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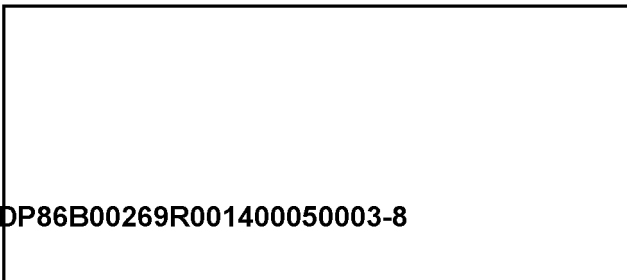
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STATUS REPORT ON  
DCI'S OBJECTIVES FOR THE INTELLIGENCE COMMUNITY  
FY 1974

prepared by the IC Staff

16 April 1974

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Objective A: The responsiveness of the U.S. foreign intelligence effort with respect to national requirements must be subject to continuing review and the quality, scope and timeliness of the community's product must be improved.

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To meet these objectives, I plan to do the following regarding the National Intelligence Product:

-- [As reported in December, this replaces the first and third tasks listed in the original Objectives paper.] through review of the response to Key Intelligence Questions coordinated with the NSCIC and other users, determine the community's performance in responding to users' needs.

-- identify questions and establish evaluation procedures by 4 January 1974.

STATUS: The Key Intelligence Questions for FY 1974, developed in coordination with the NSCIC and other users of intelligence, were distributed to USIB Principals on 10 January. The KIQA Evaluation Process (KEP) was initiated on 13 February. Twelve KIQA were identified for the initial performance period (1 March to 1 September 1974) which will be essentially a pilot run.

-- review collection and processing posture, production and analytical posture, and consumer satisfaction with products (July - September 1974).

STATUS: The NIOs, the production agencies (CIA, DIA, and INR/State), and the USIB Committees on SIGINT, Human Sources and COMIREX are making the reviews required for completion of the Baseline Reports for each of the 12 KIQA. These Baseline Reports will show what we know now, what we want to know, and how we expect to get it. Completion of these reports is expected soon.

At the close of the performance period on 1 September, these same groups will make a second review, which will result in a Performance Report for each of the 12 KIQA. The Performance Report will show what we learned, what we still don't know, how our expectations compared with our performance, the level of effort required and an assessment of how well the effort satisfied consumer needs. Completion of the Performance

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Reports is scheduled for 1 October, with an interim assessment planned for June.

In addition to the KEP, the NIOs and the IC Staff are giving particular attention to the KIQs in their regular evaluation efforts.

- achieve significant improvements in product formats and production procedures to increase responsiveness early in 1974.

STATUS: The improvements in product formats and production procedures reported in December (the NID, the discontinuance of the Black CIB and other CIA current intelligence publications, the creation of the NIAM), have been followed by two significant improvements. First, USIB has approved implementation of the first of the "Family of National Products." Entitled the National Intelligence Bulletin (NIB), this product will replace the CIB. Its principal features are its emphasis on intelligence matters of specific interest to consumers of national intelligence, its ability to handle original articles submitted by the principal intelligence production agencies for publication; and the opportunity it provides for these agencies to state their dissenting view.

Second, efforts to create better means of communication-- particularly in times of crisis -- between the various agencies and appropriate operational components of the government have resulted in the establishment and testing of a secure voice conferencing system linking the alert centers and watch officers in the White House, State, CIA, DIA, NSA, and the NMCC. Called NOIWON, this net provides for the timely reporting of events to all interested agencies and also enables any agency to simultaneously query all other parties for amplifying data on any incident. It also provides for the use of a special Bulletin to facilitate the dissemination of information or queries. USIB approval was given on 11 April to make NOIWON officially operational.

In addition to these actions, a text-editing system (CONTEXT) is being set up in an experimental mode in an effort to facilitate the production of joint community papers and periodicals.

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Objective B: Authoritative and responsible leadership for the community as a whole must be assured.

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To meet this community leadership goal, I will:

- issue specific planning objectives shortly to the elements of the community;

STATUS: The DCI's Key Intelligence Questions for FY 1974, issued in January 1974, constitute substantive objectives for the community in the field of intelligence production.

National Foreign Intelligence Program Management Objectives for FY 1974 were approved in December 1973 and issued to IRAC. Considerable work is underway against the assigned tasks and the IRAC Working Group is currently conducting a re-examination and restatement of the objectives.

