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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC 02989-84
18 May 1984

MEMORANDUM FOR: Director of Central Intelligence
Deputy Director of Central Intelligence
Chairman, National Intelligence Council

FROM: Hal Ford
National Intelligence Officer At Large

SUBJECT: The Future of National Estimates

1. As a practitioner, observer, and critic of the national estimates business since 1951, in and out of CIA, I believe strongly that certain fairly substantial additional changes have become necessary in this business if national estimating is to make the impact it deserves in tomorrow's world. This memo examines problems which will increasingly beset the estimate-policymaker relationship, and offers certain recommendations to meet that more troubled future environment.

2. My chief observations/recommendations, as spelled out in the body of this memo, are in brief:

- That in some respects the coordinated national estimate has become an outdated artform in the heavy competition for consumers' attention -- in a world and a policymaking milieu increasingly affected by pressures of complexity, time, and disorder.
- That certain types of coordinated national estimates remain highly necessary and should be produced, but that the NIOs, the A/NIOs, and the NIC's Analytic Group (AG) can better serve the interests of policymakers by continuing to increase that proportion of national estimating which takes the form of less formal memos, think-pieces, face-to-face encounters, new methods of communicating estimative judgments, and so on.
- That the key to the quality of written estimates is -- and will continue to be -- the quality of the drafters; that the practice of

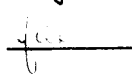
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borrowing drafters on an ad hoc basis from other offices has proved a mixed blessing; that the best system yet devised for producing the bulk of estimates is a cadre of elite, experienced estimates officers concentrated in the estimates office staff (NIC, at present); and that to these ends something like the present AG should be substantially upgraded in size, stature, and recruitment base.

- With no disrespect to Bob Gates' heroic dual performance, that the production and impact of estimates can be best maximized where the chief estimates officer (C/NIC, or however titled) holds that position as a full-time job, and is himself/herself a figure of national reputation who is a hard-headed thinker/doer.
- That many additional changes -- spelled out below -- are also needed to improve the utility of future national estimating. These encompass matters of purpose, format, procedure, media, and marketing.

3. An increasingly difficult future market for national estimates:

- The always difficult market for estimates is going to get worse. The producers of estimates, up and down the chain of command, must recognize more clearly that their efforts will face heavy competition indeed for the time and attention of senior policymaking consumers. These key targets of ours are the very officers who have the least time and energy to absorb our wisdom. They carry their own NIEs around in their heads. They often feel that they do not need us, especially in fields where general knowledge is plentiful, but unique augmenting intelligence is thin.
- There is going to be no automatic market of expectant consumers, just waiting for our estimative insights before they proceed to policy decision. Dispassionate estimates are going to be up against advocacy, with the latter having the advantage of always being simpler and more seductive. And in particular, our estimates will not encounter a ready market on those occasions where their portraits of the world are not congenial with policymakers' own images or commitments.
- The expanding hazards to estimates' impact will be both foreign and home-grown. Tomorrow's world will bring not only the growing weight of the Soviet global challenge, but increasingly more volatile threats to US interests from instabilities in the Third World and elsewhere. Such rising disorder will create a more difficult policymaking milieu. The demands of meeting pressing crises has always produced what past evaluations have correctly termed a "stranglehold" by current intelligence, to the detriment

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of sufficient consumer or producer attention to longer-term -- and often more serious -- problems. This situation will intensify as policymakers are beset by a rise in the number, complexity, insistence, and time-squeeze of world problems.

- Accompanying this trend will be certain new hazards to estimates arising from improved White House and other operations centers such as that of Richard Beal's. These efforts will be good/bad: they will tie intelligence to policy on a more immediate basis, but at the same time may damage decision making by surrounding senior policy officers with facts and judgments which in some instances are more high-impact than accurate or meaningful.
- For many reasons, hence, there will be more disorder in tomorrow's world and tomorrow's policymaking -- and, consequently, a greater gap between the very rational purposed theory of national estimating on the one hand, and the more haphazard practice of policymaking on the other. This means that tomorrow's national estimating will have to be damn good in quality and utility, on and beyond recent improvements, if it is to justify the time, talent, energy, and taxpayers' money spent on its preparation.

