



The 9/11 Commission Report: The Unfinished Agenda Session 2: Challenges Facing the Director of National Intelligence

Featuring:

- John F. Lehman, Former September 11 Commission Member
- Rep. Jane Harman, HPSCI Ranking Member
- Admiral William O. Studeman, Former Deputy DCI
- Siobhan Gorman, National Journal Staff Correspondent

LEHMAN:

Thank you all for coming today. On behalf of the members of the 9/11 Public Discourse Project, which is made up of the former commissioners and some staff, I'd like to welcome all of you here today.

We would like to thank our host, the Woodrow Wilson International Center for Scholars, for providing the venue and hosting us today.

This, as some of you know, is the second of our panels reviewing the recommendations of the 9/11 Commission and what progress has been made since we issued our report almost a year ago.

What we learn in these sessions will help us to formulate our final report card, which was the purpose of our establishing the PDP, which will be issued close to the fourth anniversary of the tragedy of September 11.

The purpose of the morning's session is to look at the Office of the Director of National Intelligence. As you know, this concept is not new. More than 10 groups, panels, in Congress and in special commissions set up have recommended some form of this reform, and it formed one of the most important of our recommendations last year: the creation of this office.

The reason was that the investigation that we carried out over 18 months left no doubt that we had a dysfunctional intelligence establishment. The parts didn't work together. They did not produce the kind of product that our leaders must have if the nation is to be protected.

Not only was it dysfunctional, but there was a very clear chasm between domestic intelligence and foreign and military intelligence. FBI and CIA essentially did not talk except on an episodic basis, and we're recently seen the report that was declassified, that both of our commissions worked on, that demonstrated in full detail how bad that chasm really was.

Also, we found that the director of central intelligence was given responsibilities over three important areas, and he had too many jobs to perform. He couldn't do them all. Running the CIA, number one. And the president's chief intelligence adviser, number two. And third, the director of central intelligence, which was the oversight and theoretically to run the whole intelligence community.

The problem was that the 1947 act and subsequent amendments did not give him the power to do that. Not only did he have too many jobs, but he didn't have the power to do the one that perhaps was the most important, and that was to see that all of the community, all of the agencies actually produced a combined product that was better than the sum of the parts.

So there were many other problems -- security and no IT systems to share, and you're all aware of those.

All of those came together, in our recommendation, as in the Silberman-Robb report and the joint House-Senate committee upon which we built, to establish this director of national intelligence.

LEHMAN:

Now, we were well aware of the dilemma that establishing such an office posed. It could either break up these layers of bureaucracy, and tear down the stovepipes that have prevented the sharing, and fix the things that so are abundantly wrong that came out in our investigation, or it could become another layer of bureaucracy and another slower-down of good intelligence to our national leadership.

And I think that that is still a fear and a dilemma that we hope that the director of national intelligence will keep very much in mind as he goes forward. It's still very early days. And the dangers of being dragged into old wars and grudges and internecine turf disputes, rather than doing the dramatic and even revolutionary work that needs to be done in changing our intelligence establishment -- that is a great challenge.

The act that was passed in December was a historic act. It really provided the powers that all of us who have studied this problem have recommended. It was an excellent piece of legislation and, in our judgment, does provide the DNI the powers that he needs to change and reform our intelligence establishment.

And they really boil down to only two powers. As everyone who has ever worked in Washington knows, there are only two sources of power in Washington, in the bureaucracy: the power to say, "Here's your money," and the power to say, "You're fired."

(LAUGHTER)

There are no other sources. Powers to coordinate, powers to convene bodies; it's all irrelevant.

Those two powers were given by Congress to the DNI. And they were wisely not made explicit, but they were granted nonetheless. And it is now up to the director of national intelligence himself to take up those powers and use them to full effect. There will be no excuse that somehow his powers were not sufficiently broad in the legislation. It's there.

So today we want to talk about two kinds of challenges to his exercise of those powers.

One set of challenges and obstacles are external. And we saw last week a major assault by people that are not enthused about having power over parts of the community given to a director of national intelligence.

LEHMAN:

And we saw our great hero, Jane Harman, leapt to the fore and defeated that assault.

(APPLAUSE)

That's an example, but by no means an exhaustive example, of the kinds of external forces that seek to undermine this powerful move job before it gets off the ground. And the battle is by no means over and will continue for the next several years.

But the other challenges to his success are really internal: the competing demands that of the many jobs and hats that this new powerful official has.

Just to be the president's principal adviser and briefer, and to see and discuss with the president the developments around the world is a full-time job if he chooses to do that. And that's inherent in his -- he has the right to be that person.

To be the overseer and conductor of the daily business of the community is another temptation. When you direct that all foreign sources of intelligence are going to report directly to your office, the dangers of being sucked into day-to-day operational matters and decision-making and details is very real and, again, could be more than a full-time job.

And the third is, of course, the one that all of the commissions really were motivated by in recommending this job: to reorganize the community; not in the sense that none of us were so naive as to think by moving around boxes that we changed the behavior of people.

So it's not an issue of designing a better organization chart. It's changing the culture.

All of us who have studied this issue, though we may have described it in different ways in our reports, saw a fundamental problem in the bureaucratic culture that has emerged in the community, which has stifled innovation and stifled sharing, and obsessed on process rather than output.

And so the DNI's principal responsibility, in the eyes certainly of the 9/11 Commission, was to change this culture to an output-driven culture, a culture that attracts and holds bright, innovative, creative and risk-taking people rather than process people who are risk-averse and more worried about their position in the bureaucracy.

That requires major difficult changing of mindsets, changing of recruiting methods, changing of promotion criteria, the moving of obstructive people who will not allow the change, bringing in and rewarding those who do get it, who are output -- this is a full-time job.

So as we see, we have a DNI has been given a charter that involves many full-time jobs.

LEHMAN:

So one of the real issues of today's discussion is, where should he allocate his time, how should he direct his attentions, particularly in early days which will set the pattern for later days.

So those are some of the issues we are going to talk about. And we are blessed this morning to have a panel with three individuals who are really top leaders in this field.

Jane Harman has been one of the brightest lights on the Hill in really getting attention to this. I think that the 9/11 Commission in no small part was made possible and given the powers it got by Jane's participation. She's kept the focus. She was the one of the guiding lights intellectually in the joint committee that preceded the 9/11

Commission. And so this is a tremendous advantage to have her take time off from her job as the ranking member of the House Permanent Select Committee on Intelligence to come here with us today.

Admiral Bill Studeman, who was a former shipmate of mine in the Navy, has unprecedented qualifications, having just come from the Silberman-Robb commission, and before that a very distinguished career, which we will talk a little bit more about.

Congresswoman Harman is also a member of the Committee on Homeland Security, where she's made a huge difference in putting the focus on risk-based allocation of funding as opposed to the pork barrel that has dominated it in the past.

So let me now turn the floor -- oh, I'm sorry. Siobhan Gorman is also one of the more distinguished people in this field. I think that journalists have done as much as any of us in the executive or legislative branch to put the spotlight on the right issues and share the credit for bringing about this change in the DNI. And foremost in that rank of real intelligence experts, as opposed to dabblers, is Siobhan. She's a staff correspondent for the National Journal, but will soon be moving to the Baltimore Sun, and will continue to cover the intelligence beat.

So with that, Jane, let me turn over the forum to you.

HARMAN:

Thank you, John.

And good morning to everyone.

Obviously, I appreciate the compliment, and I'm sure that others on this panel do.

HARMAN:

But there's a group that deserves most of the praise in terms of helping us field this ball call DNI, and they are the 9/11 families. And, of course, they're directly in my eyesight in the second row today, as they have been since 9/11, or maybe since 9/12.

And I called them the "wind beneath our sails" as we were trying to pass this bill last year. It never would have happened without the 9/11 Commission, but even more so without the 9/11 families.

It's great to see you again. We worked together last week. I'm sure we'll work together next week -- keep on keeping on. It's not just a tribute to those loved ones you

lost, it's a tribute to you that we are as far along as we are. And I appreciate everything you do.

If I may indulge the committee just for a moment, I want to focus on one subject within the 9/11 Commission's mandate but not the subject of today. My dog-eared copy of the 9/11 Commission report says, on page 376 -- recommendations -- "We should offer an example of moral leadership in the world committed to treat people humanely, abide by the rule of law," et cetera.

The reason I raise this is it is the day after Time magazine has included one more revelation about the treatment of detainees at Guantanamo. And I feel compelled to say something since, as a member of the House Intelligence Committee I visited Guantanamo three times: on March 5, 2002, December 6, 2002, and October 13, 2003. That second date was during the time the log of the treatment of the so-called 20th detainee was kept.

Congressional oversight did not work. We asked all the right questions; we did not get the right answers.

And I want to associate myself with a comment made by Lee Hamilton and Tom Kean in an op-ed yesterday, quote, "Congress is not organized to be an effective partner and watchdog in the post-9/11 era."

That is a shame and it is a letdown of the public. And I am one person here who believes that we either need to reorganize Congress, which I would hope to do, or create another outside commission, or extend the mandate of this one to get to the bottom of what happened with detentions, and to set a firm policy for the U.S. going forward that makes it clear to the world that we will treat detainees consistent with our values.

Turning to the DNI issue, which I care greatly about, I just want to give some broad brush strokes about what Congress intended.

In the other two panels people who watched carefully the implementation of the law, and I think you should hear from them about how it is working. But to set the stage, let me just offer some big thoughts.

There were several reasons behind the DNI bill. Number one, many of us on the Intelligence Committees and others saw major failures in our intelligence capability, both in terms of sourcing and analysis. The intelligence products prepared in recent years, not just one set of products, have not been good enough.

