



**October 20, 2005**

**Opening Remarks of Thomas H. Kean and Lee H. Hamilton  
Chair and Vice Chair of the 9/11 Public Discourse Project**

**Report on the Status of 9/11 Commission Recommendations  
Part II: Reforming the Institutions of Government**

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**THOMAS H. KEAN:**

Good morning. We are pleased to appear today, to review progress on the recommendations of the 9/11 Commission, one year later.

Last month, we discussed emergency preparedness and response, and homeland security. We found some areas of progress. We also found some failures which cost lives in the response to Hurricane Katrina.

Today, we report on the institutions of government responsible for intelligence and counterterrorism. The intelligence reform bill signed into law by President Bush last December created many of the new institutions the Commission recommended:

- the Director of National Intelligence,
- the National Counterterrorism Center, and
- the Privacy and Civil Liberties Oversight Board.

The statute contained guidance on the development of a national intelligence workforce at the FBI. It called on the CIA to enhance its analysis and human intelligence capabilities.

Changes in the law are very important – but they are only the first step. No law is self-executing. This morning, the question before us is: What steps have been taken to give life to these new institutions and these new reforms?

**The DNI**

The Director of National Intelligence has been in his job for 6 months. He has the President's strong support. In order to improve intelligence, he has set three priorities for himself:

- Improving analysis;

- Building a sense of community; and
- Exercising stewardship over resources.

These are good and sensible priorities.

Unless the President and his advisers receive sound analysis, nothing else the DNI does much matters. The President and his advisers are receiving more diverse analysis. That analysis defines more clearly what we know, and just as importantly what we don't know. These are signs of improvement.

Building a sense of community is necessary, to make sure that the many intelligence agencies all pull in the same direction. Control of the budget will enable the DNI to build that community. Here, too, there are positive signs.

We are encouraged, but there is an awful lot of work to do.

There are several areas where the DNI needs to act with a sense of urgency. Every impulse to reform has its moment, before new issues grab attention and shift priorities.

The DNI must be forceful in setting policy and direction for the intelligence community. He must be the agent for change. His organization should be lean, flexible and streamlined: He should not take on day-to-day operations.

The DNI needs to exercise his authority to detail personnel across agency lines as national intelligence priorities shift. He should detail personnel to bolster the work of the National Counterterrorism Center.

Information Sharing. We spent a lot of time in our report on information sharing. Above all, the DNI needs to be the driving force to improve information sharing. Ten months have passed under the new law. Progress is minimal. To his credit, the DNI is seized with the issue of information sharing, but the horses are barely out of the gate. We must force the issue.

- If analysts are to perform better, they must see all the intelligence on their topic.
- If intelligence agencies are to perform better, they must have transparency about what their counterparts are doing.
- The budget is the tool for the DNI to build systems, create policies, and foster new habits of information sharing.

The DNI will be judged, in large part, by his record on information sharing. His customers are not just in the federal government; they are state and local officials as well. Frankly, information is not being sharing with state and local governments.

The DNI cannot achieve success alone: the President needs to give him strong, consistent support to make reform work.

**The National Counterterrorism Center**

The National Counterterrorism Center is off to a positive start.

It has pulled together a single database of 300,000 names of interest, available to 4000 individuals in the counterterrorism community. It is supporting analysts and policymakers across the government. It is working on a consolidated national counterterrorism strategy.

We are very encouraged, but there is an awful lot of work to do.

According to the law, the National Counterterrorism Center is supposed to be the primary organization in the United States government for analyzing and integrating intelligence about terrorism. It is supposed to have the best analysts and a critical mass of them. So far, the NCTC has less than half of the analysts it requires for its mission, and only one-third of its overall personnel.

The NCTC has begun its work on joint strategic operational planning. That is good. The NCTC needs to fill in the picture between policy at the highest level, and operations at the level of case officer and special agent. The NCTC needs to assign each agency distinct roles and responsibilities in counterterrorism policy, pulling together all the tools of national power into a unified, coherent national effort. Most of that work is ahead of us.

The information sharing and joint effort that goes on inside the NCTC is impressive. But information sharing should not be limited to the NCTC itself. Its example should inform the work of the entire intelligence community.

While information sharing on counterterrorism inside the federal government has improved, again information sharing with state and local authorities vastly needs to be improved.