4. The case for fewer interagency national estimates and more national estimating:

- The case still exists -- more than three decades since the creation of the NIE art form -- for the traditional purposes of certain national estimates. Those purposes, as expressed by then DCI Bedell Smith,* sought in the national estimates an authoritative interpretation and appraisal that would serve as a firm guide to policymakers and planners, a disinterestedness above question, the collective judgment of the highest officials in the various intelligence agencies -- hence commanding respect throughout the government as the best available and most authoritative body of estimative judgments. These considerations still apply for many of the basic studies, such as the NIE 11-3/8 series, where an NIE serves as an agreed reference point for key planning; and for evaluations of certain other crisis or troubling situations of pressing importance to the United States where authoritative, dispassionate basic assessments may be in short supply.
- But in the case of many of other types of national estimates, the institutions of orderly policymaking for which estimates were designed originally to serve have long since disappeared. Apart largely from long-range military planning, policymaking takes place much more on the run. The best step the estimates business has taken to meet this changed circumstance is the creation and

*IAC-M-1, 30 October 1950.

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strengthening of the NIO system. Well and good: through various means the NIOs have moved out smartly into this policymaking scene. But the ties of estimates and policymaking are still somewhat hit-and-miss, with no systematic match-up, and with the time and talent of senior NIC officers overly drained off in often feckless coordination.

- There continues to be a sizable gap between the theory and the practice of the coordination process. At the representatives' level there is often a lack of individual candlepower, genuine expertise, and actual authority to represent the Principal. With some exceptions, representatives tend to defend prior established positions, or just insure that nothing too objectionable gets in the text, or just pass the buck along to the Principals. There is strong reluctance at many representatives' meetings to take clear dissents, or to undertake new kinds of inquiry or lines of march, or to venture out beyond demonstrated intelligence at hand, or to judge the possible consequences of possible future developments. These drawbacks are reduced, the better and stronger the texts, and the stronger and better the NIO Chairman. Often the coordination process improves an estimate's precision and introduces new subtleties into the text. Drawbacks nonetheless persist, and so create many other situations where the final coordinated draft that emerges is essentially that which entered the reps' arena, only less sharp, less clear, of less utility -- and much delayed.
- There have been worthwhile efforts to increase the participation of Principals in the estimative process. Again, well and good, and the more such continuing pressure on them the better. But, realistically speaking, the fact that most Principals are essentially managers is always going to make the outcome of NFIB meetings largely the result of given DCI's and whatever assorted creative personalities happen to attend the particular session, rather than the collective wisdom foreseen by General Beedle Smith and his original IAC.
- Given all these limitations on national estimates, there is a strong case to be made that the NIC (and future central estimative offices, whatever their title) can best serve policymakers by conceiving of themselves more as national estimators rather than as just the producers of national estimates. This means (1) that the NIC and the AG can and should be manned by the most sophisticated, broadly experienced officers that can be gathered together; and (2) that these NIC officers not dilute their contribution to national estimating by having to spend too great a proportion of their time grinding out coordinated NIE packages.

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- Constructive critics have long warned estimators of the dangers of over-coordination.* What have been often the most valuable inputs made by senior estimative officers over the years have been sharp ad hoc or in-house studies which break new ground, point out new developing world threats or opportunities, question conventional wisdom, examine the consequences of contingent developments, or otherwise give policymakers more direct, focussed assistance than can the necessarily more ponderous estimates -- even the recently improved fast-track variety. NIOs, A/NIOs, and AG members are in the best possible spot to contribute such insights, and should be encouraged to continue to enlarge the proportion of such efforts, checking carefully in each instance with DDI or other appropriate specialists, and indicating clearly to the readers the status of the views being presented.
- Policymakers would be well served also if, on occasion, memos of comment were offered on such think pieces by individual NFIB Principals or other senior intelligence and policymaking officers.
- NIOs, A/NIOs, and AG officers, if freed somewhat from the sizable paper-shuffling demands of coordinating and producing formal estimates, would have more time also to assist other senior intelligence officers in guiding collection and in devising new means of communicating estimative findings, in addition to that of the printed page. Impact on the faster-moving policymaking world will require much more in the way of video, graphics, face-to-face, and other measures. Also more emphasis, see below, on marketing and follow-up.
- In all such cases of estimating by means additional to national estimates, the payoff must of course remain on the quality and utility of estimative assistance to policymakers, not on the quantity of NIEs or other estimative pieces being produced.

5. The key importance of an estimate's drafter:

- Another clear fact which three decades of US estimates experience has demonstrated is the absolutely primary importance of the particular drafter to that finished estimate's quality and usefulness. Where initial concept and drafts are only so-so, or worse, they not only clog up the estimates schedule but often

*For example, this ancient but still apt recommendation, from a senior CIA officer, 1957: "The sum and substance of what I have been saying is that the US national security system would be better served if the Intelligence Community took a less vigorous view of the meaning of coordination and substituted more informal techniques of consultation."

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remain relatively impervious to subsequent tinkering and re-drafting.