The initial "DCI's Perspective of the Intelligence Environment," describing trends in the world situation and identifying the primary intelligence problems (disseminated in September 1973) is being redrafted for dissemination in May 1974. Part I, "Trends in the World Situation," is being updated, and work is underway to identify a basic set of key intelligence questions applicable to the future. Directive actions needed to deal with anticipated collection, processing, analysis and production problems will be derived from these questions.

- complete the restructuring and strengthening of my personal staff by October 15, 1973 to provide me independent support in community matters;

STATUS: Completed. The restructuring of the IC Staff and the establishment of the National Intelligence Officers (NIOS) were reported at the December meeting.

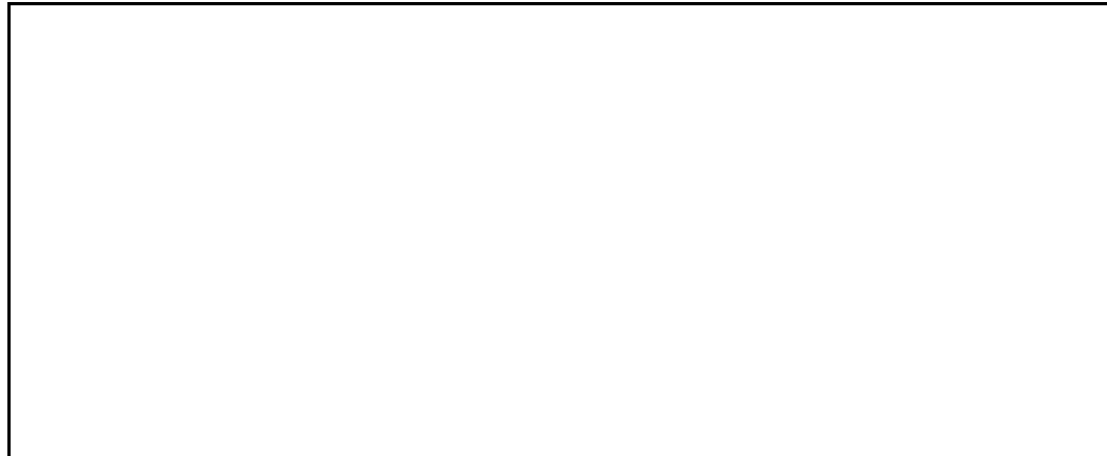
- participate actively in the NSCIC and insure that IRAC and USIB have a dynamic and forceful role in the community;

STATUS: No meetings of the NSCIC have been held, but the DCI has utilized the NSCIC through correspondence with the members. The NSCIC members, for instance, made inputs to the DCI's "Key Intelligence Questions for FY 1974" and have been requested to approve the final document. Other recent correspondence with NSCIC members dealt with actions to control damaging security leaks.

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A report on IRAC activities appears under Objective C.

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- review the USIB committee structure before the end of 1973 and direct, if necessary, changes to increase USIB effectiveness in advising me on national requirements;

STATUS: Complete review of the USIB Committee structure was accomplished by the Intelligence Community Staff in 1973 but action on the study recommendations was deferred so that the NIO structure could become fully operational and consideration could be given to an optimum NIO-USIB Committee interface. In the meantime, new charters have been prepared for the USIB Security Committee and the USIB Human Sources Committee, and proposals to restructure the USIB SIGINT and Scientific Intelligence Committees are being examined.

- review programs to upgrade the quality of intelligence personnel and improve personnel management in the community.

STATUS: A survey of the community's training programs is underway, and a number of proposals have been made concerning the improvement of curricula and the consolidation of facilities. Explorations are also underway to provide intelligence personnel--especially analysts and collectors--with better and broader on-the-job training. An inventory of research in substantive fields and analytical methodologies is being compiled as an aid in determining community needs and assuring the widest possible utilization of the research product. Major emphasis is being placed on the application of research to the real needs of intelligence analysts.

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Objective C: A more efficient use of resources by the community in the collection of intelligence information must be achieved. Utilization of the means available must be in consonance with approved requirements of U.S. security and national interests.

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To meet this goal I will, with respect to National Foreign Intelligence Budget Recommendations:

- continue to support the President's intelligence budget for FY 1974 before Congress;

STATUS: Action completed. Reported to OMB at December 1973 meeting.

