

SELECT COMMITTEE ON
INTELLIGENCE

UNITED STATES SENATE



**Questions for the Record
for Admiral Dennis Blair
upon nomination to be
Director of National Intelligence
January 22, 2009**

Questions for the Record
Senator Christopher S. Bond

FISA Amendments Act

Question: The FISA Amendments Act of 2008 included important civil liability protections for those providers who assisted the government with the Terrorist Surveillance Program in the aftermath of the September 11th terrorist attacks. According to this Act, in order for the liability protections to apply, the Attorney General must first file a certification with the court. Last fall, Attorney General Mukasey filed the appropriate certifications.

Do you believe that those private partners who assisted the government should be given civil liability protection?

Answer: Yes. The terms and conditions of that civil liability protection are spelled out in the FISA Amendments Act.

If confirmed as the DNI, will you recommend that the Attorney General honor the certifications submitted by Attorney General Mukasey?

Answer: Yes.

DNI Authorities

Question: The Intelligence Reform and Terrorism Prevention Act (IRTPA) created the Director of National Intelligence in response to concerns that there was no leader of the Intelligence Community. Yet IRTPA gave the DNI a whole lot of responsibility without requisite authority. Since then, the DNI has had difficulty at times bringing reluctant agencies along the path he would like to hoe. Some say the DNI should just be a coordinator among the agencies, but not have the power to direct them.

- **How do you describe the appropriate role of the DNI?**

Answer: My principal role, if confirmed as DNI, is to create a unified intelligence effort at the national level that is both effective and efficient. This means setting overall priorities, ensuring that the agencies and elements play their parts in meeting those priorities, ensuring missions that require the efforts of multiple agencies are accomplished, and adapting the intelligence agencies to new missions as they arise. To accomplish this, I will institute appropriate policies and procedures for the agencies that comprise the U.S. Intelligence Community. They are obligated by the recent amendments to EO 12333 (section 1.3(c)) to implement those policies and procedures unless the head of the department to which they belong takes the issue to the President or the National Security Council, contending that compliance with such policies and procedures would abrogate his or her statutory authorities, in violation of section 1018 of the Intelligence Reform and Terrorist Protection Act of 2004 (IRTPA). I anticipate that this clarification of the IRTPA will significantly improve the ability of the DNI in the future to obtain compliance with his directives by elements of the Intelligence Community. I will request additional authority if I find I do not have enough to lead the community.

- **If confirmed as the DNI, will you direct the IC even where there is no consensus among the agencies?**

Answer: If I am confirmed as DNI, I will direct the Intelligence Community to do what I believe is necessary to support the intelligence priorities at the national level, regardless of whether there is consensus within the Community for that particular course of action.

- **Taking into account the ODNI's role as you see it, what is your opinion on the size of the ODNI?**

Answer: Although I have received overview briefings on the size and organization of the ODNI, I am not yet in possession of sufficient information to answer this question. If confirmed, I will make it a matter of priority to assess this issue. That said, I believe that large staffs can sometimes interfere in the effective management of a large organization and I will bear that in mind as I review the size and structure of the ODNI staff.

Accountability

Question: I was disappointed to read your response to one of the prehearing questions about accountability. You stated that you did not see the DNI intervening in, or commenting upon, decisions made by heads of agencies. The Committee has been very concerned by the IC's failure to hold individuals accountable for poor judgment or significant mistakes. I believe it improves morale and productivity if there is accountability, particularly at the highest levels. This is why for the past two years, I have sponsored a provision giving the DNI authority to step in and conduct accountability reviews.

- **If you are given this authority, will you take appropriate action when people, particularly those at the highest levels—use poor judgment or make significant errors?**

Answer: If confirmed, and if I were given authority (by virtue of the Senator's proposal or something similar) to step in and conduct accountability reviews at agencies within the Intelligence Community, I would use that authority where I believe a particular agency's handling of a disciplinary matter had been inadequate.

Leaks

Question: Since 9/11, we have seen far too many leaks of sensitive information in the press—from the Terrorist Surveillance Program to recent articles that appeared in the New York Times. I am concerned that we are not doing enough to pursue aggressively and prosecute those who leak classified information. While some people say that there is nothing we can do about leaks, I believe all it takes is for one person to be punished for disclosing classified information—that will be a pretty potent message for others. In fact, a good place to start would be prosecuting the individual who leaked the TSP to the New York Times and then went so far as to tell his story to Newsweek.

- **What is your view of prosecuting leakers?**

Answer: I believe people who leak classified information should be criminally prosecuted. If an individual cannot be prosecuted for whatever reason, I believe that administrative action should be considered up to and including dismissal

from government employment. As we discussed at the hearing on 22 January, if confirmed I will examine the procedures now in place to identify those who pass classified information to outsiders, and look for improvements.

- **Will you encourage IC agencies to file crimes reports each time there is a leak of classified information?**

Answer: If confirmed as DNI, I will encourage elements of the Intelligence Community to file crimes reports with the Department of Justice when leaks of classified information occur.

- **Will you encourage the next Attorney General to investigate and prosecute these leaks?**

Answer: If confirmed as DNI, I will also encourage the next Attorney General to investigate and prosecute leaks of classified information.