- Where drafters are top-rate there is no problem. But the record is not one of unblemished success, now or in the past. Traditionally the toughest cases exist where the drafter proves mediocre or poor. It is not always easy to know in advance whether an untested drafter will do a good job of preparing an estimate: some good current intelligence officers, for example, have put facts and chronology together in an "estimate," but one which to the consumer has no so-what. The writing of estimates calls for distinctive experience and breadth, as well as distinctive skills in conceptualizing, organizing, and presenting an estimate's findings.
- The 1974-1980 experiment which required NIOs to scrounge estimates drafters as best they could proved a failure -- one recognized in the decision to reorganize the NIOs into a NIC, supported by its own AG. Since that time the drafting situation has improved somewhat, but because of the AG's small size and the many demands on the time of the NIOs and A/NIOs, the majority of estimates still has to be farmed out to other offices.*
- This farming out of drafting assignments involves various problems. Outside drafters do not belong to the NIOs. They are not answerable to NIC discipline or standards. They are sometimes physically separated from the NIO chairman, even across town. NIOs don't always get the drafting stars they seek, but have to settle for those the parent offices make available. In some host offices the drafting of national estimates is not treated as part of a career-enhancing pattern, but an external chore. Drafters are caught between the demands and views of their own offices and those of the NIO. In result, enthusiasm, priority, quality, and an estimate's usefulness all suffer.
- Some farming out of estimates must of course continue. This certainly applies for many of the complex military estimates where outside-the-NIC analytic offices have produced many good drafting teams. The same applies for those particular occasions where the dimensions of a given estimative chore happen to fit the analytic culture well, and where the host offices do ante up first-team drafting talent. But there are limits to such practice, including distinct limits on how much burden NIC projects should exert especially on DDI production offices' own responsibilities.
- The answer: an increasing proportion of coordinated estimates and in-house pieces can best be done by an experienced AG of

*The 1983 record: 32 interagency estimates were drafted by DDI officers; 24 by NIC; 9, DIA; 5, INR; and 8, joint.

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strengthened proportions, the best type of system yet devised for developing creative estimates drafters. A group encompassing such breadth, intellectual leadership, and skills can also constitute a high-class drafting pool for special ad hoc DCI and C/NIC chores.

- This cannot be done well, however, by the present AG. As initially organized by D/NFAC in early 1980,* this group was to consist "of about 20 officers;" those officers were to draft "the bulk" of coordinated estimates; they were in addition to "initiate ad hoc estimative memoranda for NIC discussion and further disposition;" and rotational tours in the AG were to be an "important element in the career planning of NFAC offices." None of these situations exists at the present time. The AG now has only 11 professional slots. Its members draft only coordinated estimates, not think papers as well. CIA chiefs do not willingly provide the AG their best officers for rotation tours but understandably husband them for their own offices' purposes. Nor, except for military hardware questions, is there much sophisticated drafting talent available in the Intelligence Community -- we have had one such tour in the AG which was successful (NSA), one which proved mis-cast, and one (DIA) up-coming. The record has also been mixed in drawing top talent into the AG from academia, etc., where this path also entails special bureaucratic hazards.
- In short, if intelligence is to offer the maximum possible support to policymaking, it must have an estimates cadre of the best brains and effectiveness in town. This did obtain at certain times in the past, witness the wealth of talent represented by such former estimates staffers as Hyland, Billington, Komer, Maury, Cline, W. Bundy, Carver, Byrnes, R. J. Smith, A. Smith, D. Graham, Huizenga, Clarke, Whitman, Chet Cooper, and many others. The principal reason such talent had been made available was that the estimates office was initially conceived to be "the heart of the CIA and of the national intelligence machinery,"* and early DCI's made sure that the estimates office got assigned the elite drafters it required. I submit that something like this concept of an estimates drafting group is required, or at least something approaching the AG as initially envisaged in early 1980, if the estimates business is not to continue bumping along, doing a fairly good job, but not living up to the potential it could contribute.

6. The need for a full-time C/NIC:

- The C/NIC is a more than full-time job in itself. The Chairman must furnish intellectual leadership, get the most out of his/her

*NFAC Notice No. 1-19, "Responsibilities and Structure of the NIC Analytic Group," of 30 January 1980.

*IAC-M-1, 20 October 1950.

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officers, administer the office, and relate actively to senior members of the intelligence and policymaking communities. This latter requirement is of paramount importance inasmuch as estimates, being somewhat free-will offerings, will always have greater impact the more the estimators are known commodities to the policymakers, not faceless officers somewhere across town. To important degree the regard in which given estimates are held rests on the personal respect in which their producers are held. This applies of course to all the members of the NIC, but in particular to C/NIC. He/she must have the opportunity to spend needed time with senior officers around town (and with the country's best brains, wherever) before, during, and following the preparation of estimative support -- and so multiply the impact of the estimates effort.

