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Event: Larry Kindsvater, Executive Director, Intelligence Community Affairs

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Participants – non-Commission: Larry Kindsvater, [redacted] (Office of General Counsel, Central Intelligence Agency [CIA]) <sup>9/11 Closed by Statute</sup>

Participants – Commission: Lorry Fenner, Lloyd Salvetti

**BACKGROUND (U)**

(U) Mr Kindsvater is a career CIA employee who spent his career within the CIA's Directorate of Intelligence as an analyst.

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[redacted] he was selected for a position in the CIA's Comptroller's office. In 1995 he was selected for a position in the Community Management Staff and later became the Deputy for Resource Management. In 1996 he became the Director of that office. In June 2000 he was selected by DCI Tenet as the Executive Director of Intelligence Community Affairs, a position he currently holds. In July 2003 he was asked by Director Tenet to "act" as Deputy Director of Central Intelligence for Community Management .

**REORGANIZING INTELLIGENCE (U)**

(U) Mr Kindsvater said he wrote his article on intelligence reform/reorganization for several reasons: the IC has had the same structure since 1947 [Lorry – the DDCI/CM and ADCI' positions is a radical departure from the organization set up in 1947]; the IC needed a new way to budget for missions instead of agencies doing it individually (the IC is trying to do this through the Mission Requirements Board (MRB) now); the IC moved away from only having one mission, the USSR; the "peace dividend" came at a time when the IC moved to multiple mission so it had disastrous effect; and WMD (Weapons, Nuclear Proliferation, and Arms Control Center (WNPAC), National Intelligence Officer (NIO) for Proliferation, etc) became a huge issue.

(U) Mr Kindsvater proposes a matrixed management structure and horizontal integration to replace the vertical stove-pipes organized around collectors. He suggests that the IC have 10-15 Centers organized geographically and functionally – notionally including

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counterterrorism, counterproliferation, China and North Korea. These Centers need to be put someplace, their functions from across the IC pulled together, and they need to work for the DCI.

(S) Currently the NSC gets Senior Executive Intelligence Briefs (SEIB), the President's Daily Brief (PDB), SIGINT Daily Summaries, IMINT Daily Summaries, etc. In the future a Center Manager should manage each mission for the IC. That manager and Center would drive collection and analysis and consolidate products per mission to go to the NSC. This should be written in the law like the Goldwater-Nichols Act (GNA) for the military. In the military, most of the funding is appropriated to the services, but the Combatant Commanders do influence spending. The problem for the IC is that a satellite serves more than one mission. In deciding the relative level of budget for each activity, money is one way to count, in addition there are people and billets – those resources should come from across the IC for each mission.

#### Counterterrorism and Community Management

(S) Mr Kindsvater does not think the CTC goes far enough. He would combine such a focused operational activity with the Joint Intelligence Task Force (JITF) -CT (DIA), the NIO for Transnational Issues, better SIGINT and IMINT, and insure that the mission includes a strategic view as well. The field (stations and bases) would continue to do operations for HUMINT and Covert Action. The field must continue to have insight and influence. And the National Intelligence Collection Board (NICB) and ADCI/Collection would resolve any issues between Centers as to who is responsible for any immediate issues of the day and requirements. The Chief of Station would still be the DCI's representative in the field, but that could be changed in the future. Kindsvater is trying to think of the COS in a different context rather than primarily as a HUMINT officer; perhaps the role of the COS must be changed. He is thinking about whether the DCI should have a country-wide representative for all the intelligence disciplines who pulls all the agencies together with the Combatant Commands. The IC and nation must be willing to have these issues resolved "bureaucratically," rather than making managers try to work it out. Mr Kindsvater said any reorganization must address headquarters' relationship with the field and the IC relationship with the Combatant Commands. We give the COSs the responsibility to do these things, but we do not give them the tools and training they need. They also need to be backed up at the senior level.

(S//SI) Priorities would be set by mission, which would help rationalize operations and dollars. They would have to make decisions about new case officers and technical collection systems. In reviewing historical SIGINT tradeoffs, Mr Kindsvater remarked that he would've probably made the same tradeoffs NSA did to [REDACTED]

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[REDACTED] because of relative priorities. He agreed that the ADCI/Collection should make strategic collection decisions and the new Centers would make the tactical collection decisions.

(U) Mr. Kindsvater faults Congress for the IC problems. He remarked that whoever has the money is important. The IC right now has to report to 12-14 committees and that is the same with Office of Management and Budget (OMB) examiners. The IC's budget gets worked there with the DoD rather than DoE, DoJ, etc. The committees and OMB examiners do not talk to or between each other.

