



**Remarks and Q&A by the Director of National Intelligence  
Mr. Dennis C. Blair**

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*Video of this event is available online at [www.dni.gov/video](http://www.dni.gov/video).*

GOVERNOR THOMAS KEAN: I, first of all, want to thank all the participants on behalf of Lee Hamilton and myself for what I think was an excellent program this morning and one that I learned a lot from and I hope you did also. As the Office of the Director of National Intelligence approaches its fifth anniversary, we're very pleased to have the director here with us today.

As Adm. Blair is well aware, the attempted Christmas Day attacks in the skies over Detroit reminded us that the threat from al-Qaida and radical groups still remains extremely strong and that there are other threats facing the country, including cybersecurity, the threat from weapons of mass destruction and of course, the new worry about homegrown terrorists.

As we consider these threats, it reminded us, many of us, of the need to establish the DNI to begin with and a National Counterterrorism Center. The DNI has been charged with breaking down bureaucratic, cultural, technological and policy barriers to make the Intelligence Community more as a joint enterprise, including improving management and information sharing, so we are best positioned to meet whatever these new threats happen to be.

I remember as we discussed the position of the DNI very early on and the difficulty in figuring out with all the things we had in the mind that we wanted the DNI to do, how would we ever find the right individual to do all those things and to do them well? Well, we have the right person here today. Adm. Blair's background makes him highly qualified to meet every one of our challenges.

Prior to becoming the nation's third Director of National Intelligence in 2009, Adm. Blair served in the U.S. Navy as commander-in-chief of the U.S. Pacific Command. That's, by the way, the largest of the combat commands. During his 34-year career, Adm. Blair served on guided missile destroyers in both the Atlantic and the Pacific Fleets and commanded the Kitty Hawk battle group.

Ashore, he served as Director of the Joint Staff as the first Associate Director of the Central Intelligence for Military Support at the CIA. He's also served as budget and policy positions at the National Security Council and several major Navy staffs. Nineteen sixty-eight graduate of the U.S.

Naval Academy, he earned his master's degree in history and languages from Oxford University. And of course, he was there as a Rhodes Scholar. Please join me in welcoming Adm. Dennis Blair. (Applause.)

DIRECTOR DENNIS C. BLAIR: Thanks very much, Tom. When I received the invitation to this group and I saw the list of panelists who would proceed me, I felt sort of like that character that Robert Duvall played in "Lonesome Dove" when he said, you know, if you're going to be hung, it might as well be by friends (Laughter).

But hearing that second panel, seeing the seriousness of the discussion so far, it's anything but a hanging. It's a serious, serious consideration of where we go from here. And I'd like to thank Congressman Hamilton, Gov. Kean for not only the work that really led to the Intelligence Reform and Terrorism Prevention Act, but even more unusually, I think, the sort of continued drive to ensure that the ideas that were started then are keeping alive, to reexamine, to update, to refresh and to push them on. So thank you both for not only this event itself, but all the work you've done. And I'd like to formally recognize your contribution. (Applause.)

So it's worthwhile to take some time to look back over this history of intelligence reform as we celebrate the fifth anniversary of the establishment of the Office of the Director of National Intelligence, established by the legislation of a few months earlier and the bipartisan report that preceded that.

And although most of this is pretty dry policy, I do have some breaking news. There is going to be a new DNI very soon, Donovan McNabb. (Laughter.) Oh, I'm sorry, that's the director of the CIA is going to be Donovan McNabb, I got that wrong. (Laughter.) Oh no, that's just a foreign intercept of uncertain reliability, so maybe he's going somewhere else. I don't know. (Laughter.)

But no, I understand that David Shedd set the stage first thing this morning with a recap of what led to intelligence reform back in 2004. And looking back even further over the Intelligence Community's history, going back to key milestones from 1947, right up through to 2001 and then the standup of ODNI five years ago, this very month.

The first panel with Jane Harman, Mike Hayden, Fran Townsend, moderated by Walter Pincus and we'd like to thank you all for the read-ahead that you published this morning in the paper. (Laughter.) But that panel did a good job of looking at how our safety and security have been improved since the Intelligence Reform and Terrorism Prevention Act and I'll comment a little bit on that subject as well.

And then I very much enjoyed the final panel, which I had the chance to attend – those who are involved in that, very thoughtful and successful practitioners of meeting the Intelligence Community at the highest levels; and what they have to say has serious weight and certainly made sense to me.