- Although there have been excellent chiefs of the estimates office who came there from CIA careers, there will generally be an edge in stature, contacts, and impact -- all other things being equal -- where C/NIC is a scholar or official of national reputation. In short, future NIC's can be most effective when they have something like latter-day Bill Langer's in charge.

7. Additional recommendations for improving the quality and impact of estimative products. Here I purposely avoid familiar criticisms many others have made, and confine my points to capsule presentations. In brief, there is need for the DCI to direct that much greater attention be devoted to:

- The marketing of estimates -- by the DCI, C/NIC, and NIOs alike. The most rewarding measures involve personalized intervention at various stages of key exercises, before and after their production. There is some of this now, from time to time, but unless pressed much more, our finished products will continue to tend just to pile up, undifferentiated from other mail, on the desks of special assistants and other filters. There needs to be much greater consciousness that our work is not completed at NFIB. Otherwise we short-circuit the process and the purpose of estimating.
- More regularized evaluation of estimates. To date this has been confined to sporadic ad hoc efforts, aimed generally at examining "failures." Fuller and more regular evaluations, conducted by senior, objective groups, could transmit back much-needed guidance as to what has and has not been accurate, useful, etc. This cannot be done by just reading stacks of old papers, but must involve considerable interviewing, the building of personal contacts with consumers, and demonstrated evidence to them of the worth of such inquiry. Some estimates could benefit by making a review of previous judgments on the same topic an explicit part of their content.

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- More attention to collection re Third World developments. Here is where most of the action is, and where the prime detonators to world peace are. The Intelligence Community (especially State) must be prodded from on high to get US missions out of their cocktail cocoons and into their host societies, so that blindsided analyses and estimates do not inflict more self-harm on US policymaking.
- More attention in estimates to factoring out the respective indigenous - external Communist ingredients in Third World hot spots. Such crises are of course of enormously greater danger to US interests where Soviet or other hostile elements are at work in the picture. But US policymakers have paid dearly in the past for their relative ignorance of those basic forces in certain world settings which create the local pro-Communist and without whose remedy many US well-intentioned policies will go unavailing.
- Less emphasis on predicting events, more on depicting forces and trends at work in given estimative situations.
- More estimative emphasis on giving policymakers handles: that is, pointing up opportunities as well as threats, and differentiating between those forces in a given picture which seem inexorable, and those others that may to x degree be amenable to US or other friendly remedy.
- Being less shy, in estimates, in suggesting opportunity handles to policymakers. Not trying to make policy, but not stopping either with just telling the consumer that he/she faces a hell of a situation in Ruritania.
- More contact by estimators with the country's best brains outside of professional intelligence ranks. Contact with outside experts and consultants remains sporadic. More is needed, and on a fuller, more systematic basis, to avoid certain stultifying effects Washington localitis can involve.
- Much more effort by and on behalf of the estimators to know the US Blue element much better -- and making sure that such knowledge of the US ingredient is ground into analyses and estimates of foreign situations.
- Better appreciation among analysts and estimators that they, too, not only the policymakers, must keep alert to the distorting influences of prior belief.

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-- Finally, applicable in relation to all the above, a fierce determination by estimators to tell it like it is: that is, the necessity to give our consumers the fullest and most objective analysis/judgment possible -- without regard to the policymakers' particular preconceptions, commitments, or sensibilities. It is the job of estimators to tell the truth, not to make our customers happy. Otherwise we will just be spending taxpayers' money to help policymakers deceive themselves, on occasion, about how well things are going in Vietnam, or Iran, or Lebanon, or wherever.

8. I will be pleased to learn your reactions to this memo's observations/recommendations, and to discuss these matters further.



Hal Ford

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SUBJECT: The Future of National Estimates

DCI/NIC/NIO/AL/HFord:ps, (18 May 84)

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REPLACES FORM 36-3
WHICH MAY BE USED.

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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC #00362-84
18 January 1984

MEMORANDUM FOR: Robert G. Gates
Chairman, National Intelligence Council

THROUGH : Charles E. Waterman
Vice Chairman, National Intelligence Council

Herbert E. Meyer
Vice Chairman, National Intelligence Council

INFORMATION : All National Intelligence Officers

FROM : David D. Gries *DDG*
National Intelligence Officer for East Asia

SUBJECT : Simplifying NIC Procedures

For the NIO, the process of managing an Estimate has become nearly as time consuming and taxing as the much more important task of paying attention to the substance. The process of preparing an Estimate includes:

- writing countless memos to transmit various drafts,
- circulating drafts to representatives in a hurry.