And so our goal was to develop 21st-century capability to produce and field the world's best intelligence. Our assumption was that we have good people out there, especially in the field, but they need better tools, a better organization, a better system in which to do their jobs.

Second, we felt that a 1947 business model designed to defeat Cold War threats was an anachronism against the threats we now face.

HARMAN:

No business in the world can operate on a 1947 business model, and we knew we needed a new one. And the one we selected was Goldwater-Nichols, which has not worked perfectly -- I know you're about to hear this -- but certainly has improved enormously our ability to fight one military war, to coordinate the four military services to fight one war. We rolled out that model in the early '90s to fight the first Gulf War, and I think most people would say it performed brilliantly.

Third, our concept was to avoid the mistakes that I believe we made in forming the Homeland Security Department. I am bullish on the new secretary of homeland security, Michael Chertoff, who will report very soon on his review of how the department is working. And one of the things I care about, as John Lehman just said, is funding according to risk, not funding according to any other formula, which unfortunately has been what we've have been doing. I call it the squeaky wheel theory of homeland security. I also care about strategy-based homeland security.

But at any rate we made mistakes. I think we were too ambitious. And the notion was to field an organization leaner, nimbler, smaller, across a fewer number of people, although a larger -- almost as large a number of agencies that would get us to the capability that we need.

So that's what we had in mind when we set up the law.

Some general comments about the law, which I've made before, are, first, that to succeed the president must continue to throw his full support behind the very able team he has selected, John Negroponte and Mike Hayden.

I was very pleased to see last week that in our first skirmish, that having to do with whether or not the DNI's authority to reprogram people would be sustained, the White House was firmly on the side of John Negroponte. And that will have to continue to happen, especially during the first six months, which will be a big test.

Secondly, I have said that the DNI must create a sense of community within the fractured confederation of agencies, launch a range of initiatives designed to foster interagency information sharing and collaboration, and oversee a cultural change.

HARMAN:

These are all things that John Lehman just mentioned. This is not an easy task.

Third, he must assume control of the budget and use his power of the purse to push reform.

It took us a long time to structure a law, over fierce resistance, that gave the DNI the authority not just to build the budget -- which is a big piece of this -- but to manage what we called the back end: to prevent that budget from being raided by, let's just imagine, the secretary of defense, for objectives that he might have that could be different from those of the DNI.

The budget authority is adequate, as is the authority to reprogram people. And as you just heard, in order to have power you have to have the money and you have to be able to move people around.

Third, the DNI must direct the intelligence community to hire Americans who have cultural knowledge and much-needed language skills.

I think we'll discuss a bit later that central to this effort is reforming the security clearance process, and that is something that the House Intelligence Committee is suggesting in our authorization bill which will come you on the House floor within the next week or so.

And fourth, the DNI must order a thorough review of the intelligence community's assessments of WMD programs in Iran and North Korea. We feel -- certainly I feel -- that after the Iraq WMD debacle, the rest of the world is much more skeptical about our claims of Iranian and North Korean weapons programs. And it is essential to demonstrate that our findings are based on sound intelligence.

This is a direction in which the DNI is going. And I just want to conclude by saying that I applaud it.

Finally, the move made I guess over -- late last week to assert authority over changes in the FBI to me is very positive step. I think we have a team that wants to do the right thing.

But they are in charge of the second half. The first half was to produce a decent legislation, I think we did that. The second half is to implement it well. And the jury is still out.

Many of us are bullish on this, and the alternative is simply unacceptable.

Thank you.

LEHMAN:

Thank you, Jane.

Next we'll go to Vice Admiral Bill Studeman. Bill was the original DNI, the director of naval intelligence, where we worked together in the Pentagon.

He's also been the director of NSA, and deputy director of CIA, during a period that spanned three directors.

LEHMAN:

So Bill knows whereof he speaks.

Bill?

STUDEMAN:

Well, good morning. It's a pleasure for me to be here.

Let me say, I'm not in the community now, but I do track the community fairly closely from not too far away, and that serves as the basis for my comments.

I was going to try to do a couple things just to set the stage in introductory context and then perhaps we can explore some of the in- depth issues in the subsequent conversation.

Obviously, the DNI has only just been recently sworn in. He has now established a small core staff. He has selected some of his key leadership people for key leadership positions he's defined organizationally for the future.

Shortly, this month, other parts of the intelligence community structure that were intended to come to him -- the National Intelligence Council, the community (ph) management staff -- will start to transition over to his direct control.

He has been going around visiting the various intelligence organizations and agencies, and having interactions and learning what they do, and learning more about the business.

He has been attempting to define his own organization, at the level of both his deputy structure and his associate structure, and, of course, how that relates specifically to his internal functions that he has to perform.

He's been acculturating in the context of his direct support role to the White House and heads of the departments and agencies in the federal government as the top-level key customers in the government.

He's working facilities issues associated with where the DNI staff would ultimately be housed, which is an important first-order objective to achieve.

And he's been, I think, generally learning the complexities of the detailed aspects of the intelligence business and trying to define his role and priorities as he goes along.

The near-term challenges, I think, that he has, again recognizing that what he has to do is take a 20th-century intelligence community structure and adapt it to the 21st century, which is really the fundamental problem that got us here, which was that the community did not adapt itself to the 21st century, did not transform, recognize the need for transformation, and has not fully adapted and constructed itself for this new millennium set of intelligence issues that we have to deal with.

STUDEMAM:

So the first thing that John Negroponte has come up with, which is very important, is a vision, a direction, a strategy and a set of priorities for how this transformation and reform will take place.

And in the context of that, he, obviously, clearly has to define his own role and the role of his staff, again recognizing that it's an overlay. They don't have to do it; they have to have it done.

He has to settle into working relationships with all the key actors in town who bear heavily on his account, which is the White House, particularly the president, the National Security Council, and the people there who have been assigned staff oversight of at least pursuit of the reform actions laid out by all the bills in the commissions, and the critical departments that he has to deal with, the Department of Defense, the Homeland Security Department, FBI, law enforcement, et cetera, given again that domestic intelligence and foreign intelligence integration is a new mission for this DNI.

There's a long, of course, established relationship with secretary of defense. As it is in this town, bureaucratically the secretary of defense and the DNI must live in each others' pockets, and they will have to live in each others' pockets in the future.

And that is always a critical account to manage. There tends to be a lot of negative discussion about that, but I would generally say that interaction and relationship between most SecDefs and DCIs or DNIs has generally been good and I think the stage is being set for that to continue for the future.

So that Defense war-fighting-intelligence-customer/military- intelligence relationship is a very important part of what the DNI does, along with homeland security and the domestic intelligence, law enforcement components of what he has to do in the future. And so establishing these working relationships is critical.

He clearly has to pull his leadership team together. The leadership team is not only his staff but more importantly using, sort of, I would say, more the corporate model than the departmental model for government, he has to pull the leadership together, which are the directors of the National Security Agency, the National Reconnaissance Office, the Defense Intelligence Agency, CIA, National Geospatial Agency, State Department, INR, and all those other three-button organizations that contribute to the intelligence side of this.

STUDEMANN:

And creating a strong management team at that level is a very important thing. He has to grow his staff, consolidate his staff. The law defines how big that staff can get. And that's a delicate procedure. And he has to do that in the context of defining how that staff will actually work organizationally, how they will dispose across all the missions and authorities, and effectively how he will get the best talent onto that staff in order to move with speed.

Because there's an implied speed requirement here. The country's already behind in the context of restructuring national intelligence and optimizing national intelligence. And achieving velocity and momentum is going to be a very important objective for him in the early days.

He has to consolidate and experiment with execution of his authorities, to ensure that he does have those authorities. And that will clearly be an important test as he goes along.

Most importantly -- and I believe this is the key to any DNI success -- he has to establish strong governance processes. Governance is the key to running the intelligence community. He's a governance staffer. Effectively, he has a resource staff, a policy staff, perhaps an architecture staff, but most of all his job is to govern the intelligence enterprise of the United States.

And he has to look at it as an enterprise. And therefore he has to have very strong governance processes, strategic planning, operational planning, a way to have transparency, program reviews -- all the kinds of things that he needs to do to stay on top of the many-faceted, complex broadly based issues that the intelligence community has to deal with on a day-to-day basis.

STUDEMAM:

He has to establish his relationship with the Congress. The Congress is one of his biggest supporters, is the source of his financing, and there are some substantial issues there with regard to how he is going to take a new look at his own budget.

He has a limited -- there's not a lot of new money to deal with intelligence community reform and the agenda he has to deal with. So he's going to have to look at his new initiatives, he's going to have to look at his base program, and he's going to have to do a lot of things that are going to have to be done in conjunction with the Congress in order to effectively deal with that budget and oversight process.

He has to fill some critical positions. He still has some unfilled critical positions that he has to deal with, including positions in the community.

He has to work with the NSC and the president on implementing the reform act and all the recommendations or coming up with alternative issues for effectively doing that.

And then he has to begin to address the specific strategic issues. He has to define, on a priority basis, what those strategic issues are that will transform the intelligence community and get about that agenda.

And then, most importantly, and I believe what is going to be one of his biggest challenges and is unique from the earlier days of a director of central intelligence: Establishing this relationship between domestic intelligence and foreign intelligence, given the history of the two communities, is certainly going to be a challenge for him.

Let me say, finally, that he that is not necessarily expected to do this alone. He has to deal, obviously, I have said, with the Congress. And, interestingly, both the 9/11 Commission and the Presidential Commission on WMD recommended some strong changes in the Congress in terms of oversight.

STUDEMAM:

Virtually all of those have gone unimplemented.

And so the Congress, in terms of professionalization of the principal oversight vehicles, whether it's the principals themselves in the Congress or the staff, the way they're organized, coming up with some unified definitions of how the oversight process works, effectively determining how far down they will go into the intelligence community's set of actions -- I would suggest it's very important for them to stay at a

strategic level to keep this large scope looked at what are the most important issues and to ensure that the staff doesn't go down and attempt to micromanage in the community.