Domestic Intelligence

Question: For the past several years, we have heard the repeated refrain that we need to split up the FBI and create an MI-5-type organization. While I believe that the FBI can make further improvements in its intelligence transformation, they have made considerable progress since 9/11. My staff and I have visited other countries that divide their intelligence and law enforcement functions. It is my opinion that we have the right formula here. I am also concerned that if we divide these overlapping functions, we will recreate the walls that contributed to the 9/11 attacks.

- **What is your opinion on splitting the FBI into separate intelligence and law enforcement agencies?**

Answer: I have heard strong arguments against splitting the FBI into separate intelligence and law enforcement agencies, including: that the FBI has made progress in its efforts to improve its intelligence function; that such a split risks recreating the wall between law enforcement and intelligence information sharing that was so harmful before 9/11 and would undermine information sharing; and that such a split would undermine the benefits that result from FBI special agents

who have an understanding and experience in both the world of intelligence and law enforcement. I currently have no intention of supporting the creation of a separate domestic intelligence agency.

Question: There have been some recent suggestions that there should be a domestic intelligence czar to oversee the intelligence efforts of the FBI and Department of Homeland Security. I am concerned that this would confuse or dilute the authority of the DNI.

- **What is your opinion of a domestic intelligence czar, particularly in light of the DNI's statutory responsibilities?**

Answer: White House "czars" do not have a great record of success in recent years in the U.S. government. It is better for a new administration initially to charge those outside the White House with line responsibility to do their jobs. The White House staff should help the President set goals and monitor progress towards those goals.

Question: Since its creation, the Department of Homeland Security has experienced some growing pains as it tries to fulfill its many different missions. This Committee has been particularly interested in DHS' efforts to bridge the gap between federal, state, and local law enforcement agencies, particularly in sharing intelligence information.

- **What do you believe should be the role of intelligence in the Department, and how does this then translate to DHS' role in the Intelligence Community?**

Answer: The Department of Homeland Security's Office of Intelligence and Analysis is an important member of the Intelligence Community. Its mission is to ensure that information related to homeland security threats is collected, analyzed, and disseminated to the full spectrum of homeland security customers in the Department – at state, local, and tribal levels; in the private sector; and in the IC. I believe this is an appropriate and necessary mission. The Department of Homeland Security's Office of Intelligence and Analysis both relies on

information from the IC to inform the wide range of homeland security customers and informs the IC of the wide range of intelligence it collects and analyzes from the state, local, and tribal levels, as well as the private sector.

- **In your opinion, what are the biggest challenges for DHS in embracing its intelligence function?**

Answer: Two clear challenges for the intelligence function at DHS are (1) to continue efforts to develop capability in this recently created office; and (2) to enhance and expand robust information sharing, both to inform DHS customers and to keep the IC informed of information developed at the state, local, and tribal level, as well as the private sector. If confirmed, I will make it a priority to assess challenges for the intelligence function at DHS and to support improvements.

Intelligence Collection

Question: In a December 2001 Newsweek article, you expressed concern about preparing “target folders” aimed at specific individuals when conducting counterterrorism programs.

- **Could you give us an idea of what those concerns were, as well as what concerns you still may have?**

Answer: I honestly cannot remember the specifics of the incident mentioned in the Newsweek article. I don't know if it had any basis in fact or not. My past concerns about targeting specific individuals in counterterrorism programs related to the proper authorizations and rules of engagement. In the seven years the United States has been conducting this campaign, we have worked out these issues; as a result, I have no concerns.

- **Do you believe that the military should target known terrorist leaders?**

Answer: I believe military units should target known terrorist leaders. As I stated during the hearing on January 22, I believe we can do a better job in combining military and intelligence organizations to capture and kill terrorists who have attacked or who threaten the United States by combining the principles of Title 10 and Title 50 into a "Title 60." Such a law would govern the use of integrated

military/intelligence teams for the counterterrorism mission and would allow operational commanders the freedom to combine the capabilities that have been developed within the armed forces and within the intelligence agencies. Such a law would have to consider the issues of the deniability of covert actions and the combatant status of uniformed military personnel, but it should be written in the context of the kinds of operations we are conducting today. It is my understanding that the different requirements of Title 10 and Title 50, written in the context of Cold War conditions, currently slow and degrade the conduct of operations in the field.

Question: President Obama has said that if we have actionable intelligence about high-level al-Qaeda targets, “we must act if Pakistan will not or cannot.”

- **If confirmed as the DNI, how will you ensure that the Intelligence Community is able to provide “actionable intelligence” on high-level targets?**

Answer: In recent months, the Intelligence Community has been able to provide very important “actionable intelligence” on high-level targets. If confirmed, I will want to inform myself in detail of the reasons for these recent successes, and build upon that record.

- **What do you consider the foremost responsibility of an intelligence officer?**

Answer: The foremost responsibility of an intelligence officer is to help policymakers and action officers understand the environment and, especially, the adversary.

- **Do you believe that we need to be more proactive in our intelligence collection?**

Answer: Yes. The Intelligence Community has had many collection successes, but can never rest on its laurels because the threat environment and communications technology are constantly changing. The Intelligence Community must stay at the cutting edge of technology, especially information technology.

Investment in R&D as well as human capital is essential for innovation and future success in collection.