Too Many Memos

Let us first consider the required memos along the Estimates trail. The Comment column suggests improvements in the existing system.

Memo

A memo is sent to C/NIC and the DCI asking for approval of the topic.

After the TORs are received, a memo is prepared for VC/NIC to send to SRP asking for their comment.

Comment

The NIC buck slip with a blue stripe (hereinafter buckslip) should be sufficient to convey three or four sentences of information explaining what the topic is and who requested it.

This same information could be conveyed on a buckslip.

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Simultaneously, a memo is prepared for the DCI asking approval of the TORs.

Next, a memo goes to NFIB principals asking for the appointment of representatives.

After the NIO has reviewed the draft, a memo is prepared to C/NIC and the SRP asking for their comment.

The DCI receives a memo conveying the draft and asking him to approve its submission to reps for coordination.

With DCI approval in hand, a memo is then sent to reps calling a coordination meeting.

After coordination, a memo conveys the coordinated draft to the DCI for his final approval.

Prior to convening of NFIB, a memo is prepared to the DCI providing him with talking points for the NFIB meeting.

This proposal eliminates most memo writing. Any secretary will confirm that there is a vast difference between typing a blue stripe buckslip and preparing a letter-perfect memorandum for the DCI. In addition, this proposal eliminates the problem of addressing up to a dozen separate envelopes for two of the necessary memos -- one to NFIB principals asking for the appointment of representatives and the other to representatives giving the time and date of the coordination meeting. By "Wanging" both of these [redacted] for onward electrical transmission, the addressing of individual envelopes twice is eliminated. [redacted] will not retransmit memos; they would have to be instructed.

Ditto. A buckslip should suffice if it really is thought necessary to obtain DCI approval of TORs. Personally, I question this step.

Instead of sending this memo by individual envelope, we could transmit the text by Wang to the IC staff for circulation by Wang to principals.

A buckslip should be sufficient.

Is a memo necessary? A buckslip should suffice.

Unnecessary. A memo has already gone out to NFIB principals asking for the appointment of reps. At this juncture, all the reps need to know is when to come to the meeting. This should be accomplished by Wang to [redacted] for onward "Wanging" to principals asking them to inform their reps.

A buckslip should do.

In practice, the NIO who presents the Estimate does the talking. The DCI has little use for such a memo. A buckslip should do, or better still, this step should be eliminated altogether.

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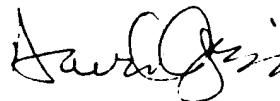
Moving Drafts to Reps

Second, let us consider the problem of moving drafts to representatives prior to coordination or between coordination meetings if there are to be several. Ideally, the interagency courier system is available to move these drafts. But experience has shown -- and most NIOs will confirm -- that this system does not work well enough to suit our purposes. Often we are in hurry, either because we are moving a fast-track or at least a quick paper, or because the courier system simply breaks down and papers sit in mailrooms. The most sensible remedy is to move the drafts by the Wang system [] for onward "Wanging" to principals, together with a buckslip asking principals to pass the draft to their reps. [] will not handle drafts; they would have to be instructed. Nor are principals prepared for this change; their role would have to be spelled out and their cooperation enlisted.

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To sum up, the problems of the process now match the problem of substance. Something must be done. At a minimum, memo writing should be greatly curtailed; at a maximum, our old-fashioned, inefficient way of moving drafts around town should be replaced by expanded use of the Wang system.



David D. Gries

May 1983

The National Intelligence Council and the Estimative Process

In the US Intelligence Community's division of labor, the National Intelligence Council is the unit charged with overall responsibility for managing the production of interagency estimates, but each component of the Community contributes to and plays an active part in the process.

The following paragraphs describe how estimates are produced now, with particular emphasis on the changes that have been introduced in the process in recent months.