The president clearly bears a significant responsibility here for oversight. And he is committed to that and committed his National Security Council to drive and support the DNI as he tries to integrate the community and use the power levers that he has effectively to do that.

The departments and agencies that are his partners and customers clearly are critical actors here. So the secretary of defense and the undersecretary defense for intelligence, Cambone, or at the level of FBI or Homeland Security, all these people have roles to play -- have jobs to do and missions to undertake in order to do this. And so that's an important thing.

He has an important relationship with industry. The intelligence community is a very powerful accessor of intelligence community capabilities. And a lot of these major problems we have to deal with for the future, in terms of collection and target access, which is the biggest problem we're struggling with today -- there are other problems -- fall back to how that intelligence community-industry partnership is run, through some very elegant premier acquisition processes that need to be refined and tuned up.

Also, there's clearly the foreign partners and the allies that are a critical part of this. The community really is a global community, and that's an important thing that has to be managed as well.

And then, finally, the intelligence community itself. The intelligence community itself must effectively step up to this job, must recognize that it's broken in some kind of context, and work together as an integrated team to address the specific substantive issues for the future.

So that's, sort of, agenda I think that's on the DCI's plate at a top level. As you go down presumably over the course of this morning, we'll address some of the subset priority issues that he'll have to deal with in detail.

LEHMAN:

Thank you, Bill.

I think one of the remarkable things about Bill's commission, the Silberman-Robb commission, and our commission was how complementary they were. We did not coordinate. We did not really share other than the basic information. And yet we both essentially found the same shortcomings and reached unanimity on the same recommendations -- not in every specific, but certainly in every major part. So I think this

-- and each coming from a different direction. This is a remarkable and very helpful development.

So thanks, Bill.

Now we'll go to Siobhan. As we mentioned, she is one of the real pros in the fourth estate, who has really made the intelligence community her major beat.

And her 2003 article on the different cultures and the chasm between FBI and CIA is a landmark. And you can tell from the title: "Is the FBI from Mars and the CIA from Venus?"

Siobhan?

GORMAN:

Well, thank you. That was actually going to come at the end of my remarks.

(LAUGHTER)

So I appreciate the book ending, and I also appreciate the comments on -- complimentary, sort of, findings and comments, because I think that what you're going to see up here is a lot of comments that really complement each other.

And so it's perhaps maybe my lack of originality, but some of my thoughts about the challenges ahead are really going to jump off of what the other panelists have said. Perhaps that's primarily because I spend most of my days talking to the very people who you're looking at up here. So I rely on their expertise to draw my own conclusions.

I'm certainly honored to be here among such esteemed leaders in the intelligence arena.

While many people said, at least half joking, that the White House picked Ambassador Negroonte because the job would only seem attractive to someone who was comparing to it life in the Green Zone...

(LAUGHTER)

... he has gotten a pretty welcome reception in Washington, perhaps the Pentagon being maybe one exception.

I think my understanding was that the logic was that as a career diplomat, he was a long-time consumer of intelligence and yet he wasn't a formal member of the intelligence community, so he might be in a position to be seen as somewhat of a honest broker.

In the first -- I don't know whether we're six or maybe eight weeks in to his tenure, that's a pretty early time to judge. And I think that the best conclusion that I can draw right now is he's been relatively cautious in his approach. That doesn't mean that he has been sitting back at all, but he has been rather low-profile.

And even in the turf battles that have already arisen, he has looked to allies, like Congresswoman Harman, to do a lot of public battling while he would then go ahead and do the negotiations behind the scenes.

GORMAN:

And indeed, he has many, many challenges ahead, both short term and medium term. And I think I'd like to think about it that way, because certainly looking at long-term challenges for an office that's just getting up and running I think is getting ahead of ourselves a little bit.

But in terms of these challenges, I think that many of them certainly are about turf. And we have had some discussion of that. But they're also about establishing a strong, integrated management structure where there has historically been little or not, something that Admiral Studeman was also talking about a little bit.

I'll run through briefly just what I have observed during the first several weeks in John Negroponte's new world.

His initial emphasis has, obviously, been staffing up. And my understanding from those in the intelligence community is that, for the most part, he's been staffing up with people who have a lot of expertise.

Of course, there's some debate over whether he should be bringing in people who come from outside the intelligence community to be infusing new blood and new ideas, and maybe we'll get to talking about that a little bit in the Q&A.

But looking at what he's actually done so far, in addition to starting his hiring spree and trying to figure out what address he should be putting on his business cards, a few thoughts came to mind. Obviously one of the first decisions, in terms of trying to gauge what the extent of his authorities are, was the president's decision to designate him as the person who would be doing his daily brief. I know that Secretary Lehman has strong thoughts on that decision on the part of the president, and I hope that we'll get to that a little bit in Q&A too.

But for better or worse, the president's daily brief is currently in Negroponte's hands. And it does give him a fair bit of control over the intelligence that the president sees and where it comes from.

And I'm told that Negroponte has been reaching beyond the CIA for material for these briefs, so to that degree maybe there is a little bit of a broader perspective that is being brought to the briefs right now.

The second observation has to do with one of his initial, sort of, internal policy moves, which had to do with the top spies overseas, or the chiefs of station in the CIA. He sent out a memo to them to instruct them that they are, in fact, his representatives overseas, they are working for him. And that sent a message within the intelligence community that Negroponte really was trying to consolidate his authority in the field.

GORMAN:

And there's now much debate over what that means in terms of Negroponte's role versus the CIA director's role. But it did seem like that certainly sent a clear message that he was trying to designate his folks on the ground out there.

One other, sort of, obvious move -- and, obviously, Congresswoman Harman talked about it quite a bit -- is the protracted back-and-forth over his authority to move around personnel. And by last week it seemed that he was able to stave off the Pentagon's allies in Congress.

House Armed Services Committee Chairman Duncan Hunter was, obviously, insisting that language be inserted into the intelligence authorization bill that required Negroponte to get a congressional sign-off when he wanted to move people around, particularly when it pertained to the Defense personnel. And his compromise was that he would, instead of writing into law, he promised that he would consult with Hunter personally.

And I thought that that was an interesting compromise. It was a little bit unique because I don't know how often heads of agencies, sort of, promise to consult directly with members of Congress.

But when I was asking about it a little bit with people who have spent a fair bit of time on the Hill, it was pointed out to me that, of course, you can't antagonize the House Armed Services Committee chairman right off the bat. And so this was certainly one way, without forever ingraining in law that this was going to have to be the protocol -- but it was a way to certainly bring him into the process.

One other small thought about, sort of, moves that we've seen so far. And Admiral Studeman touched on this a little bit. But I'm told that Negroponte's deputy, Mike Hayden, is also working quite a lot behind the scenes, sort of, tapping into current and former intelligence community folks, trying to figure out which issues to tackle; especially trying to figure out how to balance some of the new emerging threats, especially in counterterrorism, with some of the traditional threats, like China.

And it seems like they're trying to strike a balance there, and especially as it has to do with how the director of national intelligence's office is going to be relating to the Pentagon. General Hayden is going to be an important person to watch just because he hails from the National Security Agency, which came -- and perhaps depending on how you look at it, still does come under the Pentagon's budget.

GORMAN:

And he obviously was able to at the NSA strike a lot of personal links with people at the Defense Department, so that will be an interesting dynamic to watch.

Just a few thoughts on maybe some of the short-term challenges that Negroponte is facing. I think that we were talking a little bit earlier about the fact that certainly having one person in charge of the intelligence community isn't a new idea. In fact, no fewer than 40 studies, that date back almost to the birth of the CIA, have actually lamented the fact that no one was really in charge of the intelligence community.

So what was new, actually, about the 9/11 Commission and its effort, and obviously everybody on the Hill, was actually that they put someone in charge. So by some measure, of course, the greatest hurdle that the U.S. government has faced in fixing this problem has been surmounted. But as we all understand, the legislation was forged due to great compromise. So there's a awful lot that needs to be filled on in the part of Ambassador Negroponte.

And to work on that, Admiral Studeman's commission did incredible work in terms of creating a initial to do list. And he outlined a few -- particularly some of the administrative issues that face before him.

But one of the major issues that the WMD commission emphasized was the need to integrate plans and strategies and resources across the intelligence community. For a community that's grown up in agencies organized by collection methods, thinking about the community in terms of targets and outcomes and results is actually a big mindset shift.

So I was just going to take you through a few of the challenges that I see stemming from that direction.

The first, I'll just mention, because Admiral Studeman gave it a lot of thought as to staffing and organizing. Obviously, that's what he's focused on right now.

The second one is something that I think everybody has so far mentioned, which is getting a handle on the budget. It seems that the greatest tool, in fact, that Negroponte has is not just establishing his budgetary authority, which is obviously important in terms of sort of trying to mediate some of the turf battles. But the budget is also the way that he is

going to be able to truly integrate the intelligence community together and make it work together as a whole that is greater than the sum of its parts.

If he can actually get an understanding of the budget and how the money is being spent as it is being spent in his initial months and perhaps the initial year or so, that will actually give him a baseline to start making these kinds of assessments about: "What does the strategic vision need to be, how do we implement it?" and things like that. But it's very difficult to start outlining that strategy when you don't have a sense of where your resources are deployed and how they're being deployed.

The third sort of short-term challenge I think that he has is then going ahead and establishing that strategy for integrating the community. Obviously he would start with the budget, but then he also needs to start assessing how well the components of the intelligence agencies are working together.

And then he needs to move forward and think about how he may need to redeploy his resources, whether it's human collection or technical collection, satellites, things like, but actually starting to figure out what needs to be moved around.