- develop for FY 1975 and beyond National Foreign Intelligence Budget Recommendations. These will result from the review procedure of the various intelligence entities and the total review and deliberations of the IRAC on the programs therein. The National Foreign Intelligence Budget Recommendations will be my personal recommendation to the President on the level of national intelligence resources, their utilization and performance;

STATUS: The DCI's National Foreign Intelligence Budget Recommendations for FY 1975 were forwarded to the President through OMB on 19 December 1973. Defense program and fiscal guidance has been issued and program managers are in the process of developing their FY 1976-80 programs.

- institute a quarterly review by the IRAC of resource utilization by all intelligence entities;

STATUS: The first Quarterly Reviews by IRAC were held on 6 March and covered only NSA and CIA budget execution through the first two quarters of FY 1974. Reports from DIA and perhaps NRO will be given at a later IRAC meeting, possible in late April. Procedures to be followed and formats for these presentations are still evolving.

Separately, the IRAC Working Group has three efforts underway: (1) monitoring the progress and fiscal impact of selected ongoing or planned issue studies in the community; (2) developing a concept for cross-program resource packages to afford a different means of examining and evaluating resource effectiveness; and (3) a reexamination and restatement of IRAC management objectives. Some of these actions will be reported to the next IRAC, probably in late April.

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-- current intelligence reporting

STATUS: Much of the work reported in connection with indications and warning intelligence also responds to this task.

The NIOs and other elements of the community, in cooperation with the IC Staff, have been charged to find ways and means to serve more effectively.

CIA/DDO has been instructed to seek ways to provide less cryptic data concerning the reliability of sources and reports, to provide better evaluations on contents, and to increase contacts with community analysts.

NSA and NPIC have been asked to explore ways to highlight items and patterns drawn from their own products. The IC Staff is consulting with these offices and will prepare further specific recommendations.

The NIOs have been charged with making regular review of NIEs and SNIEs on subjects within their areas of responsibilities to determine if updated and revised versions should be issued.

-- HUMINT operations and foreign service reporting

STATUS: A comprehensive review of the USIB committee structure dealing with HUMINT matters has been made and a coordinated proposal for the establishment of a permanent USIB Human Sources Committee with a broad charter to guide and evaluate HUMINT collection and to act as a focal point for the examination of HUMINT problems is in preparation.



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-- explore and, where necessary, increase the usefulness of the intelligence product to Net Assessment producers and consumers.

STATUS: The IC Staff is maintaining contact with the Department of Defense, via the Special Assistant to the Secretary of Defense for Net Assessments, concerning efforts to reach agreement on how the DCI can best exercise his leadership to provide a community response to requirements

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- with the advice of IRAC and USIB, define and complete, throughout FY 1974, a series of major program issue studies.

STATUS: A series of 20 to 30 program issues have been identified for community attention during 1974. Some of these are currently under active study with completion dates set, and others will be assigned and initiated in the near future with completion dates set between now and program review (July). The IRAC Working Group is taking cognizance of and monitoring the progress of these actions.

To meet this goal I will, with respect to Research & Development:

- form an R&D Advisory Council as a subcommittee of IRAC by mid-October 1973.

STATUS: An Intelligence Research and Development Council has been established under the chairmanship of Dr. Malcolm R. Currie, Director, Defense Research and Engineering. The Council held its first meeting on 18 December. Members include R&D representatives of all intelligence organizations, the Assistant Secretaries for R&D of the Military Services, the Director, ARPA, and the Director, DR&E.

- instruct the Council to review all R&D activities within the National Intelligence Program to identify ongoing R&D efforts, their costs, their purpose, and who has responsibility for each effort.

STATUS: An IRAC Management Objective addressing this task was approved by the DCI in December and action assigned to the R&D Council.

As reported by Dr. Currie to the Chairman, IRAC, in his Quarterly Status Report of 26 March, a review of all intelligence-related R&D programs is underway aimed at identifying technology gaps and opportunity areas which hold promise for solution of these gaps. The Council expects to complete this review by the end of the next quarter and will report to IRAC on its findings and recommendations.

The basic objectives of the R&D Council are to coordinate and share the RDT&E programs of the members to insure minimum overlap and duplication, and a maximum of cross-program technology application.



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- instruct the Council to recommend by January 1, 1974 an overall R&D strategy and structure for IRAC consideration based on a clear perception of intelligence needs which identifies technological gaps and resource deficiencies, eliminates unnecessary duplication of effort, and stresses cross-program technology transference.

STATUS: As reported in December, this task was eliminated as redundant.

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Objective D: Assignment of intelligence functions within the community must be reviewed and revised to eliminate inefficient, unnecessary or outmoded activities.

