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Event: General Bill Odom

Type of Event: Interview

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Special Access Issues: None

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Team Number: 2

Location: Commission's K Street Office

Participants – non-Commission: General Odom

Participants – Commission: Kevin Scheid, Barbara Grewe, Gordon Lederman

(U) BACKGROUND.

(U) He was an armor officer in the Army and was eventually stationed in Vietnam. He also was stationed as a Defense Attache in Moscow. During much of his career, he was not a professional intelligence officer but had a lot of contact with the Intelligence Community (IC). He served on the National Security Council (NSC) staff under National Security Adviser Brzezinski, during which he was able to see how the Central Intelligence Agency (CIA) and the National Security Agency (NSA) operate. He stayed on at the NSC during the Reagan Administration. He served as Director of NSA (DirNSA) from 1985 to 1988.

(U) DISCUSSION

(U) The discussion was wide-ranging and free-wheeling, covering such topics as his time at NSA, his views on the Director of National Intelligence (DNI) issue, and certain statements in his book Fixing Intelligence. He said that most of what he advocates is not very radical.

(U) THE NATIONAL SECURITY COUNCIL

(U) Secretaries of State Shultz and Haig and Director of Central Intelligence (DCI) Case did not want a strong National Security Advisor and used a "fiction" of a split between Brzezinski and President Carter's Secretary of State Vance as justification. Gen. Odom was highly critical of the NSC in the Reagan Administration as lacking the intellectual firepower and efficiency of the Carter Administration. He was also critical of the George Bush Sr. Administration's NSC, which he said never had a meeting on post-Cold-War Germany. He said that the current NSC has no sense of prioritization.

(U) MANAGEMENT OF THE INTELLIGENCE COMMUNITY

~~(S)~~ Asked about how as DirNSA he balanced between the Secretary of Defense (SecDef) and the DCI, he responded that the SecDef had "command line" authority over NSA while the DCI had "operational control." DCI Casey would exert operational control over NSA via the national signals intelligence (SIGINT) requirements list, which dictated major NSA priorities and targeting. DCI Casey was less important to NSA activities with respect to time-sensitive matters, such as if a Combatant Commander had a crisis. In the case of such a crisis, NSA would not ask the DCI whether to respond but would just do so in order to deliver SIGINT for the crisis. Combatant Commanders were not the only recipients of NSA's crisis-support; the State Department received emergency support from NSA during the 9/11 Classified Information (These stories highlight the tension between crisis-coverage and standard-coverage; Gen. Odom did not discuss what standard-coverage was lost by NSA's crisis-coverage, and whether the crisis-coverage was worth the loss in standard-coverage.)

(U) On the DNI issue, he criticized Rep. Hamilton (who supports creation of a DNI and with whom Gen. Odom testified before the Joint Inquiry) for not recognizing the distinction between budget and execution authority. Before the DCI is given more authority, we need to assess what he is doing with the authority that he already possesses. The DCI guides and constrains IC activity via constructing the budget. The DCI would not have time to exercise execution authority. People who claim that the DCI lacks authority "have not followed the money." The real issue, he said, is "what does the money buy?" Indeed, the DCI has no way to ascertain the relationship of inputs to outputs in the IC. CIA supported establishment of the relationship between CIA and the Defense Department (DoD) because the CIA feared that it would otherwise be subsumed within DoD.

(U) The National Reconnaissance Office (NRO) is erroneously viewed as an intelligence agency; in fact, it is a procurement and contracting agency.

(U) When McNamara became SecDef, he realized that DoD had no idea what it was buying and that interest groups and vendors had taken over the procurement process; as a result, he established the Planning, Programming, and Budgeting System (PPBS) to connect inputs to outputs. The same PPBS-style program is needed for analysis, human intelligence (HUMINT), SIGINT, and imagery intelligence (IMINT). DirNSA had no mechanism to go to the DCI to complain about inputs. And the senior IC body responsible for allocating resources in his day, the National Foreign Intelligence Council, was used by DCI Casey as a way to allocate budget cuts but had no one at the Council's meetings who could discuss the connection between inputs and outputs. Moreover, the lack of input/output connections means that the DCI cannot make effective arguments to Congress concerning the need to reprogram funds. And without a mechanism for connecting inputs to outputs, the DCI defaults to always asking for more money.

(U) No DCI can lead the community by himself – he needs Presidential and SecDef support. DoD sets the budget line for the IC.