Question: We have all heard complaints from the military that the Intelligence Community has not been responsive enough to its intelligence requirements. At the same time, intelligence should first and foremost be obtained to support policymakers.

- **How will you prioritize requirements so that the IC will do a better job of supporting the military, while at the same time ensuring that support to the policymakers remains the top priority?**

Answer: As the question suggests, both national and military priorities are important and both must be met. The President, who is the primary policy maker, is also the Commander-in-Chief. He needs the best possible intelligence support in making policy choices, and the troops he commands need the best possible intelligence support once he commits them to combat in support of his policies.

As generous as the Congress has been with the Intelligence Community, it is not possible to fund separate systems devoted exclusively to national requirements and military requirements respectively. Most often, the issues that arise between the demands of military operations and national intelligence requirements have to do with the capacity of collection systems and with assignment of analysts. I believe it is incorrect to characterize these priority-based decisions always as conflicts between military and national requirements. They are rather the decisions that have to be made by the intelligence enterprise of a global power that needs good intelligence in many different areas of the world and for many different potential threats.

It is my belief that greater integration across the national intelligence enterprise will make the whole greater than the sum of the parts, and enable the IC to meet intelligence requirements more effectively. If confirmed as DNI, I will work hard to advance this integration and thereby improve the IC's ability to meet requirements across the board.

China/Taiwan

Question: You have often talked about increasing cooperation with China in order to reduce mutual suspicions and broaden mutual interests. Yet, you also dealt with one of the most delicate U.S./China issues in recent history, the 2001 collision between a U.S. Navy EP-3E reconnaissance aircraft and a People's Liberation Army J8 fighter jet and the subsequent tensions between our two nations.

- **If confirmed as the DNI, how would you balance the desire to reduce suspicions with the priority to understand what China is doing in the region?**

Answer: I believe strongly that good intelligence that increases our understanding of what China is doing in the region is essential to calibrate suspicions in the region about China's actions. Much of the suspicion stems from the fear that China's economic growth will inevitably lead to military growth that will inevitably lead to a policy of asserting Chinese influence and reducing American influence. A good example is China's military modernization. There is suspicion that China is bent on asserting military power far from its shores. China protests that it has no intention of projecting military power for coercive purposes, and points to its recent deployments to combat piracy off Somalia. To understand China's plans in this area is an important task for U.S. intelligence. The task includes a careful examination of China's actions, including the military systems it is building, its military relations with other countries, its exercise program, and its diplomacy. The task also includes a careful examination of the internal debate in China on this topic, both the public debate and the official debate. The task includes gathering and analyzing both publicly available information as well as classified intelligence. The results of this analysis will inform American policymakers on the question of whether they should be suspicious of China's overseas activities because they are most likely the initial stages of a power projection capability, or whether we should understand them as a limited capability that will pose no serious threat to U.S. interests. If confirmed as DNI, my priority will be to use intelligence to understand both the reality of Chinese actions and the range of Chinese intentions.

Question: A number of negative comments about United States policy towards Taiwan have been attributed to you in the past—I believe at one time, you referred to Taiwan as the “turd in the punchbowl of U.S./China relations.” Since you retired, however, you have consistently spoken and written about the importance of the Taiwan Relations Act as a solid foundation for American policy in the region. You have also said in recent years that you believe that that policy is good for both Taiwan and China.

- **What is your view on U.S. policy towards Taiwan?**

Answer: It is absolutely incorrect that I ever referred to Taiwan itself as the "turd in the punchbowl of U.S./China relations." Whoever gave this account to the press was maliciously attempting to portray me as a supporter of China at the expense of Taiwan. I did in fact use the too-colorful phrase "tossing a turd in the punchbowl" in a closed meeting in 2000, but the phrase referred to a specific action by a former Taiwanese government that had been taken without consulting the United States, that had led to a confrontation between the United States and China that neither had sought, and that did not benefit Taiwan. My characterization referred to a single, specific action by the Taiwanese government, certainly not Taiwan itself.

I have never made negative comments about United States policy towards Taiwan in the past. I have stated opinions about statements and actions of particular American officials and administrations which I believed to be inconsistent with American policy, but I have always believed and stated that the Taiwan Relations Act is a solid foundation for American policy towards Taiwan. When I was CINCPAC, I took my specific responsibilities under the TRA seriously, and since I retired I have continued to believe and say that this legislation provides a sound basis for U.S. policy.

- **If confirmed as the DNI, how do you intend to shape intelligence collection priorities in this region?**

Answer: If confirmed as DNI, I intend to place a priority on both China and Taiwan. As the TRA states, it is American policy that the future of Taiwan will be

determined by peaceful means. American intelligence must understand the prospects and opportunities for a peaceful progress so that we can reinforce it. On the other hand, American intelligence must provide warning of a potential crisis or conflict in China-Taiwan relations so that we can take timely and well informed action.

Use of Intelligence

Question: You have handled a lot of intelligence throughout your career and have likely seen that reports on the same subject may differ in substance and veracity.

- **If you became aware that the Administration was cherry-picking, exaggerating, or downplaying intelligence to justify a policy or program, how would you respond?**

Answer: If I am confirmed, it would be my responsibility in such a situation to contact the appropriate Administration official to discuss the issue and to make sure that he or she had all the relevant facts and intelligence available. I would underscore what the totality of intelligence on a given topic supports, or does not support, with respect to a policy or program. I would also communicate the IC consensus view if one existed.