There are really two foundational questions that I think we are addressing in our proceedings during this day. And the first is this: What progress have we made in achieving the intent of IRTPA? Has it improved the performance of the Intelligence Community? We Americans are an impatient

people. As you parents know, it's even possible to have your children complete their undergraduate education in five years, so – (Laughter) – we should be able to get this done.

But I'm – and I won't go to the far extent of repeating the – when I'm asked this question, I'm tempted to give the answer that Zhou Enlai famously gave to Henry Kissinger's query about the results of the French Revolution, when he replied, "It's too soon to tell." And somewhere between those, I think, is a serious evaluation of where we stand in terms of making the progress that was envisioned when that act was passed.

So let me offer some observations on that first question. The second foundational question, I think, is this: What should the Intelligence Community look five years from now? Looking at the same amount of time in the future. How can this organization of 17 intelligence agencies and bodies fulfill its promise of a United States that's safer from threats – better able to take advantage of opportunities, whether they're posed by nation-states or non-state actors? And if there are obstacles toward achieving that vision, what are they and how can we knock them down?

Now, starting off by looking back a bit, I know that David Shedd touched on some of the history of the Intelligence Community already, but I think we have to continually remind ourselves of the extremely important context of what we're about in the Intelligence Community in the 21<sup>st</sup> century. The conversation we're having here today is meaningless if we don't really set where we are in history. The slate is not clean.

The United States has traditionally viewed intelligence as a somewhat secretive, somewhat uncomfortable activity that you kind of have to do. It seems incompatible with the great experiment of an open, a transparent democracy that really lies at the foundation of the American contract. Intelligence was perhaps a necessary evil during the Cold War, an important component of power as we faced an implacable enemy who was attacking our very existence.

But times have changed. The threat has changed, and how does that all affect the Intelligence Community? Most of us here in this room buy the basic necessity for intelligence; but I find when we have this conversation widely in the country, there are fundamental questions that are asked. And these questions are difficult. They're complex. They're only going to be answered in the United States by that interaction of the three branches of government over time, through a public discourse and through national decisions.

And yet, within that context, while we're reaching that national consensus, while we're getting to the next stage of what we want this intelligence enterprise to be like, how we want it to act, what we want it to do, what we want it not to do, we've got a job to do with the tools we have. We've got to get on with our business.

I left briefing the President this morning; there are decisions to make. We've got to move. So in the rest of my remarks, I'd like to talk about that progress that we have made, the challenges before us, and I think the very real steps that we can take to make the Intelligence Community even better and therefore the country even safer than we are now.

I think that looking back, the overall objectives of the Intelligence Reform and Terrorism Prevention Act were on target. I think that it both inspired and allowed significant improvements in the national intelligence enterprise. I benefit from those as the third Director of National Intelligence, and they provide many of the tools that I can use to make further progress because my feeling is also that the implementation of these objects of IRTPA is very much still a work in progress.

While the Intelligence Community often acts in an integrated and agile fashion, and while many are doing their best to work seamlessly together, our ability to do that – to innovate, to cross traditional boundaries – often falls well short of our adversaries’ ingenuity and nimbleness being used against us.

But yet, this complex and dynamic world is placing an even greater premium on integration and agility. I think 12/25 showed us that yesterday’s improvements from 9/11 are not adequate to meet today’s problems, much less tomorrow’s problems. And it’s natural that left to their own devices, agencies will focus on their own strengths, rather than a contribution of others, as they answer new challenges.

They’ll cooperate in ways that benefit their own interests, but left to their own devices, they’re not likely to take the most difficult steps necessary to move forward, or even to be able to envision the full collaborative potential of a fully integrated intelligence enterprise. There needs to be not only a jolt – 9/11 certainly provided one to this country – but also a continuing drive mechanism.

And I think that function is what my position and my staff were designed by the IRTPA to create: a group that wakes up every morning worrying about nothing but improving the nation’s intelligence, through more capability, better teamwork.

We’re looking back five years to the beginning of DNI. Let’s look five years forward. As we continue to mature the IRTPA model, three achievable goals would help us to become a much more effective Intelligence Community, with better intelligence for everyone from the president down to the soldier in the foxhole, the USAID worker, out in a Provincial Reconstruction Team, or the diplomat in an embassy.

