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PLAN FOR RESTRUCTURING DEFENSE INTELLIGENCE

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ASSISTANT SECRETARY OF DEFENSE
(COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE)

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PLAN FOR RESTRUCTURING DEFENSE INTELLIGENCE

(U) I. PURPOSE.

(U) This plan is the culmination of an effort initiated in December 1989 by the Secretary of Defense who requested the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence (ASD(C3I)) to review Defense intelligence, with particular emphasis on restructuring to accommodate the changing world situation and modifications in the structure of our Armed Forces, improving the management of intelligence resources, and the elimination of duplicative intelligence activities. Subsequently, the Deputy Secretary requested an early focus on the efficiency, responsiveness and effectiveness of Defense intelligence management activities in accordance with the principles of the Defense Management Report submitted to the President in July 1989.

(U) The Assistant Secretary's review referred to as "Defense Intelligence in the 1990s" was completed with the assistance of Service, Agency and U&S Command intelligence officials and the results of the review were presented to the Secretary and Deputy Secretary and other senior Defense officials in September - December 1990.

U ~~(S)~~ Some key initial conclusions of the review were addressed in a 27 November 1990 memorandum from the Deputy Secretary of Defense, "Assistant Secretary of Defense for Command, Control, Communications, and Intelligence," which strengthened the role of the Assistant Secretary by specifying that he would report directly to the Secretary and Deputy Secretary of Defense in the performance of all his functions and by assigning him responsibility for the exercise of authority, direction and control over the Defense Intelligence Agency and the General Defense Intelligence Program (GDIP) Staff. Also, a 14 December 1990 memorandum from the Deputy Secretary of Defense, "Strengthening Defense Intelligence Functions," directed the ASD(C3I) to submit an implementation plan identifying other actions required to strengthen Defense intelligence. It is to this task that the following plan is addressed.

(U) II. BACKGROUND.

(U) Defense intelligence has evolved over the past 10 years of relatively unconstrained budgets into a structure of competing analysis and production, with decentralized management and execution. As the 1980s came to a close, U.S. budget realities reduced the growth of intelligence budgets and a downward trend is expected for at least the next decade. The past eighteen months has also been a period of astonishing changes in the world. The euphoria generated by the end of the Cold War and the disintegration of the Warsaw Pact has been replaced by the realization that the Soviet Union is faced with serious and potentially destabilizing internal pressures. Political reform in the Soviet Union has suffered a number of blows, and as long as the Soviet military, the security services, and the Communist party continue their influence, further economic decline and political unrest can be anticipated. Even so, the threat of a short-warning, global war starting in Europe remains less likely than at any time in the last 45 years. Soviet strategic force modernization is likely to continue unabated and remains the primary strategic threat to the United States. The threat of regional and Third World conflict will continue to be fueled by relentless population growth, political instability, terrorism, the narcotics trade, and political and economic competition. The accelerated

proliferation of high technology weapons, including weapons of mass destruction, adds more instability to this explosive mix.

(U) Prospects for continued tight fiscal constraints on the DoD budget during a period of rapid change have focused attention on the need to improve resource management and strengthen planning activities in the Defense Department. In applying budget reductions, we are guided by the necessity to make cutbacks in Defense intelligence commensurate with decisions on reductions in the forces and weapons supported, to increase our focus on flexibility and responsiveness, and to enhance our intelligence capability to respond to crisis and contingencies. Further, a key theme of the review has been the need for an improvement in our joint approach and our support to the combatant commanders. The strong focus on "jointness" is consistent with the spirit of the Department of Defense Reorganization Act of 1986.

~~(C)~~ U Based on the Secretary's guidance and the catalyst provided by the ASD(C3I) review, the Military Departments and Unified and Specified Combatant Commands have made strides in recent months in planning and implementing consolidations which will enhance the effectiveness of military intelligence. For example, the Army has aggressively pursued an internal reorganization of its intelligence functions. Significant resource savings and improved efficiency will be achieved by FY97 through reduction in the size of the staffs of the Deputy Chief of Staff for Intelligence and the Commander, Intelligence and Security Command (INSCOM); consolidation of the headquarters of the Army Intelligence Agency (AIA) and its three centers, including the consolidation of four headquarters staffs; and the consolidation of the intelligence schools at Fort Huachuca and Fort Devens.

(C) In the U.S. Pacific Command, the CINC has directed the consolidation of all general intelligence production and analysis facilities in Hawaii into a single Joint Intelligence Center (JIC), serving the needs of both the CINC and the Components. [redacted] The PACOM JIC and a similar initiative in the U.S. Atlantic Command are the models for consolidation efforts within the other Unified and Specified Combatant Commands.

(U) **III. RECOMMENDATIONS.**

(U) The review of Defense intelligence received a wide range of input from the Office of the Secretary of Defense, the Services, the Defense intelligence agencies, and the Unified and Specified Combatant Commands. These inputs were carefully evaluated and resulted in proposals to:

- Ensure the quality, relevance, and timeliness of Defense intelligence in support of national and international defense and foreign policy policies, plans, and programs through establishment of a Defense Intelligence Policy Council to assist the ASD(C3I) and the intelligence community.

- Strengthen intelligence support to the Combatant Commanders and enhance "jointness" through consolidation of existing Unified and Specified Combatant Command and component intelligence processing, analysis, and production activities into regional Joint Intelligence Centers; reshape the CINC and Service component staffs into small, high quality groups that can provide focused intelligence evaluation support to the Combatant Commander; establish dedicated

elements within DIA to serve as a focus for all intelligence activities supporting the Office of the Secretary of Defense, and the Chairman, Joint Chiefs of Staff.

- Increase efficiency in defense intelligence by consolidating and streamlining to eliminate unnecessary duplication and enhance efficiency and effectiveness through reduction of management overhead; reduction of overseas operating locations; consolidation of the various intelligence commands, agencies, and elements into a single intelligence command/agency within each Service; reduction of subordinate Service and Agency intelligence headquarters while maintaining scientific and technical intelligence production centers of excellence; establishment of stronger management of all Defense intelligence production to eliminate overlap and unnecessary duplication; establishment of single joint commands at SIGINT field stations; zero-based review and reordering of Defense intelligence requirements to reflect a worldwide, rather than a Soviet/Warsaw Pact, focus; and examinations of the centralization of order of battle production and of common intelligence support functions.