The Administration is entitled to interpret facts and information, but if I suspected that there was a deliberate attempt to manipulate intelligence for political purposes, I would make my concerns known directly.

- **What is the obligation of the DNI to ensure that U.S. intelligence is not misused?**

Answer: The DNI has an obligation to provide accurate, timely and relevant intelligence that is free from political considerations. As the head of the Intelligence Community, the DNI also has the responsibility to ensure that intelligence is not misused.

Intelligence Community Linguists

Question: The Defense Language Institute has its roots in the Military Intelligence Service Language School which trained nearly 6000 Japanese linguists for service in World War II. Japanese is a Category IV language with a basic course length of more than a year. WWII lasted four years.

We have been in Afghanistan for more than seven years and continue to fight the Pashto speaking Taliban. Pashto is a Category III language with a basic course length of 47 weeks, yet we have fewer than 5% of the linguists for this war than we did for WWII.

- **How do you plan to improve the number and quality of qualified linguists in critical languages such as Pashto, Urdu, Arabic, and Persian Farsi?**

Answer: If confirmed, I will conduct a thorough review of the Intelligence Community's current language training, recruitment and retention efforts. Lack of language-qualified personnel has been a perennial problem for the Intelligence Community. From reading press accounts and recent intelligence authorization reports, it appears that not enough progress is being made. I am aware that the IC continues to wrestle with clearing people who are native speakers of the critical languages you mention, and I believe the DNI is exploring new ways to employ them at a lower classification level. I will want to examine the effectiveness of this program and determine whether it is the right answer to the problem. I will also want to examine what kind of incentives the IC is using to attract and retain linguists, and determine whether recruiting is taking place in the right areas. During my years in the military, particularly in the Pacific, the importance of having language-qualified personnel in the right positions was brought home to me again and again. It is important to identify those positions and then put in place aggressive procedures for finding linguists to fill them. If I am confirmed, this will be a priority for me.

- **Do you believe that contractors can meet the nation’s requirements for linguists?**

Answer: I don’t believe that the IC should rely excessively on contractors. That being said, it is not possible to predict every contingency in order to have a waiting pool of linguists, or to have depth in every possible language. I believe the IC must identify linguistic needs for the next five or ten years and shape the linguistic workforce accordingly. The IC also needs to know where linguists are assigned at any given moment so it can reach out to them when needed. Predicting the IC’s linguistic needs is an art and not a science. Sometimes contractors will be needed to enable us to surge quickly against an emerging threat or to augment IC language capabilities. Once it becomes clear that the requirements for a particular language are not transient, the IC should focus on increasing the numbers of government linguists rather than continuing to rely primarily on contractors.

- **Does the Intelligence Community need a more robust program for recruiting, training, promoting, and retaining linguists?**

Answer: Yes, I believe the IC needs a more robust program. If confirmed, I will conduct a thorough review of the current program to see how it can be improved to meet the needs of the IC and the Nation.

Covert Action

Question: As you know, the Under Secretary of Defense for Intelligence has Title 10 and Title 50 authorities. The USD(I) was dual-hatted by DNI McConnell to serve concurrently as his Deputy Director for Defense. Yet, the USD(I) has, on occasion, asserted that this Committee does not have primary jurisdiction over his programs. This is of particular concern to this Committee as the USD(I) has interpreted Title 10 to expand “military source operations” authority, allowing the Services and Combatant Commands to conduct clandestine HUMINT operations worldwide. These activities can come awfully close to activities that constitute covert action.

- **In your opinion, what constitutes “covert action” or “covert influence”?**

Answer: The term “covert action” is often used loosely but it is a defined term under Title 50. The covert action statute, 50 U.S.C. 413b(e), defines covert

action as "activities of the United States Government to influence political, economic, or military conditions abroad, where it is intended that the role of the United States Government will not be apparent or acknowledged publicly..." "Covert action," as the definition points out, includes covert influence.

- **How do you differentiate between covert action, military support operations, and operational preparation of the environment?**

Answer: Some covert actions necessarily involve support and participation of military forces. And there are military operations that are designed to prepare the battlefield or support ongoing military operations that require the support of CIA or other intelligence assets. There is often not a bright line between these operations and I believe there are two criteria we must keep in mind. First, the President and others in the chain of command over military and intelligence assets must have broad flexibility to design and execute an operation solely for the purpose of accomplishing the mission. They should never contort an operation to be a covert action under Title 50 or a military operation under Title 10 in order to avoid Congressional oversight or a funding constraint. Second, I believe that these operations must be very carefully considered and approved by appropriate authorities and they must be coordinated thoroughly in the field. Consistent with law and the President's responsibilities, they must be reported to the relevant committees of Congress, including the Intelligence, Armed Services and Appropriations Committees.

- **In your opinion, when does preparing the environment become a covert action in all but name and authority?**

Answer: As I noted in my response to the previous question, there is often not a bright line between military activities to prepare the battlefield or the environment, but each activity should be carefully reviewed by military and intelligence officers and a judgment made on a case-by-case basis.