These goals are: first, a cadre of joint leaders instinctively working together across the full range of intelligence activities. Two, covert action, fully integrated with the other tools of national power. And three, integrated collection and analysis – relentless sharing of intelligence to support policymakers and operational officials. And I’ll talk to each of these.

Let me start with this Intelligence Community leadership, because it really is the people who determine the effectiveness and the capability of an organization. While those at the very top, the agency heads, can make a difference, the tone and the accomplishments of the entire enterprise will be set those next several layers, particularly of the major intelligence agencies. If we’re going to achieve an Intelligence Community that self-forms quickly into teams that are greater than the sum of their parts, it will be these leaders who make it happen. They’ll carry on the ethos as agency heads and DNIs come and go.

Here's my bottom line assessment up front of where we are. This current level of leaders in the Intelligence Community is very skilled in their individual fields of expertise. They show some flexibility in adapting the individual strengths of their agencies to meet new challenges in innovative ways. However, they are often stopped short of the best solution for the country by the boundaries of institutional prerogatives and by traditions.

Already in my year on the job, I've seen multiple examples of attacks on problems by throwing together interagency teams – and teams led by officials at those levels that I'm talking about go off, pool their knowledge, starting with a charge and a great deal of initial enthusiasm coming up with a solution.

But I find that when we review those after six months, seven months, we find that they've only gone a certain direction. That extra set of hard steps need to be taken that really involve breaking some institutional glass and doing things in a new way; they've not been able to reach. It's partly a question of authorities, but it's also partly a question of the training, the background, the selection of these leaders.

Now, interestingly, I find that the intelligence officials who are the most committed and imaginative, least parochial, who are really doing amazing things, are most often the more junior officers out in the field – especially in war zones. And I'll talk a little bit about that later. Out there I see imagination, innovation, selflessness, mission dedication and amazing things that are being done.

So my vision is that we will have achieved success in this important area when senior intelligence officials work instinctively as a team to address important resource, policy, operational support issues – when they're willing to bend their home agency institutional interests to the greater good. Rather than thinking of themselves only as members of a particular agency, they'll naturally think of themselves as part of a larger Intelligence Community.

Here are three practical recommendations. They're in progress, but they need to be driven to build that kind of agency leadership: First, as mandated by the IRTPA, every officer must serve in a joint job before he or she can be promoted to the Senior Intelligence Service. Now, this program, as Director McConnell – former Director McConnell mentioned – is underway.

But we need to toughen this requirement so the jobs that earn joint duty credit are those that provide real experience in the capabilities and the culture of other agencies. I can tell you that once you've served a significant period of time outside your home agency in the atmosphere of another agency, you go back to your former duties a changed person. You have real understanding of what can be done. So that's number one.

Second, we need more thorough succession planning within the agencies, conducted basically by the agency leadership itself, but overseen by the DNI. Succession planning will ensure that officers promoted to leadership roles in the individual agencies truly have the right qualifications and the joint ethic. Succession planning is also necessary for other goals that we're pursuing for the leadership of the Intelligence Community – diversity and breadth – as well as parent agency skills.

And third, we need to continue to improve joint education. We've started new joint training courses for entry-, mid-level and senior intelligence officers this year. And we'll look to continually improve them. The curricula of these courses must be continually updated and refreshed. We're learning the best examples; best practices are coming all the time. And as I mentioned, primarily from the field in. And we have to plow those back into the education so that those who are in the courses can take full advantage of them.

In addition, many courses are taught by the agencies themselves, as former Director McLaughlin said. And these must be broadened to cover that full range of factors that come into play when you're doing either analysis and collection in the contemporary world. Whole areas of open-source intelligence, the effect of networks – these are things which are – have a great effect on the sort of activities we do in collection and analysis. And they're developing all the time and we have to plow those into our education system.

But we can do all this. And I believe that when the next generation of intelligence leaders moves into the top jobs, their experiences will make them better joint leaders. They will more instinctively pool skills and capabilities. And I think one of my most important jobs as the DNI is to force-feed, to speed up this process so that that day arrives sooner rather than later.

Let me turn to the second goal that I think is achievable in the next five years. And that's covert action. And it's difficult to talk about in an unclassified forum, but covert action is an essential component of national power that we as a nation need to strive to get right. And this is our second achievable goal in five years. Again, let me give you the bottom line, up front assessment.