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To meet this goal I will, with respect to Measures of Intelligence Worth:

- Undertake specific studies to evaluate the intelligence product and its worth to the consumer and eliminate intelligence collection and production effort of marginal usefulness;

STATUS: It is expected that the results of the KIQA Evaluation Process will respond directly to this task.

In addition, one specific result of some of the major issue studies noted under Objective C will be to provide information on the relative substantive and technical value of various collection systems for a wide variety of tasks. Specific Key Intelligence Questions Evaluations can then be addressed, using the study data for a yardstick. This work will directly relate to the DCI's capability to determine the relative worth of a number of collection and processing systems.

A prototype exercise, [redacted]

[redacted] is underway to examine a mechanism separate from the KIQA process, designed to elicit consumer-identified deficiencies in collection, processing and analysis plans. Phase I of this exercise is complete with the receipt of a GMAIC Evaluation and Projection on the US Exploitation of Current Soviet ICBM Testing. The consumer survey phase is currently underway. It is anticipated that the mechanism which results from this prototype exercise can be used for a large number of foreign system intelligence problems.

- undertake selective review during the next 18 months of the following in order to better rationalize the division of labor and increase the number of services of common concern performed within the community;

- indications and warning intelligence

STATUS: A wide-ranging post-mortem of the performance of the intelligence community preceding and during the October War in the Middle East was begun in late 1973. In December 1973 the DCI submitted to the NSCIC a report on the community's performance

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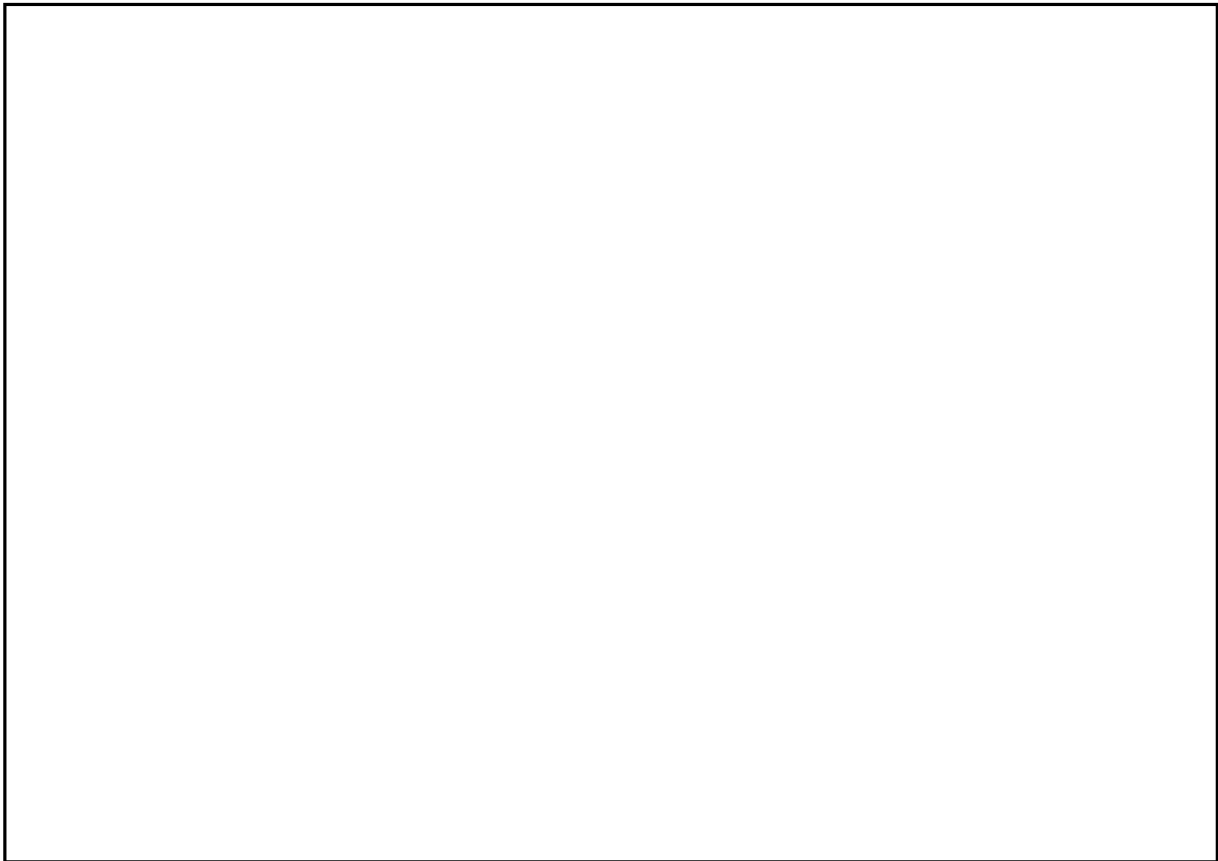
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during the pre-hostilities period. Scheduled for completion during the first half of 1974 are several studies (together referred to as Phase II of the Middle East post-mortem) concerning specific aspects of the October War, including the performance of the community during the hostilities period, and the behavior and reaction of those officers and institutions in the community responsible for warning and indications intelligence.