And it's somewhat like the comprehensive assessment I think that Michael Chertoff has undertaken at the Department of Homeland Security.

And a lot of people, I think, have given Chertoff very good marks for making that his starting point and not just coming out and making a lot of changes at the department, but rather sort of engaging with the department and listening and then going forth with the strategy. So that may be a model of sorts that Negroponte wants to look at.

GORMAN:

The fourth short-term sort of challenge is actually winning some of the initial turf battles with DOD and others with support of the White House. And we talked a lot about -- Congresswoman Harman talk a lot about it, so I won't belabor the point.

But certainly his turf battles and challenges there are going to extend far beyond the Pentagon, because we've already witnessed that. But it looks like we'll probably soon witness some challenges with the FBI, assuming that the White House does go forward as reported with its recommendation that the director of national intelligence have a hand in selecting the personnel for the FBI's intelligence efforts.

There is not a lot of clarity, necessarily, in terms of how the director of national intelligence will relate to the Department of Homeland Security's sort of nascent intelligence efforts. So that will have to be sorted out as well.

And, of course, as I mentioned before, the CIA, as Negroponte assumes the roles that were formerly reserved for the director of central intelligence -- there is, obviously, some tension there. And, in fact, even the National Counterterrorism Center, which is in theory under Negroponte, its director, now Vice Admiral John Scott Redd, is actually reporting directly to the president.

So there are a lot of issues there that are going to have to be sorted out.

I want to move along a little bit. In terms of the medium-term challenges, I think that a lot of it is really just kind of going forth and trying to execute on these things. And I think that one of the real issues there, as Congresswoman Harman pointed out, was sort of sustaining that effort, both on the part of the White House and the leadership within the intelligence community; not just kind of laying out your plans and walking away or assuming that they're going to move forth on their own, but really sticking with them.

In fact, John Gannon, who was on the panel like this previously last week, has mentioned to me on a number of occasions some of his frustrations working in the intelligence community in the 1990s where they would lay out these long-term strategies, only to have their resources shifted to Bosnia or wherever else.

GORMAN:

And so there's a strong temptation to do that.

I just want to wrap up, actually kind of getting back to some of the cultural efforts or issues that Secretary Lehman pointed out -- and he set me up quite well -- I wanted to think a little about: How hard is this going to be?

And my answer is that if history is any guide, it's going to be incredibly hard because the intelligence community is in many respects sort of a misnomer; the community element of it anyway. I see it as much more like a collection of high school cliques or even sort of rival high schools under one umbrella.

And as Secretary Lehman mentioned, one of the first intelligence stories I did a few years ago was looking at the differences in CIA and FBI culture. And I actually set it up as a Mars and Venus equation, much to the consternation of the editor of our magazine, who thought that it was a little bit flippant.

But in all seriousness, I saw the FBI agents quite a bit like the rules-bound sort of concrete thinking men that get set up in this paradigm, and the CIA officers thought about things more holistically. And it was sort of like "in touch with your feelings" women.

And again, I don't want to make light of it. These are really important. But this is sort of a framework I think that everyone can relate to. I mean, I think that probably

everybody in this room has been in a situation or a conversation with a member of the opposite sex where they simply can't understand why this other person doesn't see how wrongheaded his or her perspective is. I mean, you simply just come at it with a different world view.

And Negroponte and President Bush and everybody who is trying to drive change within this intelligence community is not going to meet with success until they find a way to try to channel those cultural differences into something that is complementary rather than in conflict. And for a very long time it really has been in conflict.

In fact, as I've explored the intelligence world further, I've certainly found similar cultural differences among just about all of the 15 intelligence agencies. For example, the National Security Agency has an awful lot of animosity toward the CIA.

GORMAN:

I remember talking with NSA director or former NSA director general William Odom. And it was for a story -- I forget exactly. It was some intelligence story. And he just lit into the CIA. And it wasn't even really relevant to our conversation. There was just a lot of intensity there.

And one of the things he said was: Well, they think power is just the ability to screw something up. And that to me, you know, it tells you how intense some of the feelings are. And I'm sure that there are plenty of people at the CIA that feel the NSA is just a bunch of eggheads. And the culture and the culture clash with the Pentagon is also very intense.

So it sort of goes on and on like this. You've got the nerds, the jocks, the kids skipping class, the teacher's pets. And I'm going to kind of let you draw the parallels there. But they're all in John Negroponte's world. And corralling all of them together and sort of building on their strengths and playing down their weaknesses in a complimentary way is really, I think, his biggest challenge.

So I'm looking forward to the Q&A.

LEHMAN:

Thank you, Siobhan.

First, a little housekeeping. I know this for many of you will be like turning off the respirator in a hospital. But could you please turn off your Blackberries? The Blackberries are interfering with the television transmission.

And also, if anyone has a Nextel phone that hasn't been turned off, could you please double-check. Thank you.

We're going to divide the remaining time between a series of questions that we are going to address that I will address to the panel members. And then we will go to questions from the floor.

Now, in the questions the issues that we're going to raise with the panel, I want to emphasize that all of us here share the objective of making the DNI succeed because that can make the difference of life and death for many people in the United States and elsewhere.

So it's all meant in that spirit. It's not carping. It's not light criticism.

LEHMAN:

First issue I would like to go to is the one that Bill raised about vision and organization. Now, all of us I think share the view that organization does not determine behavior and that good people can make any organization work. Nevertheless, one of the things we all concluded was the existing organization pre-DNI really interfered heavily with producing good intelligence.

So there's one organizational issue I would like to throw to the panel. And that is the great dilemma, the challenge as we mentioned earlier is: Is the DNI going to become a catalyst for reduction of bureaucracy and tearing down of stovepipes, or could it evolve into yet another layer on top of already existing layers?

The 9/11 Commission recommended a very lean approach that was based on the GE model, if you will, to simplify. That is a very small staff, very powerful director, operating through three powerful deputies: one for foreign intelligence, who would be the CIA director; one for the defense intelligence, who would be the undersecretary for intelligence and defense; and one for homeland intelligence, which would be the intelligence director, the FBI.

LEHMAN:

Now this was a very straight-line model -- along the General Electric model -- this was not adopted. What was adopted instead was General Motors model. This is the classic matrix model where instead of having line authority, it is matrix across all.

There is a deputy for customer outcomes -- we'll define that later -- a deputy for analysis, a deputy for collection, and a deputy for management, running across all of the agencies and so forth.

In effect, this looks very much, if not almost identical, to the existing, long-existing, community management staff. So they have taken that bureaucratic model.

Now it may or it may not work with the addition of DNI authority. And so the issue I would like to pose to the panel is: Is this organization dysfunctional? Does it matter? If it does matter, can it be changed? Should it be changed? Does organization matter?

Jane?

HARMAN:

Thank you, John. Organization does matter. You said yourself that good people can overcome a bad organization, but obviously good people will do better in a good organization.

And as I think all of us have said, the old DCI model, which was created in 1947 as part of the National Security Act of 1947, was Cold War-centric, and did not give enough authority to the DCI to manage across 15 agencies. And we saw its breakdown, obviously, in a series of failures leading up to the WMD intel products for Iraq.

At any rate, I wanted to point out a couple of things about your charts, but two things before. First of all, I strongly agree with your point that the goal here is to help the DNI succeed. Failure is just something we cannot contemplate. And whatever it takes to help the DNI succeed is what we should commit ourselves to do.

Second point, this organization is not a zero-sum game. Some in the press have talked about Porter Goss' receding authority, or I would assume there will be an article that says John Negroponte just won one over Bob Mueller by his determination a few days ago to select the intel chief at the FBI.

HARMAN:

But I see this as a positive-sum game. If the DNI concept succeeds, all the pieces will succeed more than they have.

Same thing is true is true at Goldwater-Nichols. Nobody is writing anymore, or few are, about the Air Force lost one to the Navy. Maybe some who can follow this more closely than I can see that in the tea leaves, but what I see is we either field better capability or we don't. And that's how I think we ought to see this as well.

Now, getting to your work charts. Congress did not dictate this work chart -- the one that's up there. The original concept for the DNI, the one that was introduced as a bill, was the one introduced by the nine members, nine Democrats on the House Intelligence Committee, H.R. 4104. And it was the basis for the 9/11 Commission's recommendations. And we had the streamline model in mind, with the dual hats and so forth.

It did get changed in the compromises leading up to final passage. But this organization is not in the law.

And so my conclusion is we want John Negroponte and Mike Hayden to lead. We want them to operate a positive-sum game.

So whatever it takes to lead, to help good people field good intelligence is certainly what Congress intended. And I know the others will comment in more detail on this structure, but I think it has to be seen in that light.

STUDEMANN:

Well, let me just say first off that lots of notional structures have been offered. The 9/11 Commission had one. The WMD commission had one. They were specifically notional to give the DNI the flexibility to structure whatever he wanted within the context of the broad framework defined: only four deputies, associate and assistant DNIs, structure, et cetera.

This is a complicated issue you because if you actually take a look at the functions of the DNI, even in the context of the structures that were offered, they don't cover all of the functions of the DNI because it's that complicated, whether it's covert action or other certain aspects of it.

Also the DNI is going to inherit a whole bunch of things. He inherits a community management staff. He inherits the National Intelligence Council. He inherits the National Counterintelligence Executive. And so there are these things that he has to package in there.

He has chosen, at least at the outset, to frame up his deputy structure around a concept that General Hayden brought from NSA called "Get it, know it, use it, manage it."

"Get it" means collect it, "know it" means analyze it, "use it" means interact with the customer, and "manage it" means manage the entire overall set of management-related activities, everything from money to people to infrastructure for the intel community.

We can all have our own views about whether that's a useful construct.