When it comes to the activities in which the hand of the U.S. government must be hidden, we must acknowledge that context – the whole surrounding conditions for this activity – have changed in fundamental ways. There are many more overt tools of national power available to attack problems in areas of the world that were previously the place where only covert action could be applicable.

Secrecy over time is much more difficult now than it was in the past, thanks to cameras, reporters, media. And national consensus on national security issues has diminished with the end of that overarching threat of the Cold War. Information networks are dispersing the activities and the capabilities of both adversaries and friends around the world in very complex and dynamic ways.

So my vision for covert action is that it should be an important component of an overall integrated government approach involving diplomatic, military, economic and information actions, all integrated towards the same goal. The specific recommendations that I make within the government in these areas can only be discussed in classified settings.

And this administration is ensuring that covert action takes place in the larger policy context, that it's linked with related activities by other departments and agencies. We still need to work on measures of effectiveness, how to identify them, establish them, assess them – so that we can relate resources to results. Enhanced coordination using all these available instruments of national power is essential, and that coordination should take place within an overall strategic framework that is approved at the highest levels.

Now, again, the good news here is that the field is ahead of us in Washington. It is instinctive for them. Intelligence operations across the board are conducted by integrated teams from all of the intelligence agencies. These teams are tied tightly with interagency partners from the Department of Defense, the State Department and other agencies. However, much of this outstanding field cooperation that I've observed is dependent on personal relationships that need to be reinforced by improved authorities and procedures, to bottle them and make best practices common as personalities change.

Now, the third achievable piece of this vision for the next five years is more fully integrated collection and analysis support, turbocharged by better information sharing for both policymakers on the one hand, and operational agencies out in the field on the other. Let me give the bottom line upfront assessment by looking at countering violent extremism – how we're doing.

This is the nation's highest priority, highest Intelligence Community priority. Those of us who work in this field know the lengths to which violent extremist groups will go to kill Americans and we're all working incredibly hard to prevent it. The agencies that make up the Intelligence Community have done magnificent individual work in this area.

NCTC, CIA, NSA, FBI, DHS, DIA and others – they've all made tremendous individual progress in their own areas. And there have been many examples of outstanding cooperation among them that did not take place in the past that were enabled both by IRTPA and by the imperative of the priority of this challenge to us.

But there are still gaps and overlaps in the responsibilities of different organizations and in the sharing of information. Our organization and assignment of responsibilities are constrained still by institutional legacies. The unsuccessful bomb on Northwest Flight 253 on Christmas Day exposed much of the remaining work to be done. And we are doing a great deal of it, but it was there before that event still, eight years after 9/11.

Now, our overall tools for assessing the contributions of each agency to a common mission – whether it be combating violent extremism, countering proliferation or activities based on a country – our tools for assessing the contributions and for assigning and resourcing their activities are generally quite rudimentary. We therefore often do what we can, rather than what we should.

There is an overemphasis on near-term requirements and a lack of attention to building capability over the long term. I'm talking about challenges such as foreign languages and cultural education, science and technology investment – many of the standard IC procedures. And if this is true for a priority mission like countering violent extremism – and it is – it's even more true for other intelligence priorities.

My vision – how we'll know when we've achieved success in this area – is when the Intelligence Community can first link the collection contribution of each intelligence discipline – the "INTS": human intelligence, signals intelligence, geospatial intelligence and other technical means. When we can link these contributions and the appropriate contributions of each analytical organization which takes these reports and turns them into analysis – when we link them to the prioritized

intelligence requirements of the country. And second, when we can then assign roles and responsibilities appropriately for those challenges.

The vision is for all information collected by both foreign-centered and domestic-centered agencies to be available to all analysts who need it and are authorized to handle it. The vision then is for the analysis to be provided quickly – both the policy officials in Washington, operational officials in the field – throughout the government at all levels – state, local and tribal, as well as federal – and to foreign partners.

Now, to achieve this, we're building an improved resource analysis system which was based on the program that was started under my predecessor. This system is designed not only to set objectives for the separate agencies to allocate resources, and then to hold them to their objectives and to measure their performance, but it's also to make analytically based cross-agency tradeoffs. We may never be able to compare the mythical value of a pound of one "INT" versus a pound of another "INT," but we can make resource decisions that benefit the Intelligence Community as a whole, rather than simply divvying up resources among competing agency needs.

