Thank you for the opportunity to come before you today to address the issue of intelligence analysis in light of the 9/11 Commission report.

Intelligence analysis is, by definition, a difficult profession. We are asked to inform the debate on some of the country’s most important policy judgments, usually based on limited and conflicting information; and often, without the ability to get close to an issue with on-the-ground insights.

That said, the responsibility that comes with daily access to the President and our nation's leaders means that we must meet and be held to extremely high standards. And, in an era, where the enemy is often diffuse and hard to find, intelligence plays an even more important role. It is the consequence of being relevant.

- Terrorism and many of the other new threats we face since the end of the Cold War often need to be approached in a different manner. The observables are very different. We are not only looking at preparations to launch missiles or move whole divisions prior to war. We are also looking for the small team of special operatives team that has been sent behind the lines to conduct sabotage and terrorism.

- The war on terrorism involves relatively small numbers of individuals working on highly compartmented plots. We have to be imaginative in our approach to collection and analysis
against these new threats. Otherwise we will waste the precious resources we have to combat the threat.

State of Analysis and Tradecraft

In February of this year I discussed the State of Analysis with the men and women of the Directorate of Intelligence. At that time, I said that I thought the State of Analysis was “strong, but had room for improvement.” And that we, as the stewards of our craft, must personally assume the mantel of that stewardship, and work to continuously improve the quality and process of intelligence analysis.

In order to examine reform, there has to be an understanding of the essential elements of good analysis.

- First, objectivity. Our analytic objectivity and integrity are core values in the Directorate. Intelligence analysts cannot and should not be advocates. If you become an advocate then it is highly likely that you will overlook, misinterpret, or discount something that does not support your position. While, it is hard to divorce yourself from the beliefs, assumptions, and preconceived notions that we all carry with us, that is our challenge. And, that is why we rely so heavily on our training and our analytic tradecraft.

- Second, excellence in analytic tradecraft. This covers a great deal including: precision of language, a clear articulation of our judgments and our confidence in them, knowing the strengths and weaknesses of the sources we are using, understanding the intelligence gaps we face, and examining other analytic possibilities.

- Third, transparency also is key. Policymakers need and deserve full transparency into how we make our judgments. The recipients of our intelligence products must understand:
  - what we know,
  - what we don’t know,
  - what we assess to be true and why,
  - and which assumptions underlie our judgments.
Imagination and Creativity

Let me turn to the issue of imagination and creativity in the work of the intelligence analysis. The 9/11 Commission pointed out the need for imagination with regard to terrorism analysis, but it has applicability across all of our intelligence issues. Questions that always need to be addressed in intelligence analysis include:

- How do we free ourselves from inherited or untested assumptions?
- How do we make sure that indicators and predictive tools we are using continue to be weighted appropriately, and are still relevant?
- How do we make sure alternative analysis is pursued seriously as an integral part of our analysis and not as a “tack on” at the end?

What I can tell you--from my perspective and experience leading an exceptional cadre of analysts at CIA--is that there is no one single solution or method that will ensure creativity, imagination, or detailed questioning of inherited assumptions. This is an area where the drive and agility of the analytic leaders in the Community becomes critically important. It is incumbent upon us:

- to challenge the analysts,
- to suggest the out-of-the-box approach to a problem,
- to establish a unit to do contrarian analysis,
- to have competing centers of analysis,
- and, on occasion, to suggest the farfetched.

Our most well developed initiatives have been underway for years. Many of our analytic offices have embedded futures or alternative analysis groups. We have methodologists on our staff who provide modeling expertise with a structured approach to identifying trends. When those models reflect something different than the analyst’s own
views, we can discover an important assumption or weighting of factors that would not have been brought out without the modeling.

I also can give you a few examples of things we have done to push beyond the traditional boundaries of intelligence:

- Two days after September 11th, we established the Red Cell to produce short “think pieces” on terrorism. We gave the members access to all terrorism reporting and the mandate to tell the Director and our national security principals what they should be worried about that no one else was telling them about. In February 2002, we expanded the Red Cell’s mission to include all national security issues. We try to ensure that the Red Cell has Community participation as well as regional and functional expertise, and they have the freedom to select the topics they choose to cover.