And by the way, it's probably not locked in concrete over time, but if they wanted to change it and found somewhere along the way that a midcourse correction was required, they could adapt from there.

HARMAN:

One of the most important things does have to do with the relationship between the deputies, on the one hand, and the associates and assistants, because there are important functions that occur at the staff level.

For example, one outsider they did bring in was an outsider, Eric Hazeltine (ph), who was NSA's research-and-development person, but before was in Disney and in industry for a long number of years and has organized now the community into an S&T, science and technology, committee structure to go forward to support the interests of the DNI. And he is really more of an outsider than an insider.

There have been people taken off the WMD Commission staff, and I think also people from other areas that have moved over there into some critical positions. So there are some outsiders in key positions.

But organization does count for a lot. And it is the organization that's going to get the core functions done. It's the organization that's going to oversee these kinds of things. So this is important.

But more importantly, really, is the vision. That is: What is it that has to be done? And if collection is a big problem, having a deputy for collection is not an illogical kind of construct, a deputy DNI for collection. If analysis is a big problem, having an analytic deputy is not an illogical construct to have there, which is what he has.

Now, one can argue over whether the analysis, the analytic part of the community, who is basically the people who are interfaced with the customers, whether you should combine the customer relations and the analysis part together, as was done under Bob Gates and other people sort of along the way. And that is something that's yet to be proven and will unfold as to whether or not they should separate those functions or keep them together.

There is now a deputy for management. I will tell you that that management account, in the context of the scope and breadth of the intelligence community activities, is huge -- huge. This is a major pillar of national security. It's a very large budget expenditure in terms of resources.

The technology and the operational pieces of it are sensitive, particularly if you go into the covert action side where John Negroponte also has oversight of covert action.

And so there is a scope -- particularly now with the domestic intelligence angle -- a scope to this that's pretty staggering from a management point of view, key issues that relate to professionalization of the people that do this for a living -- intel people, law enforcement people, homeland security people -- that deal with the information component.

It's the whole concept for establishing the information sharing piece of this and the information technology overlay that goes along with that, interfacing with customers; the issues of managing the resources and the technology and how we acquire things -- whether it's infrastructure, people, or technology to support operations -- or the security element that effectively is overlaid on top of this where, again, in the WMD Commission context, we recommended in the post- script to the president that some very strong reform be done to adapt the security community so that it's a 21st-century security community, not a 20th-century security community.

STUDEMANN:

Implicit in that is the ability or a willingness to take more risk, because we can't make the community essentially global, in terms of its character with people, without essentially addressing the security issues.

We cannot information-share to the degree to which the vision is set out and the expectations are laid out unless the information technology structure takes risks in the security area.

And then he has to pursue particularly reform in some of the major disciplines that contribute to 21st century problems: the human intelligence piece, which we call HUMINT; creating a whole open-source structure; and dealing with measurement and signature intelligence, a rather arcane part of the intelligence business, but one that contributes particularly to the weapons of mass destruction pursuit.

So the things that are on the plate in terms of the actual tracks he has to go down that represent components of his vision that the staff have to execute are significant.

HARMAN:

The only small thing that I would add there is that you don't want to get so hung up on what is exactly the precise right organizations such that you forget about what it is that this new organization is supposed to be doing.

I think that the Department of Homeland Security was sort of a cautionary tale in all of this, because it seemed like they spent a lot of time obsessing over exactly who was

going to be doing what, rather than just having someone decide, "OK, this is what you're going to do and this is how you're going to do it," and sort of move forward with a clear sort of sense of vision, but also sort of strategy and managing, so that would you get the kinds of outcomes that you're looking for.

So I would just think that we would want to make sure that what we don't repeat is what we have seen happen over the last couple years, where you get so hung up on sort of rather small or minimal organizational issues such that you you forget what the overall point is and pursue it in a detailed enough fashion to produce outcomes rather than just projects and processes and things like that.

LEHMAN:

Thank you. The next issue I would like to address to the panel is the three-hat issue. Clearly there are three full-time jobs that have been given to the DNI. The president denounced much attention to the fact that the first of these jobs in his mind was to be his briefer and to be the chief adviser on intelligence to the president. That is in the law. That's a full-time job.

The other is management of the community -- that is, whatever changes you make in it, once it's done, and of course it's never done, but the operations of the 15 agencies in producing the product and so forth -- that's a full-time job, certainly, by anybody's measure.

LEHMAN:

And the third is actually breaking the furniture, breaking up the layers, tearing down the stovepipes and building a new culture there. That is certainly a full-time job.

How does the DNI balance these competing requirements on his time? So far, the first two jobs, just from reading the media, have been overwhelming the DNI. He does attend and brief the president. Whether he's the principal briefer or not, I don't know, but he is definitely taking hold of the daily briefing of the president. And he is there.

Also, the main things that we've read in the paper that he's done to lay down the law have been to direct all of the foreign representatives, CIA, FBI, CIA, to report directly to him.

So that's a second job. That's operations.

So far, it's still in the early days, but the job that we on the 9/11 Commission were most concerned about -- we really didn't care about the first two so much -- has not yet been addressed.

So how does he divide his time between those three competing requirements?

Jane?

HARMAN:

Well, I guess that's why he gets the big bucks.

(LAUGHTER)

I have a lot of confidence in John Negroponte and Mike Hayden. I call them the dynamic duo, the outside guy and the inside guy. And I think the combination is bigger than some of the parts.

Those are the right three jobs, John, but I don't think they are impossible for one person to do. Look at the heads of major industrial structures which were actually bigger than the DNI structure. Or even look at some who have been exceptionally talented presidents or secretaries of major federal departments. Or look at some who have led incredible philanthropic efforts.

HARMAN:

People can combine functions like these well.

And let me comment briefly on each of them.

The briefer-in-chief: One way to do that job is the way Porter Goss did it, or the way it was described that he did it, which was to spend five hours a day on that job. I think if John Negroponte spends five hours a day on that job, he will short-change the other jobs. I don't think he should do that. I think he should be the organizer of a process that is efficient and that puts other people up front if they have the expertise on a particular subject.

But he is the one who needs the face time with the president, so that that relationship is very strong, for two reasons.

One, we want to have the president have confidence in him, that will give him the ability to perform the other jobs well, as it has given the secretary of state, for example, the ability to perform her job well.

But the second reason -- and I would urge this on John Negroponte, I hope he's tuning in -- is that it will give him the opportunity to make certain the president uses the intelligence products properly. He will have a chance to say, "Hey, by the way, did you

understand that we're not certain of our conclusions on X?" And I think that's a very important role for him to play, not just now, but for the DNI to play in any administration.

So that's my comments on number one.

On management, again, I don't think this is Negroponte's job alone.

HARMAN:

Now, we've all said how important leadership is as a component of management. It's not just managing a process, it's managing an outcome. You don't get the outcome unless you have the vision at the front end to say to all the people you've put in some reasonable organization, "This is why you're here. This is what you're supposed to do."

That doesn't mean that the leader knows precisely how all of this is going to come out, but certainly the leader wants it to come out and knows precisely that these people are there to do a job not just to stake out turf.

And finally, on the building a new culture, that I think we did deal with in the law. There is the way to move people around and break down stovepipes and provide information access and information sharing in protected ways so that if Negroponte does the first two jobs well, I think the third one will come along.

STUDEMANN:

Well, first off, I completely agree with everything that Congresswoman Harman has said. She mentioned all the critical components. First is I do believe that the hybrid leadership model that is along more of the corporate lines and perhaps the departmental lines is really what's involved here.

He has major departments and agencies that work for him that are major lines of business. The director of NSA is effectively the president of the signals intelligence enterprise of the United States; the director of the National Geospatial Agency, the imagery one, et cetera.

So he has major people he can call upon. It's very important that he coalesce them into a management team and spend his time because his first priority job -- while it's important for him to be in the White House and have this relationship with the president -- his first job is to integrate and transform the intel community. That's the problem that got us here in the first place.

So in terms of sharing his time, he has to spend a lot of time working on this concept of forming a true community almost in the same kind of context as the Defense Department has under Goldwater-Nichols defined and is still working on jointness.

STUDEMAM:

The community concept and jointness are more or less structural analogues of what needs to be pursued.

I think that one of the things that -- we do talk in some kind of disparaging ways. This is a town where things get magnified out of all proportion. We have these sort of caricatures of the intelligence community that can't -- in any way, shape or form -- operate as a community.

I don't think that's been, actually, the real history of the community. It does operate somewhat or mostly as a community.

But the optimization of it, in terms of defining the parts relative to each other in the context of the whole, has not been optimized. And there's a lot of work that effectively needs to be done to do that.

And all the parts of that really have to do with the people, how the careers are managed, the rewards and incentives, the goals that are defined, the priorities, the pursuit, even effectively the punishments that are meted out at some point with regard to failure or noncompliance.

Now, that said, John Negroponte also has to be allowed to do something which is hard to do in this town, which is, in order to succeed, he's doing to have to be able to take risk.

Ultimately, this community has got to get to the point where its structure operates in a certain kind of way, that it can take technical risk, it can take operational risk, it can take political risk, essentially, in order to succeed.

And so that is all part of this equation as well. I don't see this as just three main jobs. I see it as more than that. But I think that those are good starting jobs that John Lehman has laid out for the DNI.

I believe that the intelligence community can coalesce, if led, as a community. They've shown little renaissance periods of being able to do that and, certainly in the operational and performance level on a day-to-day basis, there are good things that happen even between these organizations that we provide these skeptical caricatures of -- NSA and CIA, for example, do magnificent things together.

STUDEMANN:

The law enforcement, FBI's history with CIA, is something that is a long history. But there are even bright spots there. And that issue can be successfully worked.