We've really only scratched the surface on true information-sharing. It's true that we have made much progress in this area within the IC. Now, I certainly salute my predecessor. Adm. McConnell signed a seminal policy before his departure that established a model for the discovery and the sharing of information based on identified mission needs.

But the implementation of this important policy is a significant challenge. It's one of those easy to say/very, very, hard to do items that we're working on. There are countless security and technical barriers; for example, those inherent in making disparate computer systems compatible with one another. It will take continued management attention and really dogged execution to reach our goal which is information available to anyone, anywhere, constrained only by law and policy, not by technology.

We're beginning to exchange this information within the Intelligence Community itself, but that's only in itself the beginning. We need to accelerate that exchange of information across the federal government and then, as I said, improve sharing with state, local and tribal governments and with foreign partners. There are many, many promising individual initiatives which I see every day and in which we see flashes of the possibilities of this sort of sharing. But it will take many months of hard work to spread these examples more widely until they become common.

Real success in information-sharing requires that we address security reform also at a root level. We can't succeed without fundamental security reform and the removal of the barriers to sharing, many of them largely self-imposed either by practice or by policy. I am talking about issues related to clearance reciprocity, management of controlled access programs, the implementation of responsibility to provide as the basis for sharing information and a host of technical problems which are part of this.

As part of this work, we're also working on sharing information at the level of database access. If we are to be as fast as the threat we face, we must have access to databases of raw material across departmental and agency lines. There often isn't time or resources to turn databases into finished

reports, sending finished reports that can then be indexed, shared and turned into analysis. So we're developing ways to handle unstructured data with sophisticated search tools across the agency lines in a secure manner and we must do that if we are to keep up with the threat.

And through it all, we have to continue to drive information-sharing but we also have to ensure that the privacy and civil liberties protections of Americans are maintained intact. That's not just lip service, it's an essential part of being an American Intelligence Community. As important, a part of getting it right is ensuring that all of our activities take place within the boundaries of our Constitution and of our laws.

So those are my three areas. When it comes right down to it, I think that most of us would agree that the instinct and the vision of the authors of the Intelligence Reform and Terrorism Prevention Act were largely correct. The Intelligence Community needs leadership to achieve positive, dramatic change. Progress has been made in key areas; but there is much, much more to do. It's not so much about more authorities. The institution of ODNI mainly needs more support as it takes on these difficult tasks of integration, and more time for some of the reforms to mature. More fiscal authority would be helpful to reinforce responsibility – when I direct money and functions to be moved, I have to be able to follow up and enforce compliance.

But these three key goals, once again, are these: First, creating a critical mass of cross-agency knowledge and experience in the leadership ranks of the Intelligence Community. It's important to build from within, selecting joint-minded, educated and trained intelligence officers to lead this community. Change is hard – it took decades to overcome the negative aspects of inter-service rivalry among the services in the Department of Defense. I had been 18 years in the Navy when Goldwater-Nichols came along, and I was not terribly enthusiastic about it. I figured there was a better, obvious solution: Just get the other services up to Navy standards. (Laughter.)

But looking back on it, I was wrong. I was flat wrong. The armed forces are much more effective working together today than they were working separately and doing a lot of their fighting over who was in charge; and I see instances of the same progress in many places in the Intelligence Community. Joint duty has taken us part of the way and in individual pockets, it's taken us an incredibly long way. But it's going to take a generation to fully change mindsets and create the joint intelligence officer of the future. I'd like that to be a Moore's Law generation, not a human generation, that we get that done. We have to learn that you can still take pride in being from an agency, but you also take pride in the accomplishments of the team: what you are able to do together.

I'm encouraged because the younger generation that I interact with in the Intelligence Community sees themselves more readily as players on a team, with more professional and personal opportunities because of integration than at any time in history. They are excited by different experiences, moving around, bringing things together innovatively; and that's the kind of ethos that we need to encourage and that's the kind of ethos that we need to take over this organization.

Our second goal is to enhance the effectiveness of covert action within integrated national security policies, guided by clearly articulated principles that inform current and proposed activities. And

our third goal is to truly drive a truly integrated collection and analysis, turbocharged by information-sharing, across the Intelligence Community.

