I am pleased to appear before the Committee to discuss the issue of imagination and creativity in counterterrorism analysis.

- First, I think we can all agree that our goal is to bring imagination and creativity to bear in all intelligence issues, not just counterterrorism. That certainly is the goal of the 15 analytical components for which I have responsibility as the ADCI. In my remarks I will endeavor to cover both this broader issue and the specific issue of counterterrorism.

- We must always remember that intelligence analysis is—at all times—an intellectual activity. There is no formula or recipe. Even with the many well-known and practiced steps that we go through to produce analysis, it remains an imprecise process. Neither the process nor the product will ever be perfect.

Let me turn to the issue of fostering imagination and creativity in analysis.

- The Intelligence Community actually spends a great deal of time thinking about this issue. We worry about mindsets, about tradecraft, about how we can improve our analysis. We encourage analysts to “think out of the box,” to think of alternative hypotheses, to challenge what they think they know. We use red teams to create alternative analyses.

- The biggest obstacle we face is what we call mindset—a model or hypothesis that analysts believe to be true. It is important to understand that analysts do not come to mindsets for frivolous reasons. They arrive at them by dint of the intelligence that has been collected and through their expertise on that issue.

- This raises a significant issue. How much collection is enough? Obviously, we would prefer to have more collected intelligence rather than less. But we teach our analysts to analyze whether or not there is all the collection we would desire. This is one of the skills we prize the most. Indeed, the ability to analyze beyond limited collection is an act of imagination and creativity.
The application of imagination and creativity to any issue requires intellectual discipline. Even imaginative and creative intelligence must be based in the reality of the situation, what I call “the possible improbable.” Even contrarian analysis has to be based on some evidence, on plausible scenarios and behaviors. They are not flights of fancy simply based on taking the opposite tack.

There are at least three important ways we seek to institutionalize an imaginative and creative capability. The first is analyst training. The second is the various devices I mentioned before, such as red teams. We also need to do more competitive analysis, a capability that has been difficult to sustain across the Intelligence Community as our analytical strength dwindled. The third is managerial responsibility to ask hard questions, to probe hypotheses, to question conclusions. However, when all is said and done, it remains an intellectual—not a bureaucratic—process.

The issue of counterterrorism poses specific challenges to be creative and imaginative.

We must keep in mind the nature of the war we are fighting. There are no fronts, evolving enemy formations and, since our success in Afghanistan, no enemy homeland.

For the first time since the War of 1812, we are fighting both abroad and at home on a sustained basis.

Therefore, the intelligence challenges of this war encompass homeland defense, domestic security and overseas operations—both military and intelligence.
This array of challenges mandates a range of analysis:

- Strategic intelligence: both to warn of impending terrorist operations and to help identify opportunities for U.S. actions.
- Tactical intelligence: to prevent specific attacks and to support operations of all types abroad.

I would argue that we have been fairly successful at the strategic level—both before and after September 11. We have had a good grasp of our enemies’ intentions and have consistently produced accurate and actionable strategic intelligence.

Tactical intelligence that will help prevent attacks is much more difficult. Our continuing goal is to find means to collect against terrorist organizations that will yield the kind of tactical warning we need to stop new attacks, preferably at as early a stage as possible.

This is the place where we must do our best to be imaginative and creative, to think like the terrorists think, to conceive of every possible, plausible means by which they could conduct these attacks. And we are getting better at it.

But we have to remember that the terrorists will always have an advantage of choosing the time, place and means in a vast country. That is also why we put such a priority on capturing or killing the terrorists abroad, of disrupting their sanctuaries and their finances. And in those areas our analysis and our operations have also been imaginative, creative, and improving.

Intelligence analysis is a process of constant learning and adjusting. As Acting Director McLaughlin has said, the Intelligence Community that exists today is far removed from the one that existed on September 11. That older Community, however, seems to be preserved in amber in a series of reports.

- We are constantly examining what we do and how we do it. I have tried to give you some sense of that today.
- As this committee knows from my previous testimony, we now have in place a process for allocating collection and analytical resources in which analysis drives collection. The ADCI for Collection and I receive the Nation’s intelligence priorities as defined in the National Intelligence Priorities Framework (NIPF). Working with analysts from across the Community, we define the specific questions that need to be answered for each issue and for each nation or non-state actor that may be a player in that issue. These analytic requirements are then passed to the collection community. This system has been in place since February 2003 and represents a significant change in how we manage our two most important
assets: our people – both analysts and HUMINT collectors, and our technical collection array.

- I would also add that since the DCI and the Acting DCI began managing the Intelligence Community through this process we have seen dramatic changes in NGA and NSA’s collection decks. The Clandestine Service also uses this system to frame their collection requirements.

- My office is examining how we train officers across the Intelligence Community in all disciplines and activities. We are creating a series of courses to improve training at all levels and at all stages in one’s career.

- We are examining the concept of a “national intelligence university,” similar to the various service war colleges and staff schools. At this early stage, we believe such an institution—which might be as much a virtual university as an actual campus—would give us a better way to train analysts across the Community, to conduct intelligence war games and to institutionalize a better “lessons learned” capability—all of which would buttress imagination and creativity. The goal is more than better training and education. The goal is also to enhance among all analysts a sense of being part of an intelligence profession that transcends one’s attachment to any single agency. The examples of the military services and of the Foreign Service will be helpful.

- Taking a leaf from the military services, my office recently chaired a war game on the political transition in Iraq, bringing together experts from across the government, the private sector and other nations to play out possible scenarios. The findings were extremely helpful and prescient.

- I chair the DCI’s Hard Target Boards. These seven boards, created by then-Deputy DCI Tenet in 1996, bring together analysts and collectors on seven of our most difficult issues. The Hard Target Boards offer another opportunity for analysts to tell the collectors what their greatest needs are. Again, we have analysis helping shape collection.

- The Collection Concepts Development Center, for which I now have shared responsibility with Charlie Allen, always starts with an analytical issue that would benefit from creative, imaginative collection approaches.

- I am also responsible for the Multi-Intelligence Working Group (MINTWG), which Charlie Allen and I also co-chair, funds experiments across the Intelligence Community that also seek new ways to focus collection on our most pressing analytical needs.
In short, we have numerous programs underway that seek to spur creativity and imagination in all areas and in every case we have a firm link between analytical needs and collection solutions.

Two final thoughts:

- It is impossible to order up “a pound of creative analysis.” Creativity and imagination can be taught and trained only up to a point, otherwise we would have more Shakespeares, more Mozarts, more Picassos and more Edisons. The best way to increase creativity and imagination in analysis is to create the conditions that will foster it.

- Imagination and creativity will flourish in a positive atmosphere. Analysts will be more creative if encouraged to be that way; they will be less creative if they are punished for taking intellectual risks. Imagination and creativity cannot exist if analysts are risk averse.

Thank you and I look forward to your questions.