But it is the DNI's leadership that is what he is actually doing on a day-to-day basis. How he apportions his time -- briefing the president as the first customer, the departments and the agencies as the other, second major set of customers and on down to the lowest level of support where intelligence drives its product on a day-to-day basis -- is an important thing for the intelligence community to do and get it correct across all of that.

Sometimes the person in the field is as important as some of these heads of agencies here in town in terms of getting accurate, complete, timely, relevant intelligence at the lowest classification levels so it's usable.

So, again, this is the challenge for him. It's a leadership challenge. It was a leadership failure that got us here.

GORMAN:

The only thing I would add to that is based on conversations I've had with management experts and people who kind of come from that arena is that, in a way, these sort of three areas that Secretary Lehman laid out are sort of three separate opportunities to prove himself as a leader. And what he needs to do is pick one and delegate the rest, ensure that all of these three things happen.

But quite frankly, it almost doesn't matter. If he thinks that being the briefer is going to give him a platform to prove that he is the leader of the intelligence community, then he should go for that.

If he thinks that managing the community and picking and winning turf battles is really what is going to establish himself within the bureaucracy and that's what's most important to establish his leadership, then that's what he needs to do.

If building a new culture that he can put his stamp is going to best sort of prove himself, at least initially as a leader, then that's a great opportunity as well.

And so, in a way, it's a huge trade-off among these three things although you're always going to be spending more time on one or the other at any given point in time.

But as a good manager, he actually has an opportunity to just pick one to sort of prove himself. And he needs to decide maybe who the most important audience or where the greatest opportunity is for him to make that mark.

LEHMAN:

Thank you, Siobhan.

The next issue I'd like to pose to the panel is the issue of the Defense Department.

LEHMAN:

Half of the agencies and most of the budget for the intelligence community is in the Department of Defense.

The issue particularly highlighted last week about turf and the resistance of agencies to turn over their autonomy, their independence and so forth, was highlighted with the effort to block the DNI's ability to transfer people.

Many people have blamed the secretary of defense for resisting these kinds of reforms. My own view is that he's had nothing to do with it, that the agencies have their own agendas and, more importantly, the supporters on the Hill of the agencies have their own agendas.

But, nevertheless, there is a real issue here. And we shouldn't pretend that it's just turf. Every combatant commander right up until General Franks' after-action report, in all of the recent wars we have had, have damned the national intelligence bureaucracy and said that they got almost nothing of value out of nationally controlled assets.

That's the issue. It's not just here in Washington. It is because, starting with General Schwarzkopf's scathing critique and right up until General Franks, the combatant commanders after Goldwater-Nichols have the real power in the Pentagon. And they have been almost unanimous in saying, "I can't get what I need when the bullets are flying."

And so that is why there's such a deep reluctance to provide more power to a centralizing authority because to them, the combatant commanders, that means more bureaucracy to go through to get tasking, to get product and so forth.

There is also here again a good demonstration of one of the pitfalls that the DNI has to be careful about. One of the sorest wounds still being nursed in this town is the post-Desert Storm ripping of control of NPIC and other assets away from CIA into the Pentagon's vortex. And there are still people trying to refight that battle.

So stepping back, the Pentagon has done some very interesting things in the last four years by creating the undersecretary for intelligence. Within the Pentagon, the same

problem exists as has been addressed on the larger national scale: eight agencies all doing their own thing with no real ability to coordinate.

They have done some innovative things at the Pentagon that shouldn't be overlooked. They have created what we have recommended for the broader community, a common set of standards for qualification of intelligence officers across the agencies. They have got one person that, in theory, coordinates the budget and so forth.

Nevertheless, it is definitely the 800-pound gorilla. They have got the dough. And there is not a cultural inclination to do a lot of sharing.

So, Jane, how are you going to solve that?

HARMAN:

Well, let me repeat something I said a bit earlier which is this is not a zero-sum game. This is a positive-sum game. The goal of the enterprise is to collect and field better intelligence.

I would argue that better intelligence is good for the warfighter. The complaints you have just talked about, John, have to do with bad intelligence, bad intelligence harming the warfighter. Every one of us here, everyone in the audience, everyone listening to this hearing wants to protect the men and women, the young men and women whose lives are on the line in war theaters in Iraq, Afghanistan and elsewhere.

HARMAN:

So how do you get there from here? I think that we produced legislation that has an organization that will help the warfighter.

And, by the way, two things about that. Number one, we don't cover battlefield intelligence. We took out of our original construct anything that could possibly be called the production of battlefield intelligence by taking out the intel function of the individual military services.

So we made clear that that function is handled directly through the Goldwater-Nichols process, which, as you said, works very well. We also don't interfere with the chain of command -- the president to the sec def to the military commanders down to those on the battlefield. We never did interfere with it. But in the course of producing the legislation, because there were such fierce complaints that we were doing it, we produced some additional language in the law that makes it clear that the chain of command is not interfered with.

Having said that, what we try to do is produce better strategic intelligence and give more authority to the DNI to move things around, both our technology and our people and our money, so that we can produce better strategic intelligence which should help us, for example, as I said earlier, know better exactly what are the threats posed by Iran and North Korea going forward.

We need to know better what those threats are so that the policymakers can make the best possible decision about how to counter those threats. We don't want to put more people in harm's way if that's a bad option. We will have a better idea whether that's a bad option once we truly absolutely understand the threats against us.

And let me just finally conclude with what happened last week. What happened last week was the attempt by the chairman of a committee of the House to craft language that would roll back one of the provisions in the law which was a hard-fought provision, which compromised between House and Senate language.

And the compromise was that, on an annual basis, the DNI can reprogram 100 people. It doesn't sound like a whole heck of a lot to me. The Senate version of the DNI bill said there would be unlimited reprogramming authority.

So the compromise was 100 a year and the language that was inserted in the House intelligence authorization bill in committee said that the DNI would have to not just inform Congress -- that's in the law -- but that Congress would have to respond with respect to any reprogramming of people.

We called that a pocket veto by congressional committees. And that objection was raised by Congress, not by the Defense Department.

HARMAN:

One might notice the fact that the chief of staff of the chairman of the House Armed Services Committee is now the chief of staff of Secretary Rumsfeld. That's just happened in the last couple weeks. But that may not have been why it happened. I don't know that.

But my bottom line is that these turf fights are unproductive. It is absolutely clear in this law that battlefield intelligence is not in this structure and that the chain of command is not interfered with and that all we're trying to do is field better strategic intelligence which does, after all, I think, have a lot to do with keeping those on the battlefield alive.

STUDEMANN:

Well, I actually tend to be a lot more positive about the relationship, both historically and going forward, between the secretary of defense and the DNI and the two

offices of the staffs, including the USDI and whatever substructure the DNI comes up with.

I believe that the general history has been that the relationship between the secretary of defense and the DCI first and now the DNI going forward has been, "One and one equals three or more."

They have sufficiently different perspectives and views of the world and also similar concerns that the product of the relationship is greater than the sum of its parts.

The secretary of defense, this one in particular, has been very positively disposed toward the former DCI and now the DNI and wants to have him succeed. And so does the undersecretary of defense for intel. There's generally good will all the way around. And there's a lot of things going on down at the lower level where concepts are being developed and new ideas about how to do intelligence are coming forward that come out of that area.

Now, I think it's important to make one, perhaps, educational point here. There's sort of been this feeling that the director of central intelligence earlier and the DNI now doesn't control his money. The National Foreign Intelligence Program and now what will be in the Reform Act when it passes -- the national intelligence program is controlled by the director of national intelligence.

There are intelligence monies also in the Department of Defense because those organizations like NSA and the other defense agencies are double-hatted as combat support agencies. They have a requirement to support military operations in any active military theater.

So that relationship exists. When I was the director of the National Security Agency I reported to two bosses and I didn't have any difficulty moving my hat around nor was I ever confused about what issues I was talking to each one of those bosses about.

I was able to stay in the lane and essentially integrate between the two of them and actually sometimes contribute to the dialogue.

So there's a positive thing here. It's not a negative thing. A lot of the negativity is generated from the outside, either the perspective that somebody might have about that, maybe in the media or people who are concerned about alignment of responsibilities on the level on the Hill.

So I think that I tend to be positive about that going forward and I think it will be well-managed.

GORMAN:

The only thing I can add to that is that to me, as I look at the situation, it seems like this is one of the situations where Negroponte's role actually becomes sort of chief salesman for the intelligence enterprise and he's really going to have to lean on or rely on his diplomatic skills.

What he does need to do is make the case that Congresswoman Harman was talking about, which is this is what's in it for you. And to the degree that he can make a convincing case to the more military- oriented components of the intelligence community that there is something in it for them, logic would dictate that unless their motives are entirely around turf, that they could start to see what it is that he's talking about.

GORMAN:

And that also then goes back to what Admiral Studeman's commission talked a lot about which has to do with integrating the efforts of the intelligence community. If you start focusing on particular targets, "Well, what kinds of things, what kinds of threats do we need to know more about?" then you start to get away from that and you really are forced to make sure that the defense intelligence components are working with the covert folks and everybody kind of is getting together.

And then you analyze it and you go back and you say, "OK, well, now what don't we know?" And you move forward.

And so within that range of targets that you're collecting information or intelligence against, obviously, there would be probably be some more military-oriented targets, there would be some more strategically oriented targets. But the idea would be that at the end, you're focused on what the results are and to the degree that you can get the mindset to shift in that direction, I think that Negroponte is going to have a lot easier of a job.

LEHMAN:

Thank you.

Next question I would like to pose to the panel is: How do you preserve competition of ideas, competition of analysis, competition of hypothesis, protection of dissenting views while you're doing all this integrating and sharing?