- Strengthen the role and performance of the Defense Intelligence Agency as a Combat Support Agency and improve the quality of the Defense intelligence product through streamlining and reconfiguring DIA to improve its estimative capability with emphasis on quality analysis and reporting of strategically important intelligence; strengthening DIA's management of intelligence production and analysis; taking appropriate manpower management steps to ensure a strong military focus within DIA; and assigning DIA the responsibility to perform/oversee basic encyclopedic data base production.

- Ensure an independent intelligence input in the acquisition process by establishing within DIA a capability to validate threat information, to include the target data base, and the procedures the DoD Component intelligence commands or agencies will use in preparing system threat reports for acquisition category (ACAT) I, II, III, and IV acquisition programs, and highly sensitive classified programs.

- Strengthen the counterintelligence functions of the Department of Defense through the consolidation of counterintelligence and security activities with existing OASD(C3I) intelligence, security countermeasures and telecommunications and information system security activities.

- Improve support to the Office of the Secretary of Defense through establishment within DIA of a Policy Issues Office, capable of obtaining tailored information and support across the intelligence community, with primary responsibility for focused responses to OSD-generated intelligence questions and issues.

- Improve the Department's ability to provide centralized resource management and improve the integration of national and tactical intelligence including TIARA through focusing of OASD(C3I) staff responsibility for planning, policy development, Congressional interface, functional management, and budgeting by consolidating existing OSD and GDIP management; centralizing defense-wide intelligence policy and resource management; establishing an Intelligence Program Support Group to consolidate the review of national and tactical programs, develop a DoD-wide architecture, and assess customer satisfaction; and transferring responsibility for GDIP program management to the OASD(C3I).

• Restructure and refocus the use of Reserve and National Guard resources to improve support to Defense intelligence during contingencies through establishment within the OASD(C3I) of a management focus for the use of intelligence reserves and reserve intelligence production, and by tasking the Services and Agencies to develop specific plans for the use of these reserve resources in contingency situations.

(U) **IV. IMPLEMENTING ACTIONS.**

(U) **A. OBJECTIVE**: To strengthen intelligence support to Combatant Commanders through appropriate consolidation or realignment of the intelligence processing, analysis, and production activities of the Unified and Specified Combatant Commands and other DoD components.

[redacted]

(C) Combining analysis centers of the U&S Combatant Commands and their components into Joint Intelligence Centers (JICs) under the control of designated U&S CINCs should not only yield resource savings through elimination of duplicative efforts but will strengthen support to the CINC and components through improved efficiency. [redacted] Under DIA's leadership, production of intelligence will be coordinated and integrated on a global scale. DIA will also set the quality standards for production and perform quality assessments.

~~(C)~~ The CINCs and Components will retain intelligence staffs to support planning for and conduct of current military operations and to provide focused intelligence requirements statements. Funding and personnel reductions should be substantial through significant draw down of infrastructure and overhead costs in the intelligence production and analysis structure of the existing U&S Combatant Commands. Consolidation of functions such as photo labs, printing plants, and communications and automated data processing (ADP) centers supporting production centers should be accomplished wherever possible. Through these actions, general and administrative support costs, as well as rents and utilities, will be reduced while consolidating intelligence functions, promoting increased mission effectiveness and enhancing jointness.

IMPLEMENTATION:

(U) 1. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will monitor the execution of the tasks assigned below, and working with the Comptroller ensure that resources are applied to comply with the goals and objectives of the tasks, and periodically report the progress to the SECDEF/DEPSECDEF.

(U) 2. The CINCs of the U&S Combatant Commands will take the following actions:

~~(C)~~ U a. USCINCPAC will continue efforts to consolidate intelligence production and analysis centers in a Joint Intelligence Center (JIC) in accordance with PACOM's recently completed intelligence reorganization plan. Complete all implementation actions at the earliest possible date, but not later than 30 June 1993. Provide your implementation plan to the ASD(C3I) and the Chairman, Joint Chiefs of Staff by 1 July 1991.

(C) U b. USCINCLANT will consolidate component and unified command intelligence production and analysis functions into an Atlantic JIC in the Norfolk/Langley AFB area. Once the Unified Command Plan (UCP) is finalized, other forces and components may be supported from this JIC. USCINCLANT will ensure equal access by all supported elements to the Atlantic JIC for production and analysis support. Complete all implementation actions at the earliest possible date, but not later than 30 June 1993. Provide your implementation plan to the ASD(C3I) and the Chairman, Joint Chiefs of Staff by 1 July 1991.

(C) c. USCINCEUR will develop and implement a plan to consolidate component and unified command intelligence production and analysis functions into a Joint Analysis Center (JAC) [redacted] Complete all implementation actions at the earliest possible date, but not later than 30 June 1993. Provide your implementation plan to the ASD(C3I) and the Chairman, Joint Chiefs of Staff by 1 July 1991.

~~(C)~~ U d. The next revision to the UCP is not yet completed. Once finalized, appropriate JICs will be formed in addition to those at USPACOM and USLANTCOM. The ASD(C3I) will, upon approval of the revised UCP, initiate actions to task the appropriate CINCs, through the CJCS, to prepare within 120 days implementation proposals for these additional JICs. Each JIC will be established as expeditiously as possible; however, all consolidation actions should be completed not later than two years following approval of the revised UCP.

(U) 3. The Director, DIA will:

(U) a. In his role as coordinator and manager of Defense intelligence requirements and production, oversee Defense intelligence production to ensure that it is integrated among the JICs on a global basis, is consistent with the reordered priorities and objectives of Defense intelligence, and eliminates duplication.

(U) b. Establish and maintain Defense intelligence production and product standards and procedures for the JICs and provide quality assurance among the JICs.

(U) c. Assist the U & S Combatant Commands in planning, organizing, staffing, and equipping their JICs, wherever possible.