Production of an estimate begins with obtaining the DCI's approval for its preparation. (An estimate may start from the request of a senior policy officer or the DCI himself, from a standing requirement for periodic assessments, or from an internal NIC proposal. In practice, relatively few estimates stem from NIC proposals; 16 of the 59 formal estimates produced in Calendar Year 1982 were NIC-initiated). A new estimative project is assigned to one or more of the 14 National Intelligence Officers (NIOs)* to manage. As Chairman of the paper, the NIO finds a suitable drafter, engages the rest of the Community in the production effort, sets the timetable, and presides over the paper's completion, review, and coordination. The first significant step in this process is to develop Terms of Reference (TORs) and a Concept Paper

* ~~see attached list of specific NIOS~~

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for the project, seeking assistance for this purpose from a variety of sources, including, where appropriate, the requestor himself. In 1982, in order to engage the senior leaders of the Intelligence Community more fully in this crucial step of defining the scope and direction of each estimate, we began sending draft TORs and Concept Papers directly to the principal members of the National Foreign Intelligence Board (NFIB). Heretofore, TORs had been drafted, reviewed, and coordinated at the working level, and the personal involvement of the Community's senior officers early enough to have an impact on the shape of an estimate was a rare occurrence. We believe that starting the review of an estimative outline at senior levels and progressing from there to coordination at the working level is a better, potentially more fruitful way to begin, and we now do this routinely.

Once the bare bones of the project are agreed upon, the drafting stage ensues. In choosing a drafter, the NIO has the entire Intelligence Community to draw on, and he normally seeks the best analyst for the job at hand that he can find, regardless of agency. Some of the larger papers, particularly the complex military ones, are written by interagency groups, and others are produced on the basis of contributions from more than one agency, but most are written by a single drafter, working under the guidance of the NIO. In 1982, 34 of 59 estimates were written by CIA Directorate of Intelligence drafters, 14 by NIC analysts, five by DIA, four by INR and two by more than one agency.

When a first draft of an estimative text is achieved that is acceptable to the paper's Chairman and to Chairman, NIC, formal and informal comments and advice on it are solicited from a variety of sources, including the DCI's

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Senior Review Panel (a small, independent staff of distinguished senior officers with long experience in government), other NIOs, expert analysts inside the Intelligence Community, outside consultants, and, time permitting, appropriate US experts in the field. Once their suggestions have been factored in, a revised draft is prepared and sent to the DCI for his review before the coordination process begins.

Coordination usually involves meetings of the representatives of all agencies of the Intelligence Community, although on occasion, agencies with no expertise on a particular subject will opt out of the discussions. The real purpose of the coordination process is to enrich the paper by examining the facts from several different organizational and judgmental perspectives. Although there is an inevitable and inherent tendency in any coordination process to water down or negotiate away differing points of view, we try very hard not to bury or smooth over genuine points of disagreement in interpretation of the evidence or key conclusions. What we strive for is a process in which minor or inconsequential differences are talked out and resolved and major ones are illuminated and more sharply defined. We succeed in this only imperfectly and are very much aware of the need to work constantly to avoid producing "least-common-denominator" estimates.

The draft text, once the coordination sessions at the working level are completed, is then resubmitted to the DCI for his approval to schedule it for consideration at a meeting of the National Foreign Intelligence Board (NFIB). The DCI issues estimates with the advice of the Board. Each NFIB Principal has the right to dissent from any of the findings of the paper.

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Again, we have been trying in recent months to invigorate the process by urging the Principals to become more deeply involved in the development of each estimate from the very beginning. In the past, the Board rarely got involved with an estimate until the very last, when it generally ratified a paper whose language (including dissents) had already been worked out at a lower level. Even with greater involvement in the estimates by Board members these days, their routine concurrence in the final draft is by no means assured, even when their representatives have already signed off on it. Board action remanding a paper for more work, or a Board member's tabling a dissent or a significant change now takes place at the NFIB meeting more often than it did formerly. We regard this as healthy and we think it is likely to enhance the final product and make it possible to give the policy reader a truer picture of the Community's views on important issues.

Any process involving as many actors and as many steps as those outlined here must be seen as fairly ponderous in terms of the time consumed from start to finish. To combat that problem, we have introduced, and continue to refine, so-called "fast-track" procedures aimed at shortening the interval between a paper's inception and its completion. We use these fast-track' procedures -- which essentially rely on heavy use of the secure telephone system and doing as many steps as possible simultaneously instead of sequentially -- only for papers where there is a real need to receive the Intelligence Community's views fairly quickly. Whereas we did only a handful of fast-track papers in 1980 and 1981, we did 14 last year. Our "record" so far is three working days from start to finish. Producing papers this quickly

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requires a degree of teamwork and puts a strain on the machinery that we cannot invoke too often, but it permits us to weigh in with our combined best judgments on a fast-moving situation quickly and effectively.

Most SNIEs are now produced in periods of up to a month or two, but National Intelligence Estimates (NIEs) and Interagency Intelligence Memoranda (IIMs), our more deliberately-produced estimates, usually require several months to complete -- or more, in the case of lengthy and complex military assessments.