Now, the Intelligence Community elements have specialized skills, but the ODNI is the one place where integrated thinking is the normal way of doing business. It's the expectation. The ODNI's cross-community perspective does make it more likely that all who can will be invited to contribute to solving an intelligence challenge that is ahead of us – that it will be directed towards a mission and that the information in order to do it will be widely shared.

That concept – the concept that right now is moving this most dramatically is the concept of mission managers. Some of them are established IC centers, like the National Counterterrorism Center, the National Counterproliferation Center; some are focused on countries – Iran, North Korea; some are functional like the Strategic Intercept Group, which is housed in the CIA. These centers all have differences of approach because of the challenges that they face, the missions that they have. But their common characteristics are a cross-agency approach to collection and analysis, a full sharing of information, very close connections to policymakers and officials in the field in getting their job done.

I think it's this mission-based information and sharing, more than anything else, is what would make DNI a real game-changer. Information-sharing, more than anything else, I believe, is the legacy, the gift, that the framers of the IRTPA gave to the nation. Because we always have to remember that intelligence reform is really just a means to an end – a means to enabling wise policy, to better supporting effective national security action. And both of these, in turn, mean keeping the country safe, secure and a haven for peaceful development in the 21<sup>st</sup> century.

If we can truly create a more effective union, a “more perfect union” of the components of the Intelligence Community, we will eventually be able to not only remove these seams that create a patchwork within today's IC, but remove the seams between the IC and those who formulate policy, strategy, plans, programs, budgets, those who conduct diplomacy, development and defense. So the motivation behind all of our discussions here today is not simply what's best for the DNI or what's best for the Intelligence Community, but what's best for the people of the United States.

We have our challenges, but we're still the most formidable Intelligence Community in the world, focused on the right problems; and we can take great pride in knowing that as we relentlessly seek out those who seek to do Americans harm, we seek to balance protection of this security and welfare of Americans with the protection of their privacy. Thank you very much for your attention. (Applause.)

GOVERNOR KEAN: Adm. Blair has agreed to take a few questions. Who's number one?

QUESTION: One of the discussions we've had earlier is the issue that the DNI does not have an operational role in carrying out operations. But one of the concepts that the 9/11 Commission talked about was that the DNI would act – they used the term “quarterback”; maybe the better term is “coach” – to call the plays, and making sure that operations that transcend different parts of the community or transnational borders would be carried out effectively. How much has the DNI

actually taken that role on and worked to call the plays, even though they're not carrying out the plays?

DNI BLAIR: I see the role of the DNI as seeing – as even more fundamental than that. It's seeing that the right plays are called and being the architect, the structure of this entire system so that it does its many functions. The Intelligence Community is so complex that it's got to be decentralized in operation. There's just no alternative. If we're going to be quick, we've got to have empowered people right down the line who are doing their job based on mission guidance not on centralized direction. So I really think my responsibility is to set up the structure that does that.

A typical example would be the preparation of the President's Daily Briefing which is, although it has the title "President" in it, it's really the intelligence briefing that goes across the top policymakers of the government. I'd say in that case, I don't always do it myself, but I see it's done well. I know the people who are doing it; we've talked about it; they go do their job. And that analogy goes through the community.

I don't have an operations center – when a crisis goes, I don't go rushing in and put on my headphone and look at the screen and push buttons. I think, okay, who's got the con for this one? Are they well supported? Are the right people there? Are the resources in place? Are the procedures taking place? So it's really sort of one step back from that in order to get the operational job done.

QUESTION: (Inaudible, off mike.) We talked a lot about changes since 1947 in the community and the laws and how they have change to the common practice of certain procedures. Since 1947, a lot of companies and industries have, frankly, gone out of business and yet the Intelligence Community, below the management level – now I'm talking about the NRO, the CIA, the agencies, the "INT" organization of the community – remains virtually like it was in 1952, 1954. Do you see any reason to be looking at whether we are organized properly by INT, and whether that needs to be changed to improve the effectiveness of the community?

DNI BLAIR: You know, my frame of reference for many of these is sort of an aircraft carrier. You look at a World War II aircraft carrier – the *Enterprise*, the *Essex* and all of it – it looks kind of like the *Nimitz* from a distance, if you make your eyes squinty. That's no comparison as to what goes on inside an aircraft carrier now from what went on back in World War II. I would say that the same is very much true of the Intelligence Community. What actually goes on is completely different from what went on with those predecessor organizations.