~~(C)~~ U 4. The Secretaries of the Military Departments will eliminate intelligence production elements within their components as the U&S Combatant Command JICs are activated. Components should retain only the minimum intelligence staffs required to support current military operations and provide focused intelligence requirements statements, applications and evaluation support to the component commander.

(U) **B. OBJECTIVE:** To increase efficiency in defense intelligence activities through appropriate reductions of personnel and management overhead in intelligence organizations and the appropriate consolidation or realignment of the various intelligence elements of the Military Departments and other DoD components.

(U) The Military Departments, Defense intelligence agencies (DIA and NSA) and the Defense Mapping Agency (DMA) are all faced with declining budgets, including monies allocated for intelligence. We must bring down the costs of doing business. This means reducing overhead, cutting excess infrastructure and redundancy, and consolidating and improving a number of common functions. A primary challenge is to reduce overlap and duplication in intelligence collection and production, but to do so wisely, not creating inadvertent gaps. We must increase our focus on flexibility and responsiveness in structuring our future intelligence capability to respond rapidly to short-notice crises and contingencies that threaten U.S. interests. We must also maintain the ability to reconstitute a larger force structure if a resurgent threat of massive conflict returns. We must be guided by the necessity to make reductions in Defense intelligence consistent with the Total Force Policy and resultant decisions on the supported forces and weapons to be retained. We must encourage talented new military and civilian intelligence employees to enter the work force and retain our highly skilled intelligence professionals, factored by our requirements and fiscal constraints.

(U) The Military Departments have initiated actions to consolidate and streamline their intelligence structures as outlined below. Although the consolidations they propose are significant, the efficiency and effectiveness of Defense intelligence will be enhanced by the further consolidation of the remaining organizations into a single intelligence command within each Service.

(C) The Army's restructuring strategy calls for a significant reduction in management overhead, elimination of field operating agencies or activities which support headquarters staffs, and consolidation and reduction in size of intelligence commands and activities. Army operational intelligence activities supporting DoD, the Department of the Army and the component commands will be consolidated in a single intelligence command: the Army Intelligence and Security Command (INSCOM). [redacted]

(C) The Navy is in the process of consolidating its four third echelon intelligence commands into two. [redacted] When the new building at Suitland, MD is finished, all those commands will be collocated during FY94.

(S) The Air Force has taken significant personnel reductions within existing organizations such as Headquarters USAF, the Air Force Intelligence Agency,

Electronic Security Command, Foreign Technology Division, [redacted]

(U) The Services will continue to operate and maintain scientific and technical intelligence (S&TI) centers of excellence in order to exploit the unique technical expertise available in the Service organizations. We will eliminate duplication by strengthening DIA's role in the management of general military intelligence and S&TI distributed production.

IMPLEMENTATION.

(U) 1. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will monitor the execution of the tasks assigned below and, working with the Comptroller, ensure that the resources assigned comply with the goals and objectives of the task, and periodically report the progress to the SECDEF/DEPSECDEF.

(U) 2. The Secretaries of the Military Departments will:

(U) a. Consolidate all existing intelligence commands, agencies, and elements into a single intelligence command within each Service. Eliminate, consolidate or reduce subordinate intelligence headquarters wherever possible. Geographically separated units may be designated as operating locations of parent organizations only if this decision clearly represents the most cost effective alternative to physical relocation. Plan to complete all consolidation actions through "capitalization in place" as soon as possible, but these consolidations will be completed no later than 4Q FY95. Provide implementation plans to the ASD(C3I) by 1 August 1991.

U ~~(C)~~ b. Maintain and strengthen Service integrated general military intelligence and scientific and technical intelligence (S&TI) production and analysis in Centers of Excellence, which will be subordinated to the Service's single intelligence command. DIA will retain responsibility to manage and oversee distributed intelligence production in order to eliminate overlap and unnecessary duplication. The Military Departments will work with DIA to insure that threat validation supporting the weapons system acquisition process is conducted in a thorough, professional and objective manner, not influenced by institutional interests.

(U) c. Reduce or eliminate the proliferation of unnecessary operating locations and intelligence or intelligence-related units located overseas. Place particular emphasis on the elimination of overseas activities that duplicate CONUS based functions. Incorporate this aspect into individual implementation plans tasked above. Prior to implementation, coordinate your findings with ASD(C3I) and the Under Secretary of Defense for Policy (USD(P)).

(C) d. [redacted]

~~(C)~~ U 3. The Secretary of the Army will continue to consolidate Army intelligence operations and production activities supporting commands and activities above corps level in a single intelligence command by 4Q FY95.

~~(C)~~ U 4. The Secretary of the Navy will continue the process of consolidating Naval Intelligence Third Echelon Commands to the minimum necessary to conduct naval and maritime intelligence collection, analysis, and production while providing the necessary support infrastructure. Unless an impact to the fleet can be demonstrated, consolidate all intelligence activities into a single Second Echelon intelligence organization to improve the efficiency of Naval Intelligence. This integrated structure may preserve the integrity and character of the major intelligence disciplines while sustaining critical support required by the fleet. Implementation of the above should occur not later than 4Q FY 95.

~~(C)~~ U 5. The Secretary of the Air Force will form a single intelligence and security command which consolidates national and departmental intelligence activities, both in the continental United States and overseas. This single intelligence and security command will be comprised of current organizations funded by the NFIP; it may exclude tactical intelligence activities at Wing, Numbered Air Force, and MAJCOM levels. Implementation of the above should occur not later than 4Q FY 95.

(U) 6. The Director of the National Security Agency (NSA) will:

(C) a. [redacted] Provide the results of your examination and planned actions to the ASD(C3I) by 1 July 1991.

(C) b. [redacted]

(U) **C. OBJECTIVE:** To strengthen the role and performance of the Defense Intelligence Agency in the intelligence requirements, production, and management process.