***LEE H. HAMILTON:***

**The FBI**

We believe that the FBI must have a real sense of urgency in completing the reforms now underway: the creation of a national security workforce to fight terrorism on American soil.

The trend line on FBI reform has been in the right direction, but it is far too slow.

There are numerous problems still impeding the Bureau's ability to carry out its new counterterrorism function.

-- There are still significant deficiencies in the FBI's analytic capabilities and in information sharing with other agencies and with local law enforcement;

- There is still too much turnover in the workforce, instability in top-level counterterrorism and intelligence leadership, and insufficient investment in human capital and training;
- The Bureau still struggles to make the intelligence mission the dominant mission of the agency;
- To date, initiatives to improve the FBI's inadequate information technology capabilities have failed.

There is still resistance at the FBI to Director Mueller's changes.

The WMD Commission recommended and the President ordered the creation of a National Security Service for the FBI. We agree that the DNI has authority over, and can play an important role in strengthening, the FBI's intelligence function. We believe strongly that FBI operations must remain exclusively under the authority of the FBI Director and the Attorney-General.

It is fair to ask how long the FBI will take to reform itself. Director Mueller's timeframe for effecting reform at the FBI is not indefinite. The terrorists will not wait.

Reforms are at risk from inertia and complacency. Reforms must be accelerated, or they will fail. Unless there is improvement in a reasonable period of time, Congress will have to look at alternatives.

## **The CIA**

In order to improve intelligence, Director Goss has put a premium on improving the CIA's analytical product. He is focused on:

- collecting the right kind of information, secret or open source;
- improving training for analysts;
- closer cooperation between analysts and operators; and
- encouraging competitive analysis.

He has also affirmed the CIA's commitment to improving its human intelligence capabilities, by hiring more of the right case officers with the right capabilities, and deploying them to more places in the world.

We encourage Director Goss to continue to press for these types of reforms. We need a strong CIA at full force in the fight against terrorism. We need the right people in place with the right skills—and we need this as soon as possible.

Last week, Director Negroponte designated CIA Director Goss as National HUMINT Manager, overseeing a National Clandestine Service including the human collection

operations of the Pentagon and the FBI. The purpose of this reform is to improve human intelligence.

We call on the CIA and the intelligence oversight committees of the Congress to review, candidly and regularly, what progress it is making toward providing higher quality and more reliable intelligence.

We have concerns about turnover in senior management at the CIA and reports of low morale. CIA leadership and the oversight committees will need to address these issues. The clear intent of the Commission's recommendations is to make the CIA a robust organization focused on its core responsibilities.

### **The Privacy and Civil Liberties Oversight Board**

The 9/11 Commission recommended strong institutions and robust governmental powers to protect the people. At the same time, we consciously recommended checks and balances on that power.

The Commission recommended, and Congress created, a Privacy and Civil Liberties Oversight Board. Progress in standing up this Board has been slow. The President did not appoint members until June. He did not send up the nominations of the Chair and Vice Chair to the Senate until September 28<sup>th</sup>.

To our knowledge, no meetings of the Board have been held; no staff have been named; no work plan has been outlined; no work has begun; no office has been established. Ten months after the establishment of the Board by statute, it shows few signs of life.

In addition, no Civil Liberties Protection Officer has yet been named by the Director of National Intelligence. He should name an officer promptly, as he is required to do by statute.

### **Congressional Reform**

There is a long way to go yet, to modernize national security agencies in the executive branch. Still, we take some measure of encouragement. Important reforms have been enacted. Change is underway.

In the Congress, efforts at reform have been very modest. Congress acted quickly on the Commission's recommendations to reform the Executive branch, but did not do the same with itself.

We understand that internal change in Congress is hard. Strengthening congressional oversight is one of our most difficult recommendations to implement.

But it is also, in the view of the Commission, one of the most important. The American people rely on the committees of the Congress to supervise the agencies responsible for keeping them safe. Unfortunately, Congress is not yet organized to be an effective partner and watchdog in the post-9/11 era.

## **Conclusions**

As you can see from our chart, there is progress in many areas -- but not all areas -- with respect to institutional reform. In every case, we believe reform can be faster, and should be faster. A sense of urgency is necessary.

We would be pleased to respond to your questions.