HARMAN:

Well, I have said for a long time that the dirtiest four-letter word in government is spelled T-U-R-F. But I think maybe the dirtiest word in intel is spelled G-R-O-U-P-T-H-

I-N-K. And "group-think" is a huge problem. And I think your question is very fair, John, about: How do we prevent it from polluting this new structure?

And the answer is: We have built in a lot of ways to prevent it. We have basically legislated red-teaming of all products. We have encouraged, in everything we have done in this law and everything we have said since this law, the featuring of dissent and especially a kind of heading called "What We Don't Know" on the front page of any products that are prepared by our intelligence agencies.

And from listening to John Negroponte talk about how he envisions this thing going forward, I think his whole mindset about this is in that direction.

It is critical, especially thinking about hard targets like Iran and North Korea, that we honestly focus on what we don't know, how we can move the level of our information to higher ground.

It is absolutely critical to do that because otherwise policies could be made in error. And so that's my general overview. And from our discussion earlier this morning, I have a feeling that other panelists have some more precise ideas about exactly how you get this thing done.

But I really appreciate this question. I think if we don't get the answer to this question right, no matter how glorious our city on the hill is, it will not perform its intended purpose.

STUDEMAM:

Well, it's an important question and I don't want to obscure it. But let me just say that there are some issues around it, strategic issues around it that are very important, first-order problems to deal with.

First off, analysts aren't arguing over what's going on inside a target if you have deep penetration of that target.

So collection is the first priority; what you need to know about the target, then causes. Once you have real data, then you're not speculating or arguing or trying to come up with alternative scenarios about what's happening and what your strategic assessments are.

The second-order problem has do with what's happening in analysis today.

STUDEMAM:

Clearly, our analytic assets have probably become less professional, they spend more time focusing on current intelligence issues, actionable intelligence issues because there are lots of demands for actionable intelligence.

The amount of effort that had gone into balancing the analysis effort to where the current part had a balance of in-depth, research- type efforts in some areas, particularly for some more of these more arcane topics related to WMD, for example, the depth of analytic talent committed to that particular problem may only be two or three people deep.

And the community clearly is going to have to go to the outside to get some of that technical expertise or other kinds of topical expertise.

So the community has to address the collection problem. That causes part of the alternative-scenarios issue to go away. It needs to put more energy into bulking up and professionalizing the in-depth research-based analysis of a particular topic.

And then it has to have internal processes, whether it's red- teaming or whether it's going to the outside to get different kinds of views or going to some of our foreign partners to get different views, to encourage alternative analysis.

Alternative analysis was a problem clearly in the history of what got us here, whether it's Iraqi WMD or some of these other perceived failures.

The real failure was not only analysis -- competitive analysis, though -- it was really a failure of our ability to understand the context of that target.

We didn't understand Iraqi context to a sufficient depth that allowed us to really understand how Saddam ran his regime, where the power centers were, how decisions were made, what were the drivers associated with all that?

STUDEMANN:

And so this analysis-and-collection part is a very important part that ultimately will get to the point where then you can argue in detail.

Clearly, things like the production of national intelligence estimates and the top global products have to have processes also that encourage alternative views or present the data to the customer in such a way that what you know, what you don't know and what you think are clearly identified in that context. And, in particular, it must be clear up front what it is you don't know.

The community frequently produces a lot of material that has kind of what it is it knows and it's hard for the customer who reads it today to really understand what it is you don't know and to what detail you might not know that.

So for the future, the processes that are part of the professionalized part of our activities have got to have these features in order to, if not alert inside the community, have a discriminating customer. It's important that customers be demanding customers, even snarling angry customers, and that those customers ask tough questions.

And when they get responses to these questions, the intelligence community has an ability to treat them in a certain kind of way and be clear about what it knows, doesn't know and what it thinks.

GORMAN:

The only thing that I can add to that is just that I think this whole discussion points to the degree to which analysts aren't as incorporated as they need to be into the whole feedback loop of intelligence.

And, you know, to the degree that you can start to create a system that really does incorporate analysis, whether it's competitive analysis or being honest about what you don't know and then having that then drive the next round of intelligence collection, I think is crucially important.

GORMAN:

I think that when I started covering this issue, that was one of the first things that surprised me quite a bit was that that wasn't just a given. And I think that the average person out there probably assumes that analysts and their analyses are just immediately kind of incorporated like a feedback loop. And it really doesn't always happen that way.

LEHMAN:

Thank you.

Well, before we go to questions from the floor, I have one last question to focus on. It's been very much in the news recently with FBI's dismal failure to put a new enterprise IT system in.

So could we ask each of the panelists, as their final remark, to address the IT and info-sharing technology? What do we do to enable them, if the will is there, to share? What can the DNI do to give them the capability to share?

GORMAN:

Well, sharing has two coordinates. One is the human beings who operate in a culture that is driven by the need to share, not just the need to know. That is a totally different culture than we had leading up to 9/11.

The second is that the technology permits human beings who want to share to be able to do it. In fact, the technology drives that sharing because the information out there, just the glut of information, is so much larger than any one or any collection of human minds can process.

So the technology itself has to do a lot of the data mining and sorting of a variety of databases hopefully from what we call the outside in, with all the protections that we have built into the intel reform law to protect civil liberties and privacy.

But at any rate, you need those coordinates, human beings and technology. The recent stories about the FBI failures leading up to 9/11 are not new to me.

GORMAN:

The fact that more of this is declassified, I think, is very important because as the 9/11 families have made clear and the 9/11 Commission has made clear, the public deserves to know what happened and not just to explain the tragedy, sadly, that befell their families, but to help us learn, have lessons learned so that never again does this happen.

And let me just make a final comment about the FBI.

Bob Mueller, as I think everyone knows, showed up for work, I think, a couple days before or after 9/11. He took over an agency that I think operated in the 14th century with the Abacus and papyrus paper and has transitioned it successfully to the late 20th century by reorganizing it in terms of its field office structure, the human beings and its technology.

Sadly, the last piece hasn't gone so well. And until the FBI sorts out its technology, it is still behind the curve. But here's the opportunity for John Negroponte. The goal is not just for the FBI finally to figure out how to do a virtual case file, but for the DNI to make certain that that technology, that idea be a shared idea across the 15 agencies so that the technology is interoperable, the people who now need to share know how to work the technology, even those over 50 -- imagine that people over 50 could work anything -- and that the enterprise, not just a piece of the enterprise, gets to the year 2005 as one piece.

STUDEMAM:

Sorry for the tutorial again, but let me just say that the intelligence community has a very big challenge ahead of it. At one end of the spectrum it's been enjoined and must move in the direction of maximizing information sharing.

An important requirement, maximizing information sharing. The customers have to be able to actually live in their data. That means at the systems level, at the level of collaborating directly with analysts, at all levels whether they have clearances or not across the whole national security regime.

At the other end of the spectrum it is implied that the intelligence community is going to go get new sources and methods or adapt old ones to these new targets and that they are going to protect those sources and methods; not something we have had a very good track record for in terms of protecting methods, particularly deep penetration ones.

So the intelligence community has this conundrum, this tension in the system. Protect sources and methods at one end of the spectrum; we know how to do that. We've done it historically in the past. And so there's a sense of how to do that.

But that is an imperative. In fact, it's written in the law they still have to do that, protect sources and methods. At the other end of the spectrum now they have this new bias toward sharing, something that they do know how to do but they can't effectively do it alone.

The second part is the part that's already been mentioned: industrial age versus information age; we're in transition, one from the other. The intelligence community and DNI structure has chief operation officers and chief technology officers and all the structure there to define the architecture, to maximize the acquisition process that relates to industry so that you can get the tools and the capabilities required whether it's mass storage or whether it's collaboration capabilities or search capability or whatever it is that allows you to deal with in this massive information environment the intelligence community is going to be dealing with for the future -- unprecedented information age environment.

I guess the last part really has to do with also interaction with the customers. The customers build their own information systems. Take the Department of Defense for example. The new wave commentary about where they're going is network-centric warfare.

The network-centric warfare architecture that unfolds has to have a plug or an overlap with the intelligence architecture that they find because that's the way we move data, that's the way they are going to live in our data.

STUDEMANN:

So there's not only this enjoinment and requirement to have sort of ombudsmen and people oversee this, but really to build this tight connection between the customer and the provider at the systems level as well as at the policy level, really, at the cultural level even is an important obligation that's implied in all of this. And it's a big challenge for the community.

GORMAN:

On the FBI side, I think that the FBI's virtual case file debacle really highlights the degree to which we're actually talking about a management problem here. I remember sitting in one of the initial briefings that the FBI had to try to explain what it was really doing with this \$170 million. And I remember asking the person who was briefing -- I forget, I think it might have been their CIO, I forget exactly who it was -- "What did you get for the \$170 million?"

And I was told, well, we learned something about managing a project. And I think that that is something to keep in mind in terms of where these agencies are coming from as they try to implement these large, large technology projects. They don't always know exactly what they're looking for when they go to buy a product. They end up changing their mind.

There are just a lot of challenges in there that require vision from the outset and they require a lot of follow up. They also require a chief information officer who is close enough to the guy on the top. And I'm not sure that that really is -- the ADNI and the CIO is really all that close to the top in that diagram. And this is maybe one of the examples where the structure does matter.

But you've got to be close enough to the guy at the top to say: Hey, this isn't going in the right direction or I don't see how this comports with your vision.

So I think that moving ahead especially as we try to look at how to create IT systems that might go throughout the intelligence community that individually each agency is going to have to figure out how to manage these projects. And then, from Negroponte's level, he is going to have to figure out how to physically integrate all these things and how to follow through in such a way that it really does accomplish what they're looking to do.

LEHMAN:

Well, thank you very much. We will now move to the questions from the audience.