- **When there are disagreements between the military and Intelligence Community as to what constitutes covert action, what do you believe is your role in resolving this friction?**

Answer: If confirmed, I am responsible for overseeing and managing the intelligence community and executing my duties as spelled out in the law. Should there be a disagreement over the authorities under which an operation would be executed, I would work closely with the Combatant Commander in the field, the Secretary of Defense, the National Security Adviser and, if necessary, the President to resolve the matter.

NRO Overhead Reforms

Question: For some time now, our overhead acquisition process has been broken. Members of this Committee have expressed repeated frustration that we have wasted billions of dollars on satellite systems that either don't work or are never completed.

- **How do you plan on fixing this broken process?**

Answer: If confirmed, I plan to tackle this issue immediately. I am aware that there is an urgent need to address the overhead architecture and that the new DNI will need to move quickly. I have not been briefed in detail on all the systems and the events that led to the current situation, so I can't give a specific answer to this question. However, as a former Director of the Joint Staff with a great deal of program management experience, I know the importance of clearly stated, realistic requirements for systems acquisition. These requirements should be developed consistent with a comprehensive but achievable overhead architecture. I also believe that, if confirmed, I will need to play a strong leadership role in developing that architecture and validating those requirements. The DNI should be primarily responsible for ensuring that the nation's intelligence needs from overhead systems are met. In doing so, I will work closely with the Department of Defense and other customers. If confirmed, I will also help the NRO get back on track by providing them clear guidance, adequate resources and disciplined oversight so they can get the job done. This organization has delivered outstanding systems in the past, and I believe it can do so again.

Will you hold people accountable when they make errors or bad decisions that end up wasting taxpayers' dollars on satellites that don't do the job?

Answer: Yes, I will hold people accountable. Program Managers deserve praise and rewards for success, and must understand that they will receive the opposite for failure.

Project on National Security Reform

Question: You served as the Deputy Executive Director of the Project on National Security Reform. I have read PNSR's findings and agree with the project's description of the problem with how the United States government goes about national security decision-making. Our government funds and authorizes self-licking ice cream cones as departments and agencies, instead of authorizing and funding according to the mission. The Project recommends some bold reforms in the National Security Council, throughout the government and in the Congress. Yet the changes it recommends will be hard fought as most do not like change in the circles of power in Washington.

- **Which of the Project's recommendations are you most interested, would you like to pursue and would work to bring about as the DNI?**

Answer: I am most interested in two sets of the PNSR recommendations.

First, the foundational reforms that over time will make our national security departments and agencies better integrated in their planning and execution of policy:

- Improving the management of the national security professional workforce;
- Improving the information infrastructure for collaboration across national security departments and agencies, including a common security clearance and classification system; and
- Creating an integrated national security budget that will align resources with priorities across all departments and agencies.

Second, the organizational reforms that will focus the Executive Office of the President on strategic management of national security, while decentralizing the execution of interagency policy to interagency teams and crisis task forces.

None of these reforms is easy or quick, but if implemented, they will greatly improve the safety and security of the United States.

Question: Since 2005, the Committee has had a staff group which examines intelligence collection and analysis on Iran. Despite numerous and repeated requests in the last Congress, this staff group has not been given access to several of the most important source streams used in the 2007 Iran NIE. This is simply unacceptable and it hampers this Committee's ability to conduct effective oversight.

- **Will you ensure that the Committee is given access to this information?**

Answer: If confirmed, I will look into this question and work with the Committee to ensure that it is fully and currently informed with respect to the intelligence collection and analysis on Iran, including the collection and analysis used in the 2007 Iran NIE. If there are issues of exceptional sensitivity, I will work with the Committee to find satisfactory solutions to them.

Financial Management

Question: Admiral Blair, the intelligence community has made little progress towards producing auditable financial statements, despite Presidential and Congressional direction to do so that dates back to 1996. During his confirmation process, the incumbent DNI promised take this bull by the horns and specifically pledged not to tolerate "bureaucratic roadblocks." And yet, we hear reports of bureaucratic bickering that has left the IC little closer to having clean financial books now than when Admiral McConnell took office. In fact, a December 2008 status report to our Committee from the ODNI showed delays and lack of progress in financial areas that the DNI promised to make priorities. This is intolerable. If auditors cannot attest to the accuracy and reliability of the IC's accounting,

Congress and the American people cannot be assured they are getting what they paid for. Congress may have to withhold funding for certain administrative functions until we are assured the IC has taken this problem seriously and has made real progress.

- **Are you aware of this situation, and will you assure this Committee that you will be able to show us real results in your first year in office?**

Answer: I am aware in the broadest terms that the Intelligence Community lags behind the rest of the federal government in achieving auditable financial statements. While I have not been briefed on all the specifics, I understand part of the problem is that the defense agencies of the IC use the Defense Finance and Accounting System, which has systemic problems that prevent auditability and will take time to rectify. If confirmed, I will have a strong interest in modernizing business systems and processes to improve the IC's ability to allocate and manage financial resources efficiently. As I stated in a previous written response, it is important to do the up-front work of analyzing agency and enterprise business processes to ensure that the IC is improving those processes and not just automating bad ones. I am unclear on how much progress the IC has made in this area, but if confirmed, I will make it a priority to find out. I believe there may be a tension between modernizing business systems and achieving auditable financial statements that I will need to balance if confirmed as DNI. I am committed to the effective expenditure of taxpayer dollars and, if confirmed, I will report regularly to the committee on the progress we are making in financial management.

