

14 July 1988

MEMORANDUM FOR: C/NIC  
FROM: Acting NIO/NESA  
SUBJECT: Thoughts on the State of Analysis for Your Presentation

1. In considering where the intelligence community stands with regard to the quality of analysis, four general categories come to mind: the analysts themselves; the information being used; new approaches and methodologies; and information handling. Taking all categories into account, I think we have made some real progress, but are also encountering new problems.

2. Analysts: In my experience, the individuals who have been hired to do analytic work at CIA in the 1980s are better educated than those hired in the 1970s, and perhaps more importantly, they are more worldly than those in the preceding age group. They understand instinctively the importance of knowing the policy context of their work and bring to their jobs a more sophisticated understanding of US officialdom, politics, and the interrelatedness of the government they serve than was previously the case. We do not have to spend nearly as much time tutoring them on the importance of integrated analysis. To a large extent, the restructuring of the DI in 1981 advanced this cause; economists, military experts, political analysts, and the like sit together now, and they all want to make their input. Nor do we have to work so hard as managers to make analysis policy relevant. Although we still have problems keeping abreast of policy-makers' thinking and needs, we no longer have to convince analysts that they must consider policy issues in structuring their analysis. They do this, not always successfully, but they try without excessive prodding.

3. Now, this considerable improvement in the raw abilities and sophistication of the analyst of the 1980s comes with a price, in my view. Most of those I have dealt with have a fairly shallow commitment to the profession of intelligence. I think personnel statistics would illustrate that this new crowd is much more inclined to leave the profession after several years, when the opportunities for rapid advancement become harder and harder to seize. This pattern has two subsets. Most analysts come to us with strong area or functional expertise, but one category is willing to abandon that area of work to get a promotion or management post elsewhere, and the other much smaller category is determined to stay very narrowly focused on his country or issue, does not wish to move around even within an office, and is likely to leave when the GS 13 or 14 barrier proves impossible to break. The problems here are obvious; the Agency is unlikely

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to have a large core of dedicated, long-term employees in this crowd and management faces real problems in husbanding and directing its human resources in the most efficient manner. Even Security must worry about the long-term implications of more rapid turn over

4. The Agency has always had a split view about the value of the generalist verses that of the specialist, but it has generally encouraged the generalist. Given this bias, the employees of the 1980s may fit very well with the Agency's longstanding disposition. However, the increasing complexities of this world, the rapidity of change, and the mobility of our analytic cadre may not combine well in the not too distant future. I can foresee analysts grappling with extremely difficult issues without having the rich contextual knowledge necessary to make accurate, useful judgments. Success with the senior analyst career track has been spotty at best. Young analysts learn early on that success here means management and probably abandonment of their field of expertise. Among the best, many will leave and those who stay will give us only about 5 to 8 years of analytic excellence.

5. This brings me to my final point on analyst shortcomings--the lack of intelligence memory. Too many of the individuals I work with, for example, view the 1973 Arab-Israeli war as ancient history. They know only the bare bones and none of the details that are instructive in making today's judgments. This is in part explained by the rapid expansion of the DI during the Casey era when most analysts had only about two years of experience under their belts. Under normal circumstances, this situation would correct itself over time, but the attitude of getting ahead or getting out is likely to dramatically slow this corrective process. ADP has also made it more difficult to school new analysts on their accounts; they review "old" judgments but not "old" data. These people are quick studies, good writers, and savvy, but their "get ahead" mentality, the pressures of current intelligence and a "publish or perish" research program give their work an historical and sometimes intellectual thinness.

6. Information: We have done well in the DI managing the deluge of information in the past decade. The advent of ADP, the creation of OGI, the expansion of the ranks of analysts, and a more serious collection requirements system, CRES, have all helped. We can bring to bear on any subject more information than we had a decade ago, and the variety of collection systems makes the process of verification and confirmation that much easier. Greater appreciation of open source material and outside expertise are new attitudes which have emerged since I arrived at the Agency in 1970.

7. Our HUMINT, however, has not kept pace with advances in technically collected intelligence. So often, the major complaint of the analyst is his lack of information on intentions, decision-making, and personal relationships. The best example of this in my recent experience is the paucity of information on Iraqi intentions in the war with Iran. We generally find out what the Iraqis are planning when they start deploying

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troops and hardware--and only then. We have had to take a piecemeal approach to analysis of Iraq's use of chemical weapons--and gotten into plenty of arguments in the process--largely because we know little about the planning and attitude side of the equation. The upshot of lag in HUMINT is growing dependence on technically collected data. I worry about the day when room-temperature superconductivity, its applications in communication, and other new technologies at least temporarily kill off SIGINT, and we have to scramble to fill the void.

8. In my view, the DO needs major renovation. Too many COSs have no, repeat no, knowledge of the countries in which they serve.