In addition a number of papers are being developed which will offer proposals for changes in community concepts and practices, based in large part on lessons learned during the Middle East crisis, and addressing such topics as alert systems, joint crisis reporting and challenge procedures. Also underway is a study which is examining ways in which the community's overall collection effort might be adjusted to cope more effectively with the demands of crises and the needs of national consumers.

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To meet this goal I will, with respect to Tactical Intelligence:

- submit a report in the third quarter of FY 1974 on the national/tactical intelligence interface. As a basis for this report I will,
- ask the Department of Defense and the Joint Chiefs of Staffs to review the requirements for intelligence assets in place with the military forces, and identify support which could be provided to the military forces from national assets;

STATUS: The first phase of the JCS study being conducted in cooperation with the DCI has been completed and has just been approved by the Chairman, JCS. This phase identifies elements of military organizations that are intelligence associated and that may have a role to play in satisfying national intelligence requirements.

The second phase of the study, which will examine tactical and national intelligence capabilities to satisfy tactical as well as national requirements was initiated 15 April.

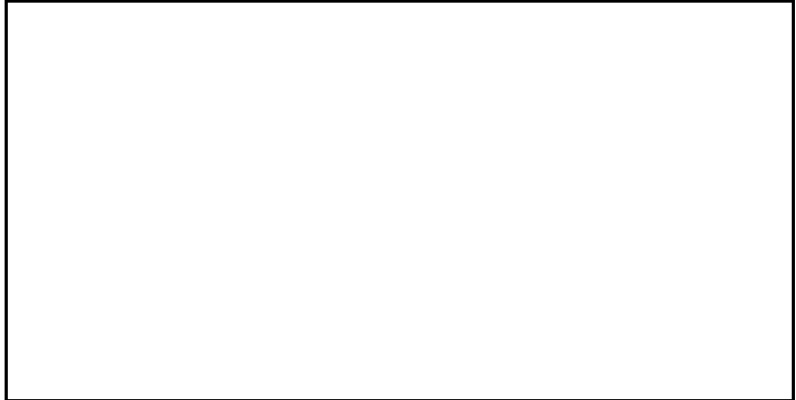
- determine, with the assistance of program managers, the contribution which can be made to the national intelligence effort by the in-place assets of the military forces, and identify the kinds and amounts of data from national assets which can be provided in a timely and usable form to military force commanders;
- formulate recommendations in consultation with the Secretary of Defense by early in 1974 to insure that the needs of national intelligence and of military operations are met and to avoid unnecessary overlap or duplication in the national and tactical areas.

STATUS: Since these three sub-tasks are sequential, actions of the second and third tasks must await completion of task 1.

Other actions responding to this objective have been taken, however.

The DCI has presented the tactical information for warning,  as defined by DOD, to the oversight committees of Congress and it is integral to his presentation on the FY 1975 community budget to the Appropriations Committees.

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Objective E: The provision of intelligence and its utilization must enhance the formulation of the foreign, military and economic policies of the U.S. Government and the planning for and conduct of military operations by U.S. forces.

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To meet this goal I will, with respect to Consumer Needs:

- implement a procedures with USIB whereby requirements for collection and production of intelligence are kept under continuing review. Provision will be made for the introduction of new requirements as needed and for elimination of those which become out-of-date.

STATUS: The National Intelligence Officers have been established to maintain liaison with customers, identify consumer needs, and provide responsive community-coordinated products.

The KIQs and the KEP also respond directly to this objective.