So I think the key is to continue to evolve organically to meet the challenges that we have. There have been some structural things – the combining of the old geospatial intelligence components of the CIA and the Defense Department into an independent agency that was done – what's now the Geospatial Agency was established. The establishment of the ODNI itself.

So I look less at the wiring diagrams than I look at the processes and results. And I think those are quite a bit different and better now. I'd tell you, when I left active duty as a senior defense officer in 2002, came back to this job in 2009, it was an incredibly more capable Intelligence Community that I saw. Things are really moving in the right direction. I think what most of us are impatient

about are seeing how much better it could be because we see examples of it done, and we just are impatient to get that moved around, to get it more widely spread.

QUESTION: You spoke of the “power to the edge” doctrine we’re using – knowledgeable people on the periphery to deal with real-time issues in a proactive, innovative, adaptive and risk-taking manner. And you’re talking about centralized management, where you have to have high-knowledge persons making decisions. You’re basically transitioning ODNI into a knowledge-management organization.

How do you either – with the information sharing issues we have, there’s a lot of problems with the fact that they don’t have the same model that you have. And then, they don’t understand the need to make a decision – like under Boyd’s OODA model quickly – to make decisions quickly in real time, like we have to deal with in cyberwarfare or cybersecurity.

This is the front we’re on now. I mean, the intelligence sharing, on a regular basis, is policy and process management, and we’re doing decision-making at the speed of policy. Yet, we have to be doing decision-making at the speed of knowledge. How are we going to transform from this old, legacy management world to the new, modern world that you’re telling us?

DNI BLAIR: I think we enable that kind of activity to take place through management.

QUESTION: Hello. My question is, what is your vision for the role of the Department of Homeland Security in the years ahead?

DNI BLAIR: I leave that to Secretary Napolitano, mainly; but I do have some views on the interrelationship between what we do on the intelligence side and how the Department of Homeland Security uses that information. And I would say that the interacting with those who are responsible for checking people who come into the country, protecting the borders, looking out for threats already in this country, is a pretty typical relationship; but we pump as much intelligence to them to get their job done, and then they use it, and then they push us harder and then we try to do more of it.

But there’s some fundamental things that I have to – that we have to develop. A great, big one is information on Americans. And because national intelligence now includes the intelligence that’s from domestic-focused agencies with those who are traditionally overseas, and because the adversaries can move back and forth so quickly over, we’ve had to make some real adjustments to break down those old barriers while maintaining the rights to privacy through the use of courts – through ensuring that laws, regulation, inspections are done right. So that’s another piece of it.

The other piece of it that I think is developing is more dynamism, in terms of what’s going on with the Department of Homeland Security. It wasn’t our only tool, but our primary tool for keeping terrorists off of airplanes was the watch list, up until fairly recently. And that was a fairly static, one-way industrial process – a name on a list; somebody doesn’t get to fly.

What we developed in the wake of Christmas Day last year is a much more dynamic way for DHS to use partial intelligence – something short of going on red alert for the entire country, but

something more than keeping one known terrorist off an airplane – for them to be able to take actions that will make the country safer in particular areas, in particular ways, based on the intelligence that we are able to generate, and then we continue to generate more intelligence to try to shape that down so that it can be more narrowed.

Eventually, we'd like to have a name so that somebody can be arrested, somebody can be stopped. But this dynamism, in terms of DHS, is very important. And I think that will be the model for what we go in the future. So those are the two big ones, I think – handling U.S. persons' data, but becoming more dynamic. And we're going in that direction; but again, need more speed. The threat's out there.

QUESTION: My question is, who keeps score? We've had a lot of questions about authorities and everything else – but who keeps score? Who does the evaluative process of, when bad collection, good collection is done? Who makes the decisions about the implications of good or bad performance? IT seems that if we don't have the evaluative function in there, all the rest of this is almost a waste of time without being able to improve through evaluation.

DNI BLAIR: Right. I think there are about three or four ways that you could do it. I'd say the best scorekeeper is a very demanding policymaker or action officer. You know, if you tell a squad that the terrorist is going to be at a certain location at 10:00 the next morning and they go run out to arrest him and he's not there, you know, that's kind of a zero in that block. You kind of know very quickly in operational intelligence how you're doing.