Thanks at least in part to our fast-track production procedures, our capability to respond to requests for assessments in support of specific decision points in the policymaking process has been steadily growing. The vehicle we most often use in instances of this kind is the Special National Intelligence Estimate. Last year, 31 of our total of 59 formal estimates were SNIEs, as opposed to 18 in 1981 and 7 in 1980. While not all SNIEs are targeted for specific policymaking needs, many are.

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ATTACHMENT

1. NIEs, SNIEs and IIMs are all members of the category of estimates. One estimates when one does not know; and all estimates are analytical constructs arrived at on the basis of usually inadequate information and of assumptions that govern the interpretation of this information. Since estimates are essentially inferential, and usually speculative regarding the future, and since no one inference or speculation is necessarily compelling, it is sometimes neither possible nor desirable to produce a unanimously agreed estimate. While effort should be made toward consensus, a set of alternative estimates should be presented and argued whenever irreducible uncertainties preclude agreement. Since estimates are highly sensitive to analytical assumptions about the real world with the help of which information is interpreted, it is vital that key assumptions be spelled out and, if necessary, defended in the presence of conflicting information. It is especially important that this be done in the event of estimative disagreement.

2. Given these common properties, the three art forms may be defined as follows:

a. An NIE is an estimate of a foreign situation that impinges importantly on US interests and is relevant to the formulation of important choices for foreign and national security policy, and which, in these terms, conjectures about future developments of this situation. It is normally incumbent on an estimate to illuminate how US interests are affected by the situation and how, in turn, this situation and its development may be affected by US policy. If estimative uncertainty cannot be resolved, it is also incumbent that the paper set forth alternative estimative conclusions. NIEs are in principle products of the entire Intelligence Community and are issued by the DCI with the advice of NFIB.



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b. A SNIE differs from an NIE in that it is relevant to a specific and urgent policy problem, and that it is therefore shorter, prepared more quickly and coordinated with the Intelligence Community with dispatch. It is issued by the DCI with the advice of NFIB.

c. An IIM differs from an NIE in that, although requiring the endorsement of the Intelligence Community, it is issued without NFIB concurrence, deals with policy issues of lesser significance, and may be either an assessment of some current situation or an intelligence estimate.

APPROVED BY
CINIC OR
PRESENTED AT
NFIB

As indicated, the choice and application of all three art forms cannot in some important respects be determined by precise rules. This holds true especially of the choice between IIMs and NIEs (and SNIEs), and on the extent to which an estimate will engage questions of US policy. But while these choices can be settled only ad hoc, they are too important to be made casually or without review. Ultimately these are, of course, management decisions.

d. IIA -- SHORT ESTIMATES PRODUCED QUICKLY WHEN A MORE FORMAL PAPER IS INAPPROPRIATE DUE TO SENSITIVE SOURCES, LIMITED DISSEMINATION, LIMITED NFIB PARTICIPATION
APPROVED BY CINIC -- MAY BE REVIEWED BY THE DCI

e. NIC/M -- INFORMAL NIC MEMORANDA WITH LIMITED OR NO EXTERNAL PARTICIPATION, APPROVED BY CINIC

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The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC #03324-84
7 June 1984

NOTE FOR: Rob Gates
FROM: Dave Gries *DL*
SUBJECT: NIC Collegiality

You asked for suggestions on how the NIC could better realize its potential as a collegial body.

First, the written product. Broadly speaking, the NIC currently produces regional estimates and cross-cutting estimates. The former in many cases will not benefit from collegial treatment; the latter, the cross-cutting estimates, in most cases will benefit and you have recognized this in institutionalizing a panel system to bring several NIOs into the process.

Under the panel system, a single NIO chairs an estimate and other NIOs are brought in as advisors. What I am proposing is a little different. For cross-cutting papers a collegial grouping of NIOs would have co-equal responsibility for production of a very short paper--not an estimate--that would probably be written by a single AG drafter and intended for the DCI. Although a little unusual or untidy from a management point of view, the NIOs are a cohesive enough group to work in this fashion. The prototype of course is the original Board of National Estimates which acted collegially in reviewing drafts submitted by a large ONE staff.

Two cross-cutting topics for short, bottom line only treatment that might be used to test this approach are:

- Economic reform in communist countries such as China, Hungary, East Germany and Czechoslovakia. What does it mean and where will it lead? Such a paper might lead the DCI to assign analytical resources to the topic, request an interagency view or yawn.
- Why do some developing countries develop when others don't? What are South Korea, Hong Kong, Taiwan, Singapore, Malaysia, and to a lesser extent, Brazil, Mexico and Argentina doing right and what are all the other developing countries doing wrong? Is there a formula? Do US policies take account of this formula if it exists?