#### Undersecretary of Defense for Intelligence

(U) Mr Kindsvater has written another article that has not been published about the Under Secretary of Defense for Intelligence (USDI). The DoD created the USDI to have command, direction, and control as opposed to the old Assistant Secretary of Defense for Command, Control, Communication and Intelligence (ASD/C3I) who just did policy. He does not have to work through the services to manage TIARA (Tactical Intelligence And Related Activities). The USDI has not yet tried to work the Joint Military Intelligence Program. He is responsible for the GDIP which includes the budget for the DoD Centers (National Ground Intelligence Center, National Air Intelligence Center, Missile and Space Intelligence Center, etc.), as well as DIA and the services' intelligence arms. Kindsvater remarked that the FBI portion of the NFIP has increased to more than \$1 Billion.

(U) Mr. Kindsvater proposed that we should not just ask "who is responsible?", but who can effect change. Right now the answer is "no one." The NSC just wants data and their rewards system works on each part of the mission separately. Right now, Mr Kindsvater believes that information sharing is an "unnatural phenomena." The Terrorist Threat Integration Center (TTIC) is fine, but the CTC should have been doing this mission all along. NSA and others have identity issues; they feel like they are treated as second class citizens rather than full members of the IC. The person who is held accountable, the person with responsibility and accountability for the mission, should have the money. The IC should move to missions, away from capabilities, as its organizing principle and, over time, build an incentive structure. Although he is considered a CIA employee he is really not and the CIA is "not central anymore." The IC should be purple in order to gain economies of scale. Kindsvater suggested a new DCID should be written on this. He recounted the story of how the building shows the pecking order of personnel and organizations under the DCI. The 6<sup>th</sup> Floor has the Community Staff and the 7<sup>th</sup> floor has the CIA staff with the DCI. DCI Gates tried to switch this but the CIA Deputy Directors (Operations (DO), Intelligence (DI), Science and Technology (DS&T)) won out over the community.

#### Intelligence Resources

(U) Mr Kindsvater then discussed resources from an IC comptroller point of view. He said that by Executive Order the IC could gain direct control over appropriated funds. The IC appropriation is a problem. For instance for NSA, the Consolidated Cryptologic Program (CCP) is in the National Foreign Intelligence Program (NFIP) under the DCI, the Defense Cryptologic Program (DCP) is in Joint Military Intelligence Program (JMIP) under the SECDEF, and the Information Security Program (ISP) is in the Defense Budget

under DoD. Kindsvater believes there is an insatiable appetite for military intelligence, so the services have built a tactical capability under Titles 10 and 50. The DCI builds the NFIP budget, but TIARA and JMIP are just accounting mechanisms.

(U) Mr Kindsvater's vision is that a "big bang" is needed because of antibodies against change. The legislative and executive branches' leadership must step up to it. He has read Gordon Lederman's book about how this happened for the DoD under the GNA. The Congressional Armed Services Committee always have/want more. The House Permanent Select Committee on Intelligence (HPSCI) debates all three budgets (NFIP, JMIP and TIARA). The Senate Select Intelligence Committee (SSCI) only debates the NFIP. The House and Senate Armed Services Committee (HASC/SASC) discuss the JMIP and TIARA, and the SASC gets a sequential referral of the NFIP from the SSCI.

### **Other Thoughts (U)**

(U) Mr Kindsvater thinks the ADCI and Executive Director positions should be combined. The DDCI/CM should have three ADCIs report to him/her. The law should be changed to combine intelligence rather than having stovepipes for collection and analysis. The Mission Requirements Board (MRB) is trying to refocus the budget and "new starts" on missions rather than systems. The MRB has evolved to be like the DoD's Joint Resources and Operations Council (JROC) which is based on capabilities. Instead the MRB needs to be run by the Centers (CTC, CNC, WINPAC, etc.) rather than the collection agency and DO, DI, etc. representatives .

(U) For information sharing, the IC's Deputies' Committee has a working group and they were to nominate DCIDs. Security has to balance sharing and protecting. The IC needs a common badge and common security standards. The pressure was on them and they were to inform the program managers what they decided/recommended. They never did follow through with a draft DCID which was the minimum requirement. They had to say, "this is the policy" for it to work. Training is even more difficult. The IC has a training directors' consortium. In DoD, the services are each responsible for their own. They do not want duplicative training, so they have community training like the Armed Force Staff College and NWC/ICAF and they do exercises and require joint assignments for promotion. The IC has a curriculum but without incentives. The IC gives byes for certain jobs.

(U) The IT/Information Architecture is an issue too. The IC has Joint Warfare Intelligence Capabilities System (JWICS), SIPRNET (SECRET) and Intellink (which gets 10 million hits), and then NSA, CIA, etc. each have their own networks. The Community's ICSIS has an IT structure for agencies and databases. They need standardization for searching with metadata tags under a "need to know" system. The IC needs to deal with that. How do we know who "needs to know"? We can fix the security problem with IT monitoring tools that check if people are looking at materials relevant to their jobs. Any new IT DCID should have monitoring built in.