The DO has a post WWII approach that still assumes the world is run by established elites in neatly delineated states and colonies. Populism and its products, such as Islamic fundamentalism, are simply off the collectors' scope, along with many other transnational issues. The name of the game is in the capital cities; and the villages, refugee camps, and countryside be damned.

9. The entire DO reward system is built around a classical approach to espionage, in which credit is given only for agent reports on secrets. That we need, but we also need much more and the system is not built to get it. The DI has struggled with the issue of integrated, innovative analysis and it had to go through the 1981 reorganization "revolution" to make any headway. The DO has not gone through such a revolution and only a few within it seem to think it even needs one. CTC is instructive here in that to deal with an overarching issue such as terrorism, DO resources had to be taken out of their normal structure. DO resources overseas have been able to respond fairly well, but only because an eight year administration made terrorism a top priority. I suspect that the response has been as good as it is also because terrorism--while it has many unique features--fits fairly comfortably as a classic espionage target--small groups hatching activities in secret. But, what about the "mystery" as opposed to "secret" of resurgent student activism, of the politicization of Palestinian youngsters and women, and other broad based forces? Theoretically, these phenomena are State's responsibility but certainly our collectors have a role to play too.

10. A final point on the HUMINT problem revolves around our shameless dependence in some areas of the world on liaison. This dependency has "bitten us in the back" viciously in Iran and at considerable expense elsewhere. Liaison is tempting when resources are tight, but we need double checks on what we hear in this channel and often don't have them.

11. Really good analysis will increasingly depend on the DO product and--when we can get it--on the views and instincts of our "eyes and ears" in the field. The demands on DO are growing and growing, the world is changing, but DO appears to be doing basic business ever so much the same. It is my impression that the number of field assessments has fallen off in recent years. In my part of the world, we have very few sources outside the military and political establishments. Where are we supposed to get our

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feel for the attitudes and inclinations of the burgeoning underclasses, unemployed college graduates and disenchanting intellectuals? Perhaps it is time to take a hard look at the following:

--rotating COSs less often and keeping them for the most part in one region of the world.

--expanding the parameters of DO collection beyond controlled agent reporting and experimenting with new collection techniques.

--changing the DO rewards system to encourage field assessments, Washington tours, training, cross directorate assignments.



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12. Information Handling: How well do we manage information and turn it into good analysis? Certainly ADP has revolutionized that part of our business. The profile in the SAFE system is in many ways like having an IA for every analyst. The computer allows us to search for facts and relationships in information in ways that were simply impossible in an earlier era. Are we making the best use of ADP or even keeping up with the state of the art? Certainly not, but then no one else seems to be either. Many of the problems are obvious; the Agency has too many systems and seems to change its strategy regularly for bringing order to the hardware chaos. The experts in OIR and OIT know alot about computers, but not enough about the analytic business. Software is coming into analytic offices at a fast pace, but only a few know how to use it. Managers are generally as far out in left field as you can get. Just a few of the specific problems in adapting the computer to our work are:


--the absence of physical files means that new or relatively inexperienced analysts have no chance to learn the "history" of their accounts through raw intelligence.

--the safe profile, although extremely valuable, often denies the analyst the opportunity to see the anomalous but critical piece of information or maintain it in a memorable way.

--electronic storage removes the visual triggers and housecleaning processes that often brought about the discovery of patterns in information--the "black hole" syndrome.

--standardized filing and retention of raw intelligence have gone by the boards, making the transfer of accounts, "reading in," and double-checking analytic judgments very difficult.

13. These problems are solveable but very expensive. In NESAs, we are experimenting with databases and programs directly linked to SAFE that would ameliorate them, but the ultimate price tag is probably in the millions.

(ADP holds the potential to help analysis with the low-probability high impact event  But, until the computer

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is properly harnessed. I think it interferes with meeting these challenges.

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14. New Approaches and Methods: The computer is essential to using many of the new analytic methodologies coming on line, such as war gaming, volume analysis, influence diagraming and the like. I gather that many parts of the DI are doing very impressive work in these areas. Even more tradition-bound subjects such as political instability are yielding to computer assistance.

15. I think Bob Gates has done much to encourage innovation in analysis with his emphasis on developing alternative scenarios. This has done much to break down the analytic arrogance that allegedly permeated the DI at one time. It has also liberated analysts to think the unthinkable. (In this regard, I am sorry that the NIC apparently killed the so-called Delphic IIM that apparently overloaded the appetite for looking for untoward events.)

[Redacted] OGI has also been a groundbreaker with [Redacted] NIE, which pioneered the development of the "sign posts" or indicators list--now standard features in DI work. Other useful new methodologies developed inside the Agency include the military coup and instability indicators methodologies. Also OT&E [Redacted] have contributed with the Intelligence Successes and Failures course, the Kennedy School seminar on Intelligence and Policymakers, and the "Thinking In Time" presentation. The FOA network itself is revolutionary and a real boon to stimulating analytic excellence. That too has been brought to us by [Redacted] and the computer.

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