Major Acquisitions

Question: The IC has wasted billions of dollars on major acquisition programs, such as certain satellites, that it could not afford to finish. Some programs built in insurmountable technical risk, dooming them to failure from the start. All such failures had grossly unrealistic cost and schedule estimates. We saw this with NRO, with NSA, with ODNI, and with another special, classified program. Yet the heads of these agencies stubbornly or blindly insisted to Congress that they were on the right track and that Congress should continue to throw good money after bad.

- **What will you do as DNI to ensure the IC does not continue to waste precious dollars by intelligence agency directors who manage to fool themselves about the true cost and technical difficulty of programs?**

Answer: If confirmed, improving the acquisition of major systems must be at the top of my priority list. The IRTPA gave the DNI formal milestone decision authority for the first time. That authority is shared with the Secretary of Defense for systems within the Department of Defense funded in whole by the NIP. The newly revised Executive Order 12333 broadened this shared authority to include systems funded in whole or in majority part by the NIP, and directs the DNI, in coordination with the relevant heads of departments, to develop procedures to govern major systems acquisitions. If confirmed, I will make developing and implementing effective acquisition procedures a priority. I anticipate that I will be able to forge a constructive working relationship with the relevant departments, and with the Secretary of Defense.

The DNI needs to show strong leadership on the acquisition of all national security intelligence systems. That includes developing the architecture into which the acquisitions fit, ensuring the system requirements are realistic and actually meet the needs of operator/customer, and most important of all, ensuring responsible programming and budgeting. If confirmed, I will ensure that every program has an independent cost estimate; that the full costs—in the FYDP and beyond—are well-understood before proceeding; and that once the decision is made to proceed, the program manager is resourced to achieve success. I will also ensure that no system will proceed to acquisition until there has been sufficient technical risk reduction to reasonably assure success. These are, in fact, time-honored principles of sound acquisition to which we must return if we are to meet our national security imperatives.

Energy Security

Question: The National Intelligence Council has published reports that conclude that the struggle for resources – in particular, energy, and especially oil and gas – will play an increasingly major role in world politics. Indeed, the certain reemergence of higher oil prices when the world economy ultimately recovers

could result in wealth transfers that could fundamentally change the world balance of financial and political power. Over the last year, we have seen some increased priority attached to energy security in the intelligence community, and that is heartening. But I believe we need to ensure that the full capability of the Community is brought to bear on these issues and that energy security is seen as a critical mission and managed in a coordinated fashion, headed by one senior, accountable officer.

- **Do you have views about the future role of energy security in geopolitics?**

Answer: I agree with the premise of the question that energy security is a topic of great importance in geopolitics. The President mentioned energy security in his inaugural address, and I am confident that it will be a topic of continuing importance to policymakers.

- **What would you do to ensure that the IC is devoting appropriate priority and resources to energy security in a coordinated, accountable manner?**

Answer: If confirmed, I will assess the quality of the intelligence concerning energy resources and energy security, and adjust the level of priority and amount of resources in the IC devoted to these topics as necessary. I will want to ensure that appropriate resources are committed and utilized effectively to address this important concern.

Question for the Record
Senator Barbara Mikulski

Question: Admiral Blair, it is absolutely critical to have a Director of National Intelligence (DNI) who is honest, candid, and objective with the President. This may require the DNI to tell the President – the very person who appointed you to this job—something he doesn’t want to hear.

We can’t have a Director of National Intelligence who only says “yes” to the President. The DNI must speak with truth and candor to the President because this will help create more informed policies and will help prevent our government from making reckless mistakes. I, like many other Americans, have great respect for the military – and it is admirable that you are willing to return to government service. Like DNI McConnell, you have had a lengthy military career – serving over 30 years in the Navy. However, the military does have a culture of “saying yes.”

Given your lengthy military career and important tenure as head of Pacific Command, how can we count on you to speak truth to power? What specific examples can you point to where you told a leader something that he or she didn’t want to hear?

Answer: When I was Director of the Joint Staff, there was an issue concerning the conflict between Navy exercises and the migration of marine mammals. It was clear that the White House wanted the issue to be resolved by the Department of Defense without a public fuss by agreeing to relocate Navy exercise areas. I insisted that the Department submit a formal recommendation, with supporting rationale, for the maintenance of the exercises. Although the President did not accept the recommendation, I felt it was important to raise the issue and make a decision, rather than simply taking a popular position without debate.

When I was CINCPAC, on several occasions, I received policy direction that may have been correct in other areas or the world, but was not relevant to the American position in the Asia-Pacific region. In every case, rather than simply accept the inappropriate direction or to ignore it, I replied with recommendations that pointed out the problems in the direction, and then recommended alternatives that were more appropriate to the Asia-Pacific region.