(U) The Defense Intelligence Agency was created to prepare Defense intelligence reports and estimates based on all-source data collected by other elements of the intelligence structure. DIA has been hampered in this mission by the lack of necessary authorities to manage requirements, set standards and control production across the Department of Defense. The intent underlying the recommendations contained in this plan is to eliminate areas of overlap, strengthen DIA's role as a Combat Support Agency. Thus, DIA can concentrate on the business of efficiently and effectively managing and improving the Defense intelligence production effort.

~~(C)~~ U DIA's efforts must be focused on ensuring the availability and quality of intelligence needed by Defense policy makers and planners; the Secretary of Defense and other Defense officials, the Chairman of the Joint Chiefs of Staff and Joint Staff, and the U&S Combatant Commands; the force planners and technical weapons systems analysts in the Services; and the specialized intelligence needs of counterterrorism forces and policymakers.

~~(C)~~ U In order to meet these responsibilities, the roles of DIA and the Services will be carefully differentiated. DIA's internal efforts must be concentrated on the strategic

aspects of intelligence, while maintaining a separate role as the overall integrator of Defense intelligence efforts for the Department. Overlaps in collection, processing, analysis, dissemination and production must be eliminated to the maximum possible extent.

(C) The Services place a high priority on being able to develop their professional uniformed intelligence personnel for the primary task of directly supporting tactical warfighting operations. Advancement within Service ranks is tied heavily to demonstrated performance at the Service-specific or designated joint "tactical" level. [redacted] As a matter of integrated intelligence personnel management policy, talented personnel must be made available and must look forward to assignment with the Defense Intelligence Agency and the Joint Intelligence Centers as a part of their professional advancement. There must not be any professional stigma associated with an assignment outside of the tactical arena. The Services must ensure that their strategy for developing intelligence personnel encourages professional growth in both the tactical and strategic arenas and results in both types of assignments being viewed as equally rewarding.

(S) [redacted]

(S) [redacted]

(U) A key step in improving the quality and independence of intelligence support to the weapons system acquisition process will be achieved by strengthening DIA's role in assessing the threat. Although the Services will continue to prepare threat reports, the Department needs to develop a capability to provide independent, non-parochial assessments supporting all major acquisition program deliberations of the Defense Acquisition Board. Further, we need to improve DIA's capability to validate the data and processes used by the DoD Components in their preparation of threat reports. This will be accomplished by requiring that the DoD Component intelligence commands or agencies use threat information, to include the target data base, and assessment procedures which have been validated by DIA in preparing system threat reports for acquisition category I,II, III and IV acquisitions, and highly sensitive classified programs.

IMPLEMENTATION.

(U) 1. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will monitor the execution of the tasks assigned below, work with the Comptroller to ensure that the resources assigned comply with the goals and

objectives of the task, and periodically report the progress to the SECDEF/ DEPSECDEF.

(U) 2. The Director, Defense Intelligence Agency will:

(U) a. Streamline and reconfigure the Defense Intelligence Agency to strengthen management and emphasize quality analysis, production and reporting of strategically important intelligence. In this effort, the Director shall comply with Departmental guidelines concerning reductions in management structure. He shall provide an implementation plan to the ASD(C3I) for approval by 1 July 1991. The plan shall include provisions to:

(1) Reduce management overhead through organizational leveling and the consolidation of activities into a minimum number of Deputy Directorates.

(2) In concert with the Joint Staff, strengthen the DIA element dedicated to ensuring that the intelligence needs of the Chairman, JCS are met. The head of this element is the Director for Joint Staff Intelligence/J-2 and shall be the Director's full time intelligence representative to the Chairman, JCS and Joint Staff. It will be streamlined and capable of reaching into any part of the DIA or the Defense intelligence community to obtain necessary support. Any changes to be made to the element supporting the Chairman/Joint Staff will be coordinated with the Chairman, JCS.

(3) Establish within DIA, a dedicated Policy Issues Office with primary responsibility for supporting the Office of the Secretary of Defense. There is a need to support OSD more robustly than has has been the case in the past. The Policy Issues Office will be resourced to provide focused and expeditious responses to specific intelligence questions or issues, as well as in-depth analyses as required The Policy Issues Office will be responsive to OSD concepts of how the function will best be performed and may contain some organic analytic capabilities, but will primarily be empowered to request tailored information and support across the intelligence community.

(4) Examine the need for institutionalization within the DIA structure of a Washington-based Joint Intelligence Center supporting the information needs of the Secretary of Defense, Chairman, JCS, and the Services during contingencies or crises.

(5) In concert with the Chairman, JCS assimilate the Joint Reconnaissance Center activity into the DIA J-2 structure.

(6) Assume responsibility within the Department of Defense for production management and oversight of basic encyclopedic data base intelligence and distributed production.

(7) Reinvigorate and strengthen DIA's capability to produce substantive intelligence estimates.

(8) Establish within DIA, a capability to prepare, for the use of the Defense Acquisition Board, an independent System Threat Assessment Report (DoDD 5000.2-M), prior to Milestone I, Concept Demonstration Approval, for all acquisition category I programs (ACAT I) and for acquisition category ID programs at subsequent milestones. DIA may draw upon basic technical and operational intelligence produced by the Service S&TI centers, but will provide a separate, independent, assessment of the threat.

U ~~(C)~~ b. Strengthen the management and integration of all Defense intelligence analysis and production on a global basis and produce, or ensure the production of, all military intelligence required to support the Department, the Services, and the Commands. In this role, the Director shall oversee Defense collection, analytical, and production requirements, to include those of the Military Services and U&S Combatant Commands and shall ensure that Defense intelligence products are accurate, timely, and responsive to customer needs. DIA will supervise the DoD-wide production of intelligence through requirements approval, the establishment of product standards, and quality assurance activities. DIA will clarify and define the production roles and responsibilities of DIA, the Military Departments and the U&S Combatant Command Joint Intelligence Centers, according to the structural proposals in this plan. Provide an implementation proposal to the ASD(C3I) for review by 1 June 1991.

(S) c. In coordination with the ASD(C3I) and the USD(P), implement a program to reduce Defense intelligence production costs by eliminating unnecessary or duplicative collection [redacted] will be submitted to the ASD(C3I) by 1 September 1991.