A demanding policymaker is also a very good spur to knowing how well you're doing. An experienced policymaker who tells you exactly what he or she needs to know about the political issue that they're dealing with will drive you pretty hard, and that's good to know.

And I'd say the third one, then, is comparing what's done in one section of the enterprise with something that's not being done very well in another section. You know, country X, we are just stealing them blind – we know everything; we've got them wired. That gives you a pretty good standard there, and then you look around at country Y and country Z, which you'd like to have in the same category, and we're not there yet. We've got to work on it.

So I'd say it's those three things. Operationally, it's pretty easy; at the policy level, a demanding policymaker who pushes us; and then, trying to spread best practices, or grade ourselves against the best that we can do.

QUESTION: Sir, I just wanted to check with you and see if you would also agree with your predecessor, Adm. McConnell, in saying that it's time for the U.S. to move to – either to a Department of Intelligence or to a cabinet-level intelligence official that would have authority outside of the Secretary of Defense?

DNI BLAIR: I'm kind of pretty busy trying to work with what I have. (Laughter.)

QUESTION: I have two questions, if I may. The first question is, sir, with hindsight, do you believe that you should have been more out front, or the public face, after the attempted bombing on Christmas Day?

DNI BLAIR: I'm sorry, you'll have to state it again a little more slowly.

QUESTION: Sure. You know, with hindsight, do you believe you should have been more out front, or the public face, after the attempted bombing on Christmas Day?

DNI BLAIR: Should we have been more up front on what?

QUESTION: Should you have been more out front or the public face of the administration after the attempted bombing, pardon me.

DNI BLAIR: Oh, I see. You know, I spend less time worrying about counting up my minutes for the camera, more time counting up the accomplishments that I make behind the scenes. So it doesn't matter too much to me who's out front, as long as they're getting the job done.

QUESTION: And my second question is, given what we know about the American cleric in Yemen, why did it take more than two months for the American administration to call Fort Hood an act of terrorism, in your opinion?

DNI BLAIR: Why did it take more than two months for the administration to do what?

QUESTION: To call Fort Hood an act of terrorism?

DNI BLAIR: You know, again – (chuckles) – labels are one thing; reality is another. I think, from the intelligence point of view, no matter what we label it, going after it, understanding it, doing something about it is really what is most important to all of us. And the thing about Fort Hood that I think we had to fix was the – bringing the information that the Intelligence Community had to the authorities in the Defense Department to put together with their information, in order to take action that, had it been done, maybe we could have been able to prevent that awful tragedy. So to me, that's the thing. And all that's been fixed, and it didn't take two months.

QUESTION: Just a follow-up on that other question. You said one of the ways we know how to keep score on how we're doing is to have a demanding policymaker. Given the far-flung Intelligence Community across so many agencies, who would that be? Who were you thinking of when you say you need a demanding policymaker?

DNI BLAIR: I'd say the tone starts at the top, and this President and the policy team that he has assembled are an incredibly, incredibly demanding set of policy customers. I've told my analysts that they are really in a golden age of the Intelligence Community, because this administration wants to know what the facts are on the ground, what the effects of possible actions are, to drill down second- and third-order questions.

And in all of these big policy issues that we have taken on in the last year, whether they be Afghanistan and Pakistan, Iran, North Korea, the Middle East peace process, intelligence is playing an incredibly central role. And that role is being driven by being asked tough questions and coming back with the best answers we can.

Also, I would say that once a policy is decided, then the role of intelligence changes a little bit. As the policy's being reconsidered, yeah, you provide information, but you're also in the mode of checking whether that policy is working or not, based on what the effect is on the ground. And again, I'm finding this administration really wants to know how things are working out in a particular country with a particular issue.

Sometimes it makes me into the red-headed stepchild at the picnic in terms of, you know, not quite as good as we thought. But I think it's my job to do that. It's one of the roles that we do in intelligence. And I find that, while there's generally not a smile on the face of the policymakers for a particularly rough assessment of what's going on, there's appreciation that, that's the right thing, because policies have to be grounded in good realities. So that's all going quite well, and I'd say it's really, as I say, a great time to be the principal advisor to the President for intelligence.

GOVERNOR KEAN: Adm. Blair, thank you, very, very much. (Applause.)

(END)



*Director of National Intelligence Dennis C. Blair*