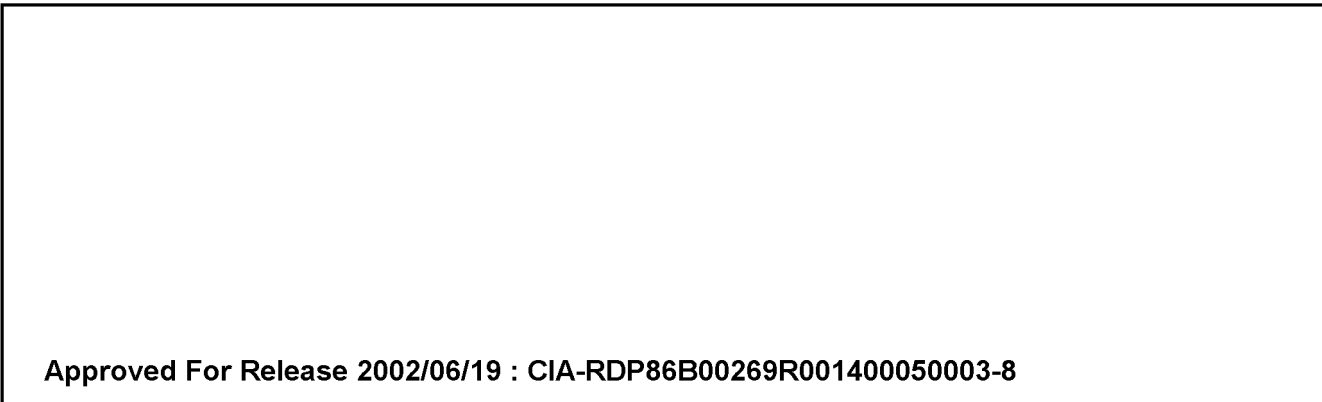
Additionally, on 14 March 1974 USIB concurred in the promulgation of a revised Attachment to DCID 1/2, "U.S. Foreign Intelligence Priorities," intended to serve as basic substantive guidance for the period FY 1975-1979 for planning and programming the overall U.S. foreign positive intelligence effort.

To meet this goal I will, with respect to Military Intelligence:

- have the Department of Defense identify by November 1, 1973 the ten or so highest priority needs in the field of technical intelligence required by their planners;

STATUS: Inasmuch as the Key Intelligence Questions reflect the key concerns of the DOD, as expressed by NSCIC members, they are considered to respond to this task. In addition, the IC Staff is working with the R&D Council to identify singular areas requiring technical assessment where intelligence support to R&D decision can be improved. However, progress to date has been slow.

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To meet this goal I will, with respect to Economic Intelligence:

- identify during the second quarter of FY 1974 the current needs of the users of foreign economic intelligence;

STATUS: The key needs of users of foreign economic intelligence have been incorporated in the Key Intelligence Questions for FY 1974. In addition, the economic topics and priorities contained in the revised Attachment to DCID 1/2 of 14 March 1974 were largely developed by a special sub-group of the USIB Economic Intelligence Committee and reflect the increased importance assigned to economic intelligence by policymakers.

- determine, in coordination with other Federal agencies, what contribution the intelligence community can make in this area;

STATUS: Under Secretary of the Treasury Volcker has been appointed to represent the economic community on the NSCIC. An NIO for Economics has recently been appointed.

Rejuvenation of the Requirements Advisory Board (RAB), as suggested by [redacted] of PFIAB, is being proposed as part of the comprehensive program which has been developed for the DCI by the IC Staff, responding to all economic tasks.

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Two of the 12 KIQs currently being evaluated are economic topics relating to the energy problem.

Two special studies are nearing completion; one is a CIA study entitled, "Economic Intelligence and the Clandestine Service Forecast for the 1970's" and the second is an IRAC issue study on economic [redacted] collection.

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- Determine appropriate resource levels and, through USIB, assign responsibilities for collection and production in this area;

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- provide for implementation of this program by the end of the third quarter of FY 1974.

STATUS: The comprehensive economic program proposal has been coordinated with CIA's Director of Economic Research, and discussed with the NIO for Economics. It is currently being typed and should be ready for the DCI's consideration very soon.

In addition to responding to the community objectives, the plan also responds to the recommendations of the PFIAB reports on economic intelligence of December 1971 and December 1973.

After DCI approval, the plan will be coordinated with the PFIAB, at its request, before formal dissemination is made.



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To meet this goal I will, with respect to Narcotics and Terrorism:

- in coordination with other Federal agencies, identify the needs for foreign intelligence in these areas, and match the unique capabilities of the intelligence community to those needs;
- determine by January 1, 1974 the appropriate assignment of responsibilities and the resource levels which the community should devote to these problems.

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