(C) d. [redacted]

(U) e. Working with the Service intelligence chiefs and the Director of the National Security Agency, examine the establishment of a current intelligence reporting service that will obviate the existing system which results in the publication of current intelligence reports by individual headquarters, commands, and agencies. Provide the results of this examination to the ASD(C3I) by 1 May 1992.

U ~~(C)~~ f. Working with the Services, consolidate to the extent possible all Pentagon current intelligence and I&W support into a single jointly-manned current intelligence center. Eliminate current intelligence production from all other staff headquarters. The Services may maintain intelligence watches and briefers to work with the consolidated center to obtain and deliver timely and tailored intelligence to their Service Staffs, Chiefs, and Secretaries.

(S/NF) g. [redacted]

[redacted] Recommendations for strengthening HUMINT management will be submitted to the ASD(C3I) by 1 June 1991.

~~(C)~~ (U) h. In consultation with the ASD(C3I) and the Military Services, examine measures to improve the integration of counterintelligence and intelligence. Include an examination of the integration of these disciplines as they currently exist within DIA. Provide recommendations to the ASD(C3I) by 1 June 1991.

(U) i. Establish standards for and monitor Military Department personnel fill of intelligence billets in DIA. Establish a program to maintain within DIA the appropriate military manning level and other factors necessary to ensure a strong military experience base and focus on support to military operations.

(C) j. Examine the use of DIA intelligence reserve forces and refocus/restructure the use of these forces to better support defense intelligence for contingency/surge support. [redacted] Provide the results to the ASD(C3I) by 1 October 1991.

(U) k. Examine centralized procurement of specialized supplies and equipment for defense intelligence and examine the potential for establishment of an intelligence procurement support organization providing common support on a fee-for-service basis. Submit recommendations for ASD(C3I) review by 1 February 1992.

(U) l. In consultation with the Director, NSA, examine the potential for centralized processing, printing, and product dissemination. Report the results of your examination to the ASD(C3I) by 1 February 1992.

(U) 3. The Secretaries of the Military Departments will ensure that, in preparing system threat reports for acquisition category I,II; III and IV acquisitions, and highly sensitive classified programs, component intelligence commands or agencies use threat information, to include the target data base, and assessment procedures which have been validated by DIA.

(U) **D. OBJECTIVE:** <u>To strengthen the counterintelligence (CI) functions of the Department of Defense.</u>

(U) The effectiveness of U.S. counterintelligence has come under criticism in recent years, particularly because of the numerous highly publicized exposures in the mid-1980s of Americans who had seriously damaged U.S. security by transmitting large quantities of classified information and documents to foreign intelligence services. Participants in the CI effort note that exposure of the espionage cases can be viewed as the result of U.S. counterintelligence improvements.

(U) Considering the openness of U.S. society and the known presence of sizable numbers of foreign agents in the United States and in overseas areas where U.S military forces are based, it is reasonable to believe that efforts to penetrate and recruit DoD personnel remain active. The fact that in most of the exposed cases the

treasonable activity had been underway over a period of years itself supports a need for improvement in CI.

(C) Intelligence and counterintelligence are mutually dependent. [redacted]

~~(C)~~ U Counterintelligence is so related to other intelligence activities that it should be consolidated under a single official, the ASD(C3I). Currently, the USD(P) is responsible within OSD for CI and security policy, and investigative matters. The DUSD(SP) is program manager of the NFIP DoD/Foreign Counterintelligence Program (FCIP) and the Security and Investigative Activities Program. The DoD FCIP is the only DoD component of the NFIP that is not already under ASD(C3I) program and budget oversight.

(C) The consolidation of CI and security countermeasures with the other intelligence and information activities of the Department under the ASD(C3I) offers distinct advantages. [redacted]

~~(C)~~ U Within USD(P), there currently are several security-related functions which could remain without a significant impact on the integration of counterintelligence and security. These functions include the implementation of National Disclosure Policy; support to negotiation of international security agreements; responsibility as the NATO Security Authority; the policy role in nuclear surety; responsibility for policy, procedural guidance and oversight of the Department's Special Access Programs; investigative programs, industrial security; and FORDTIS/FVS automation. The transfer of remaining security countermeasures activities which are required for the integrated protection of Defense information -- personnel, physical, technical and administrative -- are under consideration for transfer to the ASD(C3I).

IMPLEMENTATION:

1. (U) The Under Secretary of Defense for Policy and the ASD(C3I) will develop a plan to realign the staff responsibilities and concomitant resources for security countermeasures to provide an aggressive, strengthened, and improved DoD counterintelligence and security countermeasures program, and to continue

essential integrated security support to critical Policy-related functions. Submit this plan to the DEPSECDEF for approval within 30 days.

2. (U) The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will:

(C) a. Effective immediately, assume OSD staff responsibility for development of policies, plans, and programs and oversight of their implementation with respect to the counterintelligence activities of the Department of Defense. [redacted] Take appropriate action to transfer, integrate and align these functions with intelligence and information security.

(U) b. Within 30 days of the approval of the action in para D.1 above, develop an OASD(C3I) organization proposal to provide an adequate structure for the counterintelligence and security countermeasures transferred.

(C) c. Upon completion of the action in para D.1 above, develop and implement a plan for strengthening counterintelligence and security countermeasures (CI&SCM) activities within the Department. [redacted] Report the results of your efforts to the SECDEF/DEPSECDEF by 1 September 1991.

(U) d. Develop and implement a plan to make counterintelligence a more attractive career field in the DoD components and to put added emphasis on the acquisition of investigative skills in CI training.

(U) E. OBJECTIVE: To improve the Department's ability to provide centralized resource management and planning services for the Department's intelligence programs.

(U) Since 1976, the basic organization of the OSD intelligence staff has remained largely unchanged. That staff organization, as much so as other activities of the Department, was influenced by the dominance of the Soviet/Warsaw Pact threat. The staff concentration has focused upon two missions in a general sense; the stewardship of DoD interests integral to the National Foreign Intelligence Program, and internal DoD intelligence support to operational Combatant Commands.