Questions for the Record

Senator Bill Nelson

Question: The Committee has been clear in its support for dramatically increased research and development funding for the Intelligence Community. We cannot keep up with the fast-changing technology world and our adversaries without it. **Do you support the new Intelligence Advanced Research Projects Activity (aka IARPA)? Will you make research and development a funding priority and personally ensure that IARPA is well supported with authorities and resources?**

Answer: Yes, I support the Intelligence Advanced Research Projects Activity (IARPA). Based on the experience I have had with the Defense Advanced Research Projects Agency, the model for IARPA, I would look at closely is the mechanism for transitioning promising IARPA initiatives into operational systems. A demonstration project in IARPA does no good unless it moves into the hands of operators and analysts.

It is my view that R&D should play an important role in efforts to strengthen the capabilities of the IC. If confirmed, I will want to review funding levels and ensure that IARPA activities are focused on unique needs and niches that are critical to the IC but are underfunded by other government agencies and the commercial sector. I am prepared to support additional resources for R&D as such needs are identified.

R&D needs to be a source of innovation for the entire Intelligence Community, supporting the nearer-term missions but also reaching out for game-changing developments that can revolutionize how the IC carries out its mission.

Question: The legislatively mandated DNI Director of Science & Technology position should report directly to you and be your personal S&T advisor. The previous Director did not make this position a priority, so the last two position holders resigned and it has been vacant for many months. **What are your plans**

for this position? Will you make it a priority to fill this position quickly with a highly qualified S&T leader reporting directly to you?

Answer: I share the premise of the question that a DNI Director of Science & Technology is an important position to ensure the integration of S&T efforts across the intelligence enterprise and ensure the most effective use of R&D resources.

If confirmed, I will make it a priority to fill this position quickly. I will look for a Director with a strong technical background, a track record of creative use of technology, and proven leadership and communication. Experience working within and across the IC's S&T enterprise would also be desirable.

I will want to look at the number of senior officers directly reporting to the DNI before I make a decision about a direct reporting relationship, but my inclination is to have such a relationship with the senior Science and Technology officer. I would expect this S&T leader to function as my senior advisor on S&T matters, to serve as the voice of the S&T community at the most senior levels, to take a hard look at the successes and failures of S&T in recent years, and to focus on enhancing the ability of agencies to carry out S&T activities, both in support of their own unique missions and as part of an Intelligence Community S&T enterprise.

Questions for the Record
Senator Olympia Snowe

Question: The Bush administration listed the IC IG provision in the FY09 Intelligence Authorization bill as a “provision of significant concern” and threatened to veto the entire bill if that particular provision was included in the final language. Specifically, the Statement of Administration Policy stated that the “existing IGs of all the IC elements are still best suited to performing their investigative, inspection, and audit functions, without the addition of an outside entity like the proposed new IG.” Do you agree that the “existing IGs of all the IC elements are still best suited to performing their investigative, inspection, and audit functions, without the addition of an outside entity like the proposed new IG.” If so, why?

Answer: I believe the existing IGs of the agencies within the Intelligence Community are still best suited to performing investigative, inspection, and audit functions *within their respective agencies* simply because they have access to the employees and documentation needed to conduct such activities and, presumably, have a more in-depth understanding of their agency’s organization, responsibilities, and operations.

Question: In response to a question regarding whether or not you would support establishing in law an independent, fully empowered Inspector General for the Intelligence Community in Committee pre-hearing questions, you stated that you “would not want to add an additional unnecessary layer of bureaucracy on top of a system that is functioning adequately.” Why do you believe that the current system is functioning adequately?

Answer: By saying “I would not want to add an additional layer of bureaucracy on top of a system that is functioning adequately,” I did not mean to imply that I necessarily thought the current system was functioning adequately. Until I am confirmed and have explored this issue, I have no means of making that assessment.

Question: According to the Inspector General Act of 1978, an inspector general looks independently at problems and possible solutions, yet the current construct of the Office of Inspector General of the Office of the Director of National Intelligence does not allow the Inspector General to investigate the various elements within the Intelligence Community. Do you agree that an Inspector General for Intelligence Community – one that can compel testimony – should be able look across the entire intelligence landscape to help improve management, coordination, cooperation, and information sharing among the individual intelligence agencies and affect cross-agency accountability?

You also indicated in information provided to the Committee that “there may be some merit in a coordinator of the efforts of the inspectors general across the intelligence community for issues that are larger than a single intelligence agency.” Wouldn’t it be appropriate for a coordinator of inspectors general to have the same stature as the other statutory, Senate-confirmed inspectors general in the IC?

Answer (to the last two questions together): I want to explore this issue more carefully before agreeing that an Inspector General for the Intelligence Community should be able to investigate, audit, and inspect across the entire community. To empower an Inspector General in this manner – i.e.; to look at documents and interview personnel from sixteen separate agencies, all with Inspectors General of their own – may be neither necessary nor desirable. As I indicated in my earlier answers, however, it may make sense where an inquiry involves the activities of more than one agency within the Intelligence Community (as it often does) to have an Inspector General for the Intelligence Community with authority to institute and coordinate investigations, audits, and inspections carried out by the individual Inspectors General of the agencies concerned. I will review the IG provisions of future Intelligence Authorization bills once I have had a chance to assess the effectiveness of the IGs currently working in the Intelligence Community.