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Second, oral presentations. The NIC acting collegially can be a sort of think tank, meeting occasionally to address orally a preset topic. Some of these sessions might spin off a memo from the Council to the DCI; others would enlarge the intellectual capital of the participants. One Tuesday staff meeting could be set aside each month for consideration of a topic of interest to all. Discussion topics need not be cross-cut, that is, they need not draw on the experience of each NIO, since there is good value in asking an officer to participate in discussion of a topic in which he may have had only passing interest. Some topics for this kind of oral discussion could include:

- Strengthening the Intelligence Community. What could be done? Should CIA play a more active role in recruiting analysts for DIA and INR? Should analysts be exchanged among Intelligence Community agencies with greater regularity? Can we convince State to increase INR's budget and develop a professional core of analysts?
- Is the Intelligence Community's written product apportioned in the same fashion as the interests of the policy community? For example, do we overwhelm policymakers following Soviet activity and "underwhelm" those following Third World issues? What do the statistics show?
- Imagery and signals intelligence play an ever increasing role in production. Are analysts throughout the Intelligence Community properly trained to use this information? Does CIA have a training role in helping other Intelligence Community agencies?

Third, if not exactly collegial, the NIC can avail itself of educational opportunities that are there for the taking. Outside speakers can be asked to address us on a whole range of topics. Since the NIOs are inveterate briefers, they have a lot of chits out in the government and academia and could take charge of arranging a program of outside speakers from among these obligated contacts. Some subjects worth exploring:

- Kremlinology: what is the state-of-the-art? Speakers in academia could at least provoke us on this topic.
- Social spending and GNP growth. Among OECD countries statistics support the notion that high social spending is the enemy of high GNP growth. But the reverse is not necessarily true unless a range of other conditions is met. This is a fascinating subject and has been widely addressed in academia.
- Third World or third rate? The six or so newly industrialized countries notwithstanding, why have so few Third World countries shown progress towards development? Do the political systems of the slow growers have anything in common? Is there a political correlation between growth and drift? Again, such general questions are frequently addressed in academia and probably in such agencies as AID as well.

Beyond these suggestions, it would be helpful in fostering a collegial spirit if individual NIOs knew more about each other's work. One simple step would be the creation of an Estimates library in the registry--because it is

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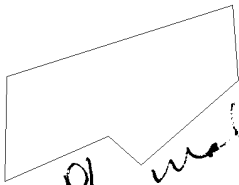
vaulted--where all NIFs, SNIFs and IIMs of the last several years could be permanently located and arranged by subject. This would make it possible to browse through the works of other NIOs as time became available. The current system of circulating drafts is not productive. Which busy NIO wants to read a draft that may be changed at the table?

Collegiality would also be enhanced if each of us had a clearer picture of what other NIOs were doing. Most NIOs have distinctive work styles and unless communication between NIOs is promoted, there is no ready way to benefit from the best points of the styles of other NIOs. This can be accomplished by allotting 30 minutes at the large Thursday staff meeting during which each NIO would give a two-minute report on his recent and future activities.

cc: Herb Meyer
Hal Ford

NIO(WE)

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*PH make a list
& choose panel. Then
let's go over. Let's
keep panels small
Three should be average
including me. Date
deadline 8 June.
completed to Gates*

STAT

NOTE TO: All NIOs
FROM : Chairman, National Intelligence Council
SUBJECT: Collegial Review of Estimates (U)

1. I am aware that some of you call on your NIO colleagues for comment on estimates for which you are responsible. I am also aware that Herb has organized periodic ad hoc groups of NIOs to review particular estimates. (U)

2. I believe the time has come to regularize this consultation and extend it to virtually all of the formal products of the NIC. I would appreciate your sending me a list of estimates and IIMs you have underway and the NIOs with whom you are already consulting and with whom you believe it would be appropriate to consult on each. I believe this process will be most valuable if it begins with the conceptualization of the estimate and proceeds through each successive phase. I urge you to keep in mind those of your colleagues with broader responsibilities such as Maurice, Dave Low, Ted, Fritz and Hal. (C)

3. From now on, whenever you propose an estimate or an estimate is assigned, you should create an NIO panel and inform both Herb and me of the members. Your consultations can either be individual or in meetings -- flexibility and your convenience are important -- but I am convinced that the overall quality and sophistication of our work can be improved by greater collegial collaboration. (C)

4. I will expect your reports on present consultations referenced above by COB 8 June. (U)

R. Gates
Robert M. Gates

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4 June 1984

NOTE TO: All NIOs

FROM : Chairman, National Intelligence Council

SUBJECT: Collegial Review of Estimates [redacted] 25X1

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Robert M. Gates

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