(U) While these missions still pertain, the allocation of staff time and attention has changed, influenced by significant changes in geopolitics and secondary factors such as swings in intelligence budget levels.

(U) As a consequence, some rather dramatic organizational revisions are now in order to better enable the OSD Staff to perform the job expected in the changing world and in light of other Defense intelligence community changes prescribed herein.

(U) Increased emphasis now needs to be placed upon intelligence policy, planning guidance, program review and approval, financial execution and the integration of NFIP and TIARA programs. To accommodate this increased emphasis and to

streamline and strengthen management oversight for all DoD intelligence and related activities, the ASD(C3I) will restructure his staff in accordance with the organizational proposal attached to this plan (Tab I).

IMPLEMENTATION:

(U) The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will:

(U) 1. In coordination with the Director of Central Intelligence and appropriate intelligence community interagency groups, and in consultation with the USD(P), the CJCS, and the Director, DIA, formally reorder Defense intelligence priorities to emphasize quality analysis and reporting of strategically important intelligence on a worldwide basis, with an appropriate balance between focus on the Soviet Union/ Warsaw Pact and on other areas of the world. Publish the results of your initial efforts by 1 August 1991 and maintain the currency of the priority listing through periodic zero-based reviews of standing intelligence requirements. Ensure that Defense intelligence collection and production efforts reflect these priorities.

~~(C)~~ U 2. Transfer the responsibilities for program management of the General Defense Intelligence Program (GDIP) from the Director, Defense Intelligence Agency to the OASD(C3I) Principal Deputy for Intelligence (PDI). Ensure that the Director, DIA has explicit authority to enforce the management responsibilities assigned in this plan. The ASD(C3I) will also take actions to formalize the role of the Military Intelligence Board (MIB) in providing him advice on military requirements for the General Defense Intelligence Program.

(U) 3. Establish management procedures to improve the effectiveness and efficiency of the management of intelligence resources. Ensure that Service intelligence programs integrate NFIP and TIARA activities to the greatest extent possible, including the elimination of unnecessary redundancy.

~~(C)~~ U 4. Work closely with the DoD Comptroller to ensure that DoD components maintain the integrity of NFIP resources at every step in the planning, programing, and budgeting cycle. This should include procedures for ASD(C3I) concurrence in and DCI coordination on all resource changes other than across-the-board price and pay adjustments.

(U) **F. OBJECTIVE:** Other actions to improve the efficiency and effectiveness of Defense intelligence.

(U) Other measures which must be addressed are areas of general concern to the Department in its conduct of and support to intelligence activities. These include: the establishment of a policy level mechanism to assist in the shaping of Defense intelligence policy through the full exchange of views on the effectiveness and focus of Defense intelligence; improvement in the interoperability and compatibility of intelligence systems; improvement in our ability to filter the huge input of data to get the necessary information to the Combatant Commander so that he might make timely decisions; examination of the impact of intelligence data loading on information and communications systems; improvements in the recruitment of civilian intelligence personnel and the use of reserve personnel; and consolidation of intelligence training. In addition, we need to examine ways to improve the efficiency and effectiveness of the MC&G requirements system so that we are able to

provide improved support to the Combatant Commanders and the Defense intelligence community.

IMPLEMENTATION:

(U) 1. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) will:

(U) a. Establish a Defense Intelligence Policy Council (DIPC) to provide advice in the shaping of Defense intelligence policy through the full exchange of views on the effectiveness and focus of Defense intelligence. The DIPC will advise the ASD(C3I) in ensuring that Defense intelligence policy, programs, and priorities are fully integrated with and supportive of national and international defense and foreign policy strategies and programs. The DIPC will include a representative of the Under Secretary of Defense for Policy, the Assistant to the Secretary of Defense for Intelligence Policy, and the Directors of the Defense Intelligence Agency and the National Security Agency, and others by invitation. The Principal Deputy for Intelligence will serve as the Executive Secretary for the Council. The ASD(C3I) will chair the DIPC. Meetings will occur at the call of the chair or at the request of the USD(P) or ATSD(IP). If the USD(P) has a special interest in a topic, he may attend a meeting and would co-chair the Council.

(U) b. Take steps to improve the interoperability and compatibility of intelligence systems. Implement a program to ensure the development or acquisition of automatic data processing equipment for use within Defense intelligence is consistent with DoD information management principles to include the use of defense-wide standards and the integration of intelligence communications within the overall Defense communications architecture.

(U) c. Establish management procedures to evaluate in a systematic and structured manner the contribution of existing and proposed intelligence collection, production and reporting to the data loading of communications systems and Defense intelligence users. Provide an annual report to the Secretary and to the Chairman, Joint Chiefs of Staff outlining this data loading and make recommendations on ways to apply the principles of information management to reduce this load.

(U) d. Examine the potential for establishment of a civilian "scholarship" system to recruit initial entry intelligence personnel.

(U) e. Examine the further consolidation and streamlining of intelligence training activities as the size of the force is reduced.

(U) f. Coordinate closely with the ASD(SO/LIC) on all restructuring issues involving intelligence support to special operations and low-intensity conflict.

(S) 2. The Director, Defense Mapping Agency (DMA) will reexamine the priority system for allocating and apportioning resources for MC&G support and develop recommendations for increasing the efficiency and effectiveness of the requirements system. Provide your recommendations to the ASD(C3I) for review by 1 June 1991.

(U) 3. The Director of the National Security Agency will:

(C) a. [redacted]

(C) b. [redacted]

(C) c. [redacted]

(U) **G. EFFECTIVE DATE:** This plan is effective upon approval.

TAB I

TO

THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

OASD(C3I) REORGANIZATION PLAN

TAB I TO THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

PROPOSED ORGANIZATION

The main body of the proposed Plan for Restructuring Defense Intelligence outlines the major organizational changes recommended to improve intelligence support for the Unified and Specified Commands, streamline the organization of the intelligence structures of the Services, and improve the quality of the Defense Intelligence Agency. A strengthened OSD organizational framework must be put in place to support and oversee the revitalization of the Defense intelligence function. The Assistant Secretary of Defense for Command, Control, Communications and Intelligence (ASD(C3I)) will organize his staff to execute the responsibilities outlined in the proposed implementation plan.