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(U) If the DCI is split from the CIA Director – which Gen. Odom supports – then the DCI should have lots of staff and the trappings of a Cabinet Secretary. In response to a question as to whether the DCI or the CIA Director would then brief the President, Gen. Odom responded that “the Director of CIA has as much reason to brief the President as the man on the moon.” The DO always tries to recruit the DCI first so that the DCI will advocate for the DO. Indeed, George Tenet was an “easy target” for the DO because he was “unseasoned;” Tenet would make a great CIA Director but has not made a great DCI.

(U) The staff posed to Gen. Odom whether two factors call for strengthening the DCI’s authority: (1) the emergence of the Dept. of Homeland Security as a critical consumer of intelligence, and (2) the emergence of transnational threats such as terrorism. Gen. Odom rejected both factors as requiring a strengthened DCI. First, with respect to the Dept. of Homeland Security, he said that if the Dept. of Homeland Security “needs a lot of information in the future, we’re in trouble.” He went on to say that the Dept. of Homeland Security is too big and what is needed instead is a border-control agency. He wrote an op-ed in 1988 calling for a border control agency. [REDACTED]

9/11 Classified Information

[REDACTED] the Drug Enforcement Agency would want target the smuggler in his home country, while Customs would want to intercept him at the border, etc. He also noted that it took years to integrate only three agencies into FEMA – integrating the Dept. of Homeland Security will likely take much longer. Second, with respect to transnational issues, he said that counterterrorism and transnational issues are not new and were worked by the IC during the Cold War.

[REDACTED] of NSA’s output is to DoD, while the rest is to a host of federal agencies such as the Departments of Agriculture, Treasury, Energy, and State. DCI Casey decided which agencies received SIGINT.

(U) He rejected the proposal to take NSA and the National Imagery and Mapping Agency (NIMA) out of DoD, which he said was “patently absurd.” First, DoD will recreate NSA and NIMA. Second, the DCI would not receive personnel from NSA and NIMA, and DoD would train personnel for its NSA- and NIMA-substitutes and would not send personnel to the DCI for the real NSA and NIMAs.

(U) Mr. Scheid relayed the argument that NSA plays the SecDef against the DCI and that noted that some observers have reported that NSA Directors have reportedly walked out of meetings with the DCI by saying, “I don’t work for you.” Gen. Odom replied that if an NSA or NIMA Director acts disrespectfully to the DCI, then the DCI should call up the SecDef and have those Directors fired.

(U) Gen. Odom thought that the creation of the Undersecretary of Defense for Intelligence was a bad idea. Mr. Scheid relayed that some observers believe that the creation of this position reflects an attempt to get coherence for the IC’s budget at a time that the DCI is not exercising management over the entire IC.

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~~SECRET~~(U) THE USES OF INTELLIGENCE, AND IMPLICATIONS FOR INTELLIGENCE COMMUNITY MANAGEMENT

(U) The CIA currently does not work for anyone – it pretends to work for the President but is in fact out of control. He talked about the “dirty-pictures phenomenon,” namely that intelligence agency directors like to show – and the President may like to see – [redacted] but in fact the President does not make policy based [redacted] documents but rather based on NSC recommendations (if the NSC is well-run). In his experience, the DCI briefs the NSC but is essentially ignored by the NSC principals. Intelligence given to the White House is effective when (a) given to regional NSC directorates so it can be integrated into policy recommendations, or (b) when it is pumped into the Situation Room.

(U) The most important mission of the DCI is to run the resources of the IC. “Stewardship” of the IC’s resources – meaning leadership and management – is the DCI’s major job. The DCI should not have a major role in briefing the President. For example, the DirNSA should not be an intelligence officer, delivering SIGINT products to customers. Yet NSA Director Admiral Inman was “addicted” to the dirty-pictures phenomenon and was “running around” showing sensitive SIGINT to senior leaders. Admiral Inman “played games” with DCIs Turner and Casey by disseminating SIGINT in a strategic, manipulative manner (not a direct quote).

(U) COLLECTION AND ANALYSIS

(U) The CIA’s [redacted] does not want to give HUMINT to DoD. In fact, DoD’s Defense Humint Service (DHS) has better assets than the [redacted]. The CIA tried to sabotage DHS. CIA was offered operational control of DHS officers but apparently refused.

(U) 60-90% of intelligence is from the media or open source. Open source is very credible, and even DCI Casey was very clear about that.

(U) He said that the Air Force – whose raison d’etre is victory through airpower – is seeking complete control of all U.S. Government space-based activities. However, “space is a place, not a mission” and the Air Force should not control all space-based activities. It is unclear how the Air Force’s desire to control space activities will impact collection.

(U) After Vietnam, the Army’s culture was to “hate” NSA. In contrast, the Navy’s culture was to flatter NSA. Half of everything is personal contacts, and if you know someone at NSA you can get anything – and if you compliment NSA, you will get even more information.

