of effort.
 - --awkward interface between Production offices and the NIO system and with our customers and other members of the community who are by and large organized geographically.
 - --and the last problem is that the <u>DDI</u> has <u>lost</u> a great part of his leadership role in intelligence production to the NIOs.

I will argue that the $\underline{\text{only}}$ way to solve these problems is by a complete reorganization of the Directorate along geographic lines.

- II. Now, why should we organize geographically? First, the single thread that runs through all our activities is geography. This then is the common denominator for our activities. I would argue that organization specialists would recommend that geography should be the first cut in any organization of our resources. For example,
 - --Questions come to us along geographic lines: More often than not, our customers want to know about:

Chrome in Rhodesia;

Civil defense in China;

Coup in Peru;

Soviet SS-X20.

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- -- Products go out along same geographic lines.
- --Geographic organization would put us in a better posture to deal with customers. Our highest level consumers (President, Sec State, NSC Council, and even Sec Defense) are inter-disciplinary; they must deal with the problem in Rhodesia, including the political, military and economic implications. They do not have the luxury of dealing with the Rhodesian chrome problem independent of other implications, nor is it possible for them to do so.
- III. Geographic organization would put us in a better posture to relate to the rest of the Agency and the community.
 - --Re our relations with the DDO, they are not good or bad. They are uneven. If productive relations exist, it is because individuals have made it work. There is no parallel organization structures to facilitate cooperation and coordination.
 - --Re relations with community, other agencies such as NSA and INR are organized geographically.
- IV. There is overlap and duplication between offices that would be eliminated/reduced if organized geographically. For example:
 - --OSR/OER: Soviet economics;
 - --OSR/OWI/OSI: Military programs;
 - --OCI/OPR/OER: Free World:
 - --OGCR/OER: Grain;
 - -- OGCR/IAS: both analyzing imagery.
- V. Adversarial relations exist now which would be diminished if the Directorate were organized geographically. Institutional biases hurt us. There is a built-in mind-set, for example, for OCI analysts to look down on OER pieces submitted for OCI publications. There is the feeling that "we can do it better." It hurts cooperation and cannot be good for our product.

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- VI. Our present organization does not permit us to coordinate regional analysis very well. The NIO provides whatever leadership and coordination of Mid East analysis that is done. There is no one else to do it. Directorate managers are cut out of it and can only grouse about loss of control over their resources.
 - --If we had a geographic organization of the Directorate, the Chief of the Middle East unit would provide the leadership, management and coordination of all Directorate analysis of the Middle East. argues that this same person would be able to provide coordination and correlation of the community product in line with the original intentions of the National Security Act of 1947 and thereby make the NIOs superfluous.
- VII. There is <u>fall-out benefit</u> from reorganizing that applies whether you go geographic or some other way but it should be mentioned. And that is the opportunity that would be created to achieve efficiencies and economies. Each office now has its publishing shop, methodology staff, EEO officer, etc. There could be savings.
- VIII. There is also the advantage of really being able to shake up the bureaucracy. Would create a feeling of moving into a new era. Would provide the DDI the ability to select absolutely the best people for the new assignments and an opportunity to replace the many informal "organizations within the organization" which are powerful lobbies for the status quo.
 - IX. Finally, external forces are looking for something that approaches, or at least looks like, major reform. If we can find a major reform that does us some good, perhaps we should do it. If we take some half-way solution, then it will look like patchwork on an old tire. The point here is that people inside and outside the Agency expect and are prepared for major change.
 - --We have a new DDI--the time for him to strike is now. Remember, we also have a new DDCI who knows this Directorate. He may have his own ideas if we don't move-out with a strong program.

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The purpose of this inquiry into the organization and management of the DD/I should be driven by three principal concerns:

- 1. To consider ways of institutionalizing a mechanism that will ensure the multidisciplinary treatment of a selected number of intelligence problems. Any arrangement must, at the same time, preserve the existence of organizations comprising people with common professional disciplines and tools in sufficient size to nurture professional development.
- 2. To develop ways of adopting a more adventurous approach to the analysis of appropriate problems and to the presentation of intelligence products.
- 3. To investigate ways of fostering the analytical ethos of the directorate and creating a cultural environment in which its analysts can flourish. This emphasis on the analyst must take into account as well the critical importance of those members of the directorate whose principal function is to suggest analysis.

The considerations pursued should not be driven by a desire to reduce manpower levels, but it must be noted that:

- 1. There is widespread contention that the reorganization of the DDI would result in considerable manpower savings.
- 2. It will become increasingly difficult, if possible at all, to augment internal manpower in the coming years.

MEMORANDUM FOR: Director, OCI
Attached "strawman" on geographic organization is for our meeting on Thursday, 10:45.
Executive Officer Directorate of Intelligence
Date 4 Aug 76

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