This reorganization will include the consolidation and streamlining of existing intelligence, counterintelligence, and information systems security policy, planning guidance programming, and budgeting functions. The OASD(C3I) staff will be reduced and focused on policy, requirements and end-to-end program integration. The General Defense Intelligence Program (GDIP) Staff will be reduced. To provide the OSD Staff with valuable technical and program execution assistance, the ASD(C3I) will establish an Intelligence Program Support Group (IPSG). This activity will assist in the development of a more effective and efficient Defense intelligence program. The IPSG will be formed through the consolidation of existing DIA, GDIP and OASD(C3I) staff elements. Although assigned to the DIA for general housekeeping, resource management and administrative support purposes, the IPSG and GDIP Staff field activities will be under the authority of the ASD(C3I). In earlier action, the Deputy Secretary of Defense approved, within OASD(C3I), the establishment at the Principal Deputy Assistant Secretary level of a Director of Defense Information to provide a focus for information management across the Department. Similarly, in order to more effectively manage and integrate Defense intelligence, counterintelligence, and informations sytems security functions, the ASD(C3I) will redesignate the existing OASD(C3I) Principal Deputy Assistant Secretary staff position as the Principal Deputy for Intelligence.

A proposed ASD(C3I) organizational chart is at Enclosure 1. A summary chart of personnel requirements is provided at Enclosure 2. A chart depicting the manpower transfers/summary resources is at Enclosure 3. The target for putting the restructured organization in place is 1 May 1991. A description of these organizations follows:

Principal Deputy for Intelligence - PDI

The Assistant Secretary will be supported by a Principal Deputy for Intelligence (PDI) who will execute those responsibilities delegated by the ASD(C3I) and will have overall responsibility for the implementation of the restructuring plan including the development and implementation of intelligence, counterintelligence, and information system security policies, programs, and standards, and oversight of all aspects of Defense intelligence, counterintelligence, and information system security management, technology and systems. The PDI will provide central policy review and harmonization of Defense intelligence, with counterintelligence priorities, programs, and budgets. He will ensure that requirements are consistently and objectively evaluated, that appropriate resources are applied to essential tasks, and that the budget presented to the DCI represents a correlated Defense effort. His authority and responsibilities include the functions of Program Manager of the GDIP and FCIP as well as staff oversight of the GDIP Staff.

ENCLOSURE 1

TO TAB I

OF

THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

ASD(C3I) ORGANIZATIONAL CHART

Deputy Assistant Secretary of Defense (Intelligence) - DASD(I)

The office of the DASD(I) will be restructured and reduced in size to provide more focused OSD Staff policy oversight of Departmental intelligence activities through the development of Defense intelligence policy and planning guidance, control of the intelligence budget, management of the Defense intelligence requirements process, assessment of customer satisfaction, and the evaluation of the performance of the various elements of Defense intelligence. To strengthen the integration of Defense intelligence, the DASD(I) staff will be augmented with four senior intelligence experts who will provide Departmental oversight of each primary intelligence discipline. These individuals will have responsibility for ensuring the "end-to-end" integration of national and tactical intelligence, including TIARA, throughout the Department. The DASD(I) and staff will receive technical and program execution support from the ISPG.

Director of Special Technology

This OASD(C3I) office will continue to manage for the ASD(C3I), through the PDI, the development and acquisition of very sensitive intelligence technologies.

Deputy Assistant Secretary of Defense (Counterintelligence) - DASD(CI)

Upon approval of the transfer of counterintelligence functions to the ASD(C3I), the position of Deputy Assistant Secretary of Defense (Counterintelligence) (DASD(CI)) will be created in OASD(C3I) to provide OSD staff oversight of Departmental counterintelligence activities and to integrate these activities with the information security functions currently resident in OASD(C3I). The OASD(C3I) computer and telecommunications security functions will be transferred to the DASD(CI). The DASD(CI) staff will be organized to oversee counterintelligence, information systems security and security countermeasures programs to be finalized within 30 days of approval of this plan. Computer and telecommunications information security will be coordinated with the other communications and computer activities of the Department.

Intelligence Program Support Group - IPSG

The ASD(C3I) will create an IPSG through the consolidation of elements of the existing staffs of the DASD(I), the GDIP, and DIA. This consolidation will result in a net reduction of thirty-six personnel -- a twenty-one percent reduction in the staffs now performing these functions -- and streamline the performance of the intelligence management function.

The IPSG will perform assessments to ensure that Defense intelligence products are accurate, timely and useful; will enhance defense intelligence resource management; will monitor the execution of intelligence programs; will ensure the integration of intelligence architectures and programs; will support technology development programs; and will further strengthen Defense influence within the NFIP process.