QUESTION:

Congresswoman Harman, I'm wondering if you specifically can answer this one. How has oversight changed since the DNI came on? Are you seeing new faces? Are there new approaches? And critics also seem to say that Congress has changed the least. I'm wondering if you agree and what you think about the situation there in general.

HARMAN:

Well, you're asking about oversight across the executive branch as well as in Congress or just in Congress?

QUESTION:

(OFF-MIKE)

HARMAN:

OK. Oversight has changed a bit. One success story in my mind is the establishment of an oversight subcommittee by the House Intelligence Committee. However, the House Intelligence Committee does not have jurisdiction over detention policies as an example.

And so I would say that Congress' actions about these revelations that I referred to in the initial part of my remarks is still woefully inadequate.

What should happen? We should do a lot more.

HARMAN:

The 9/11 Commission has a blueprint, for example, for how to change the congressional intelligence committees. Membership on those committees should be permanent. That's something that has not happened in the House; not just the terms of the chairman and ranking member, but the terms of every member. It's a steep learning curve and it should be a permanent committee, not a select committee.

The authority needs to be enhanced. Again, that was suggested. We do need one unified intelligence budget, either considered by the appropriations committees or by the intelligence committees. My view would be the intelligence committees might be more capable to do it since it's a small piece of the huge defense budget. Of course, I won't reveal how small a piece.

But, nonetheless, more attention could and should be paid and that would give us the leverage to direct and assure the changes that are necessary.

So we're way behind. I'm suggesting the formation of a commission because I don't think, at least as presently structured, Congress can do it. I hope that this iteration of the 9/11 Commission will keep the pressure on and I know that the 9/11 families will keep the pressure on.

QUESTION:

(OFF-MIKE) new approaches to oversight?

HARMAN:

The changes in oversight since the DNI came on?

QUESTION:

Are you seeing new faces coming in to brief you? Is there a new style?

HARMAN:

Oh, you're talking about the briefings of Congress by the intelligence agencies? Are we learning more than we used to learn? I didn't get that from the way I understood your question.

Well, John Negroponte has spoken to Congress which is useful. Porter Goss did do that before him. But in terms of the briefings, yes, I'm seeing some change. I'm seeing an effort by the intel briefers, and I can't go into detail about classified briefings, but to try to tell us the lessons learned from the WMD debacle on Iraq.

We hadn't been hearing that before. Again, I think it's not just the people who are trying to be more careful. But I think the structure, led by Negroponte and Hayden, will play a big role in getting better information to Congress. That information is still inadequate and Congress' organization to receive that information is still inadequate.

QUESTION:

Siobhan made reference to the fact that the National Counterterrorism Center is not under the DNI but rather reports directly to the president. And I was wondering whether

this creates any kind of a problem for the DNI, what the rationale was behind that. And then sort of a subquestion I have because I haven't followed this in great detail since the reform has passed, was: What happened to TTIC in the Homeland Security, the Terrorist Threat Integration Center? Has that been subsumed by this new National Counterterrorism Center?

GORMAN:

Well, I can speak briefly to the history of it. The National Counterterrorism Center sort of became the umbrella that went over TTIC. The National Counterterrorism Center, I think, has a number of different goals. It's supposed to be the sort of central repository for all information or intelligence that comes in with regard to terrorism. And then it also has this sort of less clear operational role that perhaps Congresswoman Harman could speak to a little bit.

And that's something that also has to be sorted out. But the NCTC is located within the purview of the DNI but he is a director, reports to the president.

So I just wanted to point that out as one of those things that I don't think has been worked out yet. But maybe the other panelists have seen it working...

STUDEMANN:

No, I have nothing to add. I think that's an accurate appraisal.

HARMAN:

I think it's still in a work in progress. To remind you about the origin of TTIC, that was not a congressional idea. When the Department of Homeland Security was formed, it contained and it still actually does, an intel directorate.

But the president announced in one of his State of the Union messages, I think, in 2003, that he was setting up this separate entity basically reporting through the CIA because the decision was made that that was a way to get more information into the system.

The CIA was more of an intel driver at that point, and really still is than homeland security.

So it was an ad hoc course correction and now our legislation builds on this. One could say the NCTC is TTIC on steroids and it's still in a kind of a bit of limbo in terms of how it fits in the org. chart. But the goal, again to remind, is not process. It is product.

GORMAN:

It is to try to get the best information fusion we can so that we connect the dots the next time, we don't miss the clues and then to have the leadership necessary -- leadership is a key to all of this -- in the DNI, in his deputy and in the White House to make absolutely certain that we act upon the best intelligence we can field.

STUDEMANN:

I think the important thing about it is not who it reports to but what's in it and what it does. And the TTIC had already been formed around the counterterrorism center that came out of CIA which was a community center dominated by CIA and the counterterrorism division of the FBI and then Homeland Security and the other folks with their plugs into it. So it served as a very strong basis for that.

By the way, interestingly, while the law, the Reform Act defines a set of roles and responsibilities for the NCTC, the WMD Commission didn't necessarily recommend that all other centers -- and we recommended a proliferation center be stood up -- have to have exactly the same planning, operational, analytic, warning kind of support roles.

In fact, if you take the concept of centers and task forces and mission managers and other kinds of constructs that the intelligence community uses to try to grapple with a macro problem of this scope, there are lots of different vehicles to choose from. And it will be up to the DNI, actually, to structure those.

HARMAN:

If I could just add to that. I'm really glad that Bill raised that. Proliferation is a related problem to counterterrorism, but it's not the same problem. I mean the perfect storm obviously is WMD in the hands of terrorists. We are not very good at counterproliferation. We really don't know how to get a handle on it.

I didn't have a chance to say earlier that one of our problems on WMD and Iraq was this tautology. It wasn't true.

HARMAN:

Learning how to find WMD as it moves around the world is something, you know, that's big task. And having a center focused on this with different skill sets and perhaps an organization different from the way we organize counterterrorism is a great idea.

As the 9/11 Commission has said and as Lee Hamilton and Tom Keane said yesterday in their op-ed in The Baltimore Sun, this is our number-one problem: making certain that we know where all this stuff is and making absolutely certain it doesn't get in the hands of the wrong people.

QUESTION:

Representative Harman -- and maybe, Secretary Lehman, if you want to comment also -- I'm really interested in what happened last week and whether it portends future battles. Was this, in your view, the first skirmish? Or is the matter now settled with Chairman Hunter and others?

It was an extraordinary scene to see you leading the charge for Mike Hayden and Ambassador Negroponte, not Republicans in the House. Was that what was happening? What's the view of the speaker and the majority leader? Do they want to see some of the powers that were given to the DNI in the intelligence reform legislation taken away, do you think? Are there more battles ahead?

HARMAN:

Well, they would have to speak for themselves. I'm not going to tell you what their view is. I would like to think that it worked out well and maybe it was the last battle. I would like to think that. I would like to think that.

I didn't do this alone. You obviously know that.

Among others who were at the ready and extremely helpful is the guy to my right who participated in a telephonic press conference along with Senator Susan Collins, who as you know was another one of the big four conferees on the intelligence bill and chairs a committee with enormous jurisdiction in the Senate and does a fabulous job at that. And Mary Fetchet and the 9/11 families were right involved, too.

So we had a coalition that was bipartisan, bicameral and multilayered that I think came out.

Peter Hoekstra, chairman of the House Intelligence Committee, was the guy -- I mean, he will tell you this -- who added the offending clause to the intel authorization bill. And he is the one who defended it in committee where we lost a vote to remove it on a party- line basis.

But he changed course and he introduced an identical amendment to mine in the Rules Committee to strike the language and he was in favor of striking the language.

So, again, you would have to ask him about his motivation. But my bottom line is we did win this battle. It remains to see whether we won the war. We still have to get the bill up on the House floor. The rule has to be what we expect it to be. And the bill has to pass by overwhelming margins, all of which I expect to happen.

Then I think we will have set a very strong precedent against other efforts to weaken the law. And I'm an optimist.

HARMAN:

So what I think is that the warfighter and the world need better intelligence capability. And if John Negroponte starts delivering it, these turf issues will be much, much harder to raise.

STUDEMAM:

I would agree that I think Jane won her battle. And no one is going to risk her terrible swift sword on that particular issue again.

However, I do think it's the first of many skirmishes, many screams in the night and back-office maneuvering because this goes to the heart of why congressional reform is so essential. Because the reason Congress needs reform is that the responsibility has been proliferated over so many new committees and subcommittees, the reason being is that, unfortunately, that's how you raise money, is be a chairman of a subcommittee.

And they all have their little piece and they want to protect it. It's much more of a congressional issue of turf than an intelligence issue of turf.

STUDEMAM:

So this issue, I think, of transferring, I think, is one. But there are going to be many others that are going to go after the power of the DNI and each one is going to have to be fought as vigorously.

LEHMAN:

Well, that being the last question, let me wind up by saying, as you can see, there are a lot of very strong forces at work here on both sides. The stakes are critically high. This is not a reform that is the whim of some thinktank. It has been the recommendation of the

two most recent commissions that have studied it, the most recent congressional inquiries and it can make all the difference in our vulnerability ahead.

So we hope that the public will continue to follow these debates, make their views known particularly with Congress as it strays from implementing these things and also in the executive branch.

So with that, I would only recommend that all of you come to our next hearings or next panels, June 27th. We will address terrorism and WMD. Tim Roemer and Governor Thompson will chair that one. And then the next day on June 28th, securing the homeland with Bob Kerrey.

So I hope we see you all here on the 27th and 28th. Thank you very much.

(APPLAUSE)

CQ Transcriptions, June 13, 2005

List of Speakers

SEPTEMBER 11 PUBLIC DISCOURSE PROJECT MEMBER JOHN F. LEHMAN

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SELECT COMMITTEE ON INTELLIGENCE

FORMER DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE RETIRED ADM.
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