- We had our terrorism and counternarcotics analysts meet with Hollywood directors, screenwriters, and producers. People who are known for developing the summer blockbusters or hit TV show that often have a terrorism theme. An attempt to see beyond the intelligence report, and into a world of plot development.

- We have also run a daylong roundtable discussion with 10 science-fiction authors who brought a unique perspective to assessing data and spinning out possible scenarios. An invaluable opportunity for analysts to push the envelope on where a nascent development might lead.

- Earlier this year, we hosted an unprecedented, unclassified conference with intelligence analysts from nearly 30 countries to discuss how to improve analysis of transnational threats and, in the process, began to establish common understanding of analytic challenges.

To truly nurture creativity, you have to cherish your contrarians and give them opportunities to run free. Leaders in the analytic community must avoid trying to make everyone meet a preconceived
notion of the intelligence community’s equivalent of the “man in the gray flannel suit.”

I believe it is also important to recruit a more diverse workforce. Incorporating a variety of diverse viewpoints into our workforce is – given our mission – a matter of national security. We need analysts from all walks of life who, based on their upbringing, their cultural heritage, and their experiences, view the world from different and unique vantage points.

Having a deep understanding of the cultures we analyze is a critical component of our work. By increasing our focus on language capabilities, especially in some of the more difficult languages, we also will gain deeper insights into the cultural and societal nuances of the groups and countries we study. As information increasingly is available in media other than traditional print, language skills allow analysts to exploit this information in a timely and detailed manner.

On fast paced accounts the terrorism, you must have enough people working on an issue to allow individuals to not only be creative in going after terrorists, but also to step back from the tactical work of trying to prevent attacks, and use their creative energies to look at broader issues.

A final point on the issue of creativity:

- if you want to encourage imagination and creativity;
- if you want to have analysts who reach to see beyond what is delivered in their inboxes;
- if you want an intelligence community that continues to make the tough calls: you have to accept analytic risk taking.

The more imaginative we become, the more likely we will head down blind alleys. After all, conventional wisdom is almost always correct. The gift of a good leader or analyst is know when and how to be imaginative so that you have an impact on a key national security issue. It's understanding that you don't have all the information you need and yet recognizing the point at which you can't wait any longer.
Following up on my State of Analysis speech in February, I instituted a mandatory tradecraft refresher seminar for all analysts and managers in May. This was the equivalent of a “professional timeout” so that we could review the lessons we had learned and apply them to the broad spectrum of our work. One of the exercises I asked people to do was an alternative analysis on one of their key analytic judgments employing a devil’s advocacy approach, competing hypotheses, scenario building, gaming or a denial and deception vulnerability assessments. The results of these exercises were quite interesting and well worth doing; and it was another way to inject some contrarian thinking into the analytic mix.

As I said at the start of my statement, intelligence analysis is a difficult profession. I want to thank the Administration and members and staff of HPSCI for devoting attention to the analytic discipline and for their support in implementing the DCI’s Strategic Direction initiative. Your efforts to provide the slots, people, and the tools we need to continue to improve analysis are critical. Improving our tradecraft by recruiting and retaining the right people, by providing them with the analytic tools necessary to sort through the ever increasing mounds of data, and providing the time to undertake strategic, imaginative analysis. These are the kinds of changes that, when sustained over time, will ensure the quality of intelligence analysis that the country deserves.

There is one final thought I would like to leave you with: We must have realistic expectations of what intelligence analysts can and cannot do.

- Analysts can piece together open and secret information to paint a picture of the challenges that confront the country. They can provide context to help policymakers understand situations that confront us or might challenge us in the future. They can assess trends to provide strategic warning.

- What they cannot do is eliminate surprise. They cannot eliminate mysteries. They can help you manage risk, but they cannot eliminate risk.
Intelligence analysts will give you their best effort, their best judgments based on the information available to them, but they cannot give you certainty in an uncertain world. I think it is very important that the current debate on intelligence be informed by realistic expectations.

Thank you.