GDIP Staff

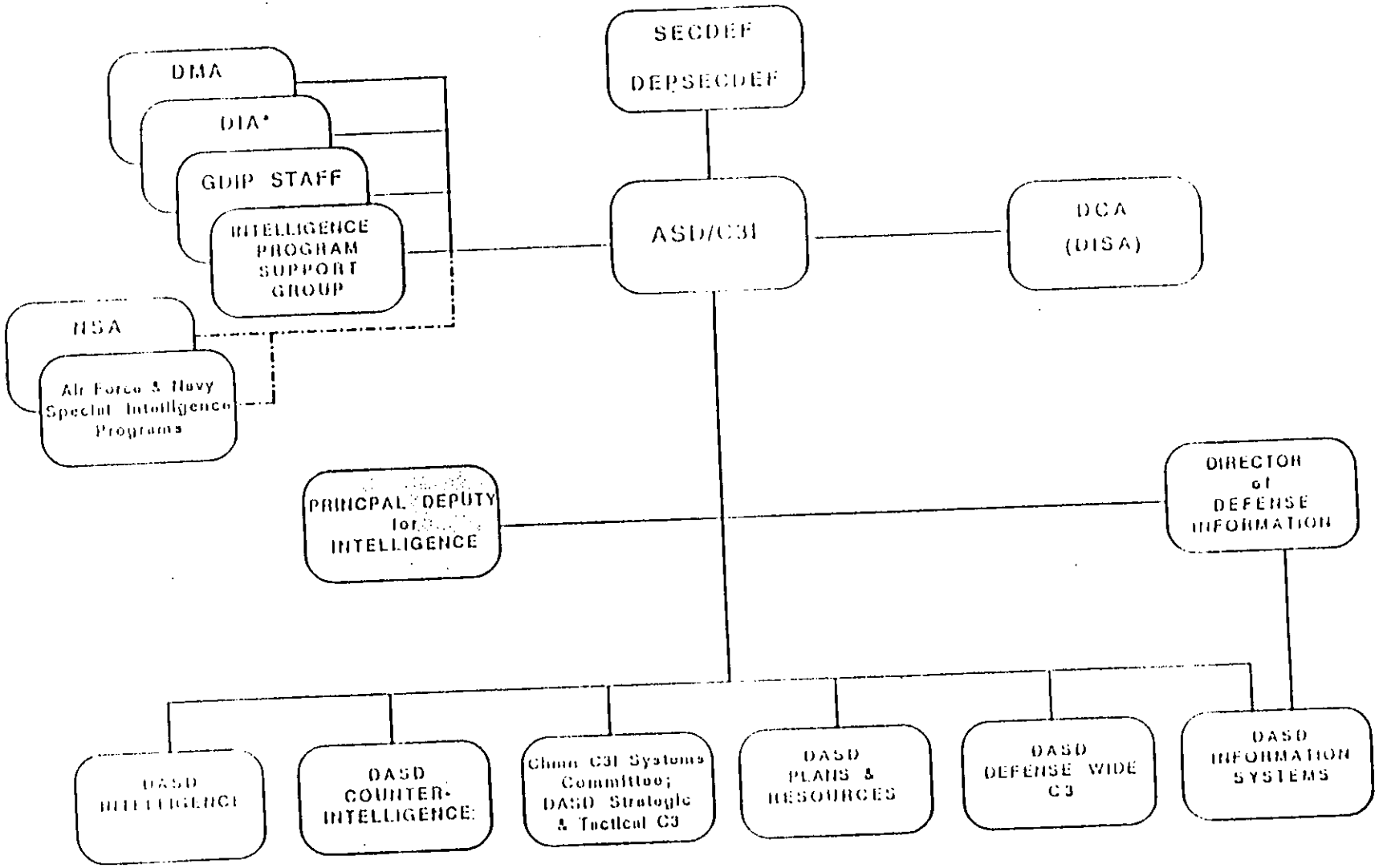
The ASD(C3I) will restructure and reduce the size of the existing GDIP Staff. This staff will report to the ASD(C3I) through the PDI, in his role as the GDIP Program Manager, and will provide all administrative and program related support functions required by the PDI. The reduction in the size of the existing GDIP Staff is the result

of the assumption of non-budget functions by the IPSG and the elimination of duplicative activities.

Enclosures:

1. ASD(C3I) Organizational Chart
2. Personnel Requirements for Intelligence Reorganization
3. Summary Resources

PROPOSED ORGANIZATION OF OASD(C3I)



* General housekeeping, resource management and administrative support to the GDIP Staff and IPSG

Staff Supervision -·-·-·-·- New Activity

OASD/C3I 910227

ENCLOSURE 2

TO TAB I

OF

THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

PERSONNEL REQUIREMENTS

FOR

INTELLIGENCE REORGANIZATION

PERSONNEL REQUIREMENTS FOR INTELLIGENCE REORGANIZATION

	SES	Prof 14/15 Civ/Mil	Admin Civ/Mil	Total
OASD(C3I)				
PO for Intelligence: GDIP Program Manager	1			1
Staff		1/1	1	3
Subtotal	1	1/1	1	4
OASD (Intelligence)	1		2	3
Military Assistant		0/1		1
Subtotal	1	0/1	2	4
Director of Policy and Planning	1		1	2
Staff		5/2		7
Subtotal	1	5/2	1	9
Director of Requirements and Assessments	1		1	2
Staff		4/3		7
Subtotal	1	4/3	1	9
Office of Defense Intelligence Functional Oversight			1	1
HUMINT	1			1
IMINT	1			1
MASINT	1			1
SIGINT	1			1
Subtotal	4		1	5
Subtotals	7	3/6	5	27
Director of Special Technology	1		1	2
Staff		3		3
Subtotal	1	3	1	5
OASD(C3I) TOTAL	9	12/7	8	35
GDIP STAFF				
Director, GDIP Staff	1		3	4
Staff	1	12/10		23
TOTAL	2	12/10	3	27
INTELLIGENCE PROGRAM SUPPORT GROUP (IPSG)				
Director, IPSG	1	3/1	1	6
Deputy Director for Program Oversight	1		2/1	4
Staff		5/6		12
Subtotal	1	5/6	2/1	16
Deputy Director for Products and Customer Support	1		1/1	3
Staff	1	12/14		17
Subtotal	1	12/14	1/1	20
Deputy Director for Architectural Development	1		1/1	2
Staff	1	14/11		25
Subtotal	2	14/11	1/1	29
NATO BICES Program	1			1
TOTAL	7	35/32	5/3	72

ENCLOSURE 3

TO TAB I

OF

THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

SUMMARY RESOURCES

ENCLOSURE 3 TO TAB I OF THE PLAN TO RESTRUCTURE DEFENSE INTELLIGENCE

SUMMARY RESOURCES

	WAS	IS	NET TO OSD	NET TO DIA	TOTAL
OASD(C3I)					
PDI	0	4	+ 4		+ 4
DASD(I)	36	27	-9		-9
SPECIAL TECHNOLOGY STAFF	5	5	0		0
GDIP STAFF	50	27		-23	-23
Intelligence Program Support Group (IPSG)	0	72		+ 72	+ 72
DIA Policy, Architecture and Liaison Functions	80	0		-80	-80
TOTAL	171	135	-5	-31	-36