(U) He characterized CIA as being more individualistic – individuals out in stations, for example – which leads to more former CIA employees writing exposes (“top secret

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famous"). NSA and NIMA are more group-oriented and give out more metals, and employees thus are more tight-lipped.

(U) Gen. Hayden is "destroying" NSA. He acknowledged that lower-level NSA officials always complain about senior management, but he does feel that Gen. Hayden is misguided because Gen. Hayden has destroyed 2-3 levels of management – top NSA management is trying to manage at the technical levels but cannot do so. He accused Gen. Hayden of not knowing his own intellectual limits.

(U) Regarding analysis, if the CIA's Directorate of Intelligence (DI) disappeared, it would not make a difference. National Intelligence Estimates never affect policy but do force agencies to share intelligence and develop a common pool of intelligence on a particular subject from which to draw.

(U) DOMESTIC INTELLIGENCE

(U) Gen. Odom elaborated on his call in his book for a domestic counterintelligence agency. "Cops will never beat spies and good terrorists" because spies and good terrorists have a different timeline and resource base than the average crook. Cops get information from (1) insiders, (2) interrogations, and (3) wiretaps. Cops do not know how to use SIGINT. He recommended that we read Traitors Among Us, a study of certain Army counterintelligence operations. He noted that the Army is the only military service that separate counterintelligence and criminal agencies.

~~(S)~~ The FBI wants to wrap-up cases too quickly. [REDACTED]

9/11 Classified Information

[REDACTED] Spies are caught by waiting and watching in order to collect evidence, but the FBI rushes in to quickly. Moreover, cops do not want to give information – they only want to receive it. Intelligence agencies, in contrast, want to share information. He noted that the FBI is currently trying to kill a program called [REDACTED] which would increase the FBI's ability to share information with other agencies. Finally, FBI agents who do intelligence work are always "second-class citizens." Accordingly, he does not believe that the FBI will ever be an effective counterintelligence agency.

(U) While in his book he focused on creating a counterintelligence agency, he believes that that agency could be used for counterterrorism purposes as well. That agency should not have arrest power because once that agency has arrest power, it starts to adopt a "cops" mindset. The law enforcement function will also subsume any other function that an agency has. As to whether terrorists are like spies – and therefore his proposed agency could do both counterintelligence and counterterrorism – he replied that both terrorists and spies are well-funded (he believes that al Qa'ida is well-funded). He thought that terrorists – like spies – gather information, although terrorists also of course mount operations. He summed-up the transnational nature of terrorism as "it's a crime in the U.S. and a war abroad," although Ms. Grewe noted that terrorism against U.S. citizens

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abroad is also a U.S. crime. He noted problems with FBI intelligence activities, such as that the FBI recruits [redacted] and that the FBI never would have found Ames on its own.

(U) The FBI will have a role in counterterrorism due to its arrest authority. The question is, what type of dysfunction is desired: that the FBI will not be able to do domestic intelligence, or that there will be a disconnect between a domestic intelligence agency and law enforcement (the FBI)? A new agency is needed, as the FBI cannot be reformed to become an effective domestic intelligence capability. New people should be recruited for this agency in order to avoid recreating the FBI's culture. The agency would not station representatives abroad. Ms. Grewe noted that MI-5 and MI-6 sometimes are competitors.

(U) Ms. Grewe noted that the risk in allowing a suspected terrorist to operate in order to watch him is greater than the risk of allowing a suspected spy to operate because the terrorist might commit a terrorist attack and kill people. Gen. Odom responded that the issue is not that the tradeoff is difficult but rather that the FBI should be in the position of making the tradeoff.

(U) TERRORIST THREAT INTEGRATION CENTER (TTIC)

(U) "If you have to set up TTIC, you have an ineffective intelligence organization." Mr. Scheid noted that TTIC's origin might be seen as equivalent to CIA's original *raison d'être*.

(U) ON 9/11

(U) 9/11 was an intelligence failure because "we did not know they were here." Part of the role of intelligence is to tell policymakers what they need to ask or know. He thought that publicity given to IC activities contributed to 9/11 because key Middle Eastern assets were killed. He believes that al Qaeda is doing counterintelligence.

(U) CONCLUSION

(U) Two things that need to be done immediately are (1) to establish a domestic counterintelligence agency, and (2) to separate the CIA Director from the DCI, and to have the DCI establish a PPBS system for the IC (the DCI already has authority to do so). The existence of NRO is contrary to having a PPBS system in which inputs are matched to outputs.

(U) He cannot understand how the President could not have fired the DirNSA and DCI after 9/11, even if they are not specifically 'guilty.' They need to be fired for symbolic purposes.

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