Questions for the Record
Senator Russell Feingold

Question: In your responses to questions posed by the Committee, you stated that “[t]he [Intelligence Community] needs to emphasize in its relationships around the world that the United States respects and seeks to advance respect for human rights, and that IC agencies do not condone behavior that violates this core American value.” How can this message be conveyed convincingly? Are there consequences in terms of these relationships if human rights violations continue? What kind of working relationship will you set up with the State Department and other agencies so that our human rights policies are coherent?

Answer: The first and most important action the Intelligence Community can take to convey a convincing message is to ensure that violations of human rights do not take place. Specifically, the President has made clear in his Executive Orders of January 22, 2009 that the United States will ensure the lawful interrogation of individuals detained in armed conflicts, and that the United States will abide by the provisions of the Geneva Conventions. If confirmed, I will ensure that actions of IC personnel are consistent with these Executive Orders and that American values, principles and laws apply to all behavior by IC personnel. I will direct overseas IC elements to work closely with the State Department and all government agencies under the Chief of Mission’s authority to ensure that activities are in accord with the U.S. government’s human rights policies.

Question: In 2006, the Department of Defense Inspector General concluded that, as President of the Institute for Defense Analysis, you violated IDA’s conflict of interest standards by failing to disqualify yourself from studies affecting the financial interests of two companies on whose Boards of Directors you served. You have acknowledged as serious mistakes both the conflict of interest and your decision to decide on your own not to recuse yourself. If you are confirmed, will you fully and proactively report to the dedicated agency ethics official of the ODNI and any other relevant officers any information that might suggest even the appearance of a conflict of interest, including not only your financial interests but

any issues that could come within your authorities that might have a bearing on this determination?

Answer: Yes. If confirmed, I will consult immediately and fully with the DNI General Counsel and any other appropriate ethics officer if there is any question at all with regard to conflict of interest or the appearance of a conflict of interest.

Question: How important is it that, outside declared war zones, all intelligence activities, whether conducted by elements of the IC or by DOD, are squarely within Chief of Mission authority?

Answer: The newly revised Executive Order 12333 on United States Intelligence Activities states that the DNI shall ensure, through appropriate policies and procedures, that intelligence activities are conducted in a manner “consistent with the responsibilities pursuant to law and presidential direction of Chiefs of United States Missions.” If confirmed, I will work with the State Department to ensure that those policies and procedures are in place. Since Executive Order 12333 also charges the DNI to establish joint procedures to deconflict, coordinate, and synchronize activities conducted by the IC with intelligence activities conducted by other United States Government departments, he has a mechanism to ensure that *all* intelligence activities are appropriately coordinated with Chiefs of Mission. I believe it is important for the coherent conduct of foreign policy that this direction be strictly followed, and if confirmed, I commit to develop expeditiously the required procedures to implement it.

Question: In your responses to Committee questions, you confirmed that DNI policies “govern all U.S. elements that deal with foreign intelligence services to ensure a consistent approach in our foreign relations.” How would you ensure that DNI policies cover any DOD dealings with foreign intelligence services, so that the U.S. government is truly acting in a consistent manner?

Answer: The new Executive Order 12333 makes clear that the DNI has the authority to establish and conduct intelligence agreements with foreign governments, to formulate policies concerning foreign intelligence and counterintelligence agreements, and to *align and synchronize those agreements among the members of the intelligence community* to further United States national security, policy, and intelligence objectives. This is one of the major changes to

the newly revised Executive Order and I believe it is a very positive development. As a former Commander of United States Pacific Command, I understand the importance of a coherent and coordinated approach to foreign governments and intelligence services. If confirmed, I will act quickly to put in place procedures to accomplish the directed alignment of foreign intelligence and counterintelligence agreements and to institutionalize it for the future.

Question: In your responses to Committee questions, you stated that you plan to conduct an evaluation of sunseting PATRIOT Act authorities, during which you will consult with intelligence professionals, intelligence community legal advisors and the Attorney General. Will you also consult with civil liberties groups and members of Congress?

Answer: In conducting an evaluation of sunseting PATRIOT Act authorities, I believe it is useful to consult broadly, including with the Congress and civil liberties groups.

Question: You have indicated that you support the continued declassification of the top-line intelligence budget. Would you support efforts to declassify this figure at the beginning of the fiscal year, rather than at the end, so that the intelligence budget can be considered independently as part of the Congressional budget process?

Answer: I will have to learn more about the intelligence budget processes to give an informed answer to this question.

Questions for the Record

Senator Carl Levin

Information Sharing and NCPC

Question: Admiral Blair: One of the main objectives of the Intelligence Reform and Terrorism Prevention Act of 2004 was to ensure that intelligence information is shared in a manner that enhances the performance of the Intelligence Community and the government. The Intelligence Community has taken steps to improve information sharing, but apparently there are still impediments to the sharing of information even within the intelligence community, perpetuating “stovepipes” and precluding components of the IC from having the information they need to accomplish their assigned missions. For example, our staff is informed that the Director of the National Counter-Proliferation Center (NCPC) has difficulty getting staff cleared into compartments, precluding coordinated efforts that NCPC believes would significantly enhance mission effectiveness.

If confirmed, will you look into this information sharing issue and work to ensure that information is shared appropriately, consistent with the law, to ensure mission accomplishment? Will you let me know the results of your inquiry and any actions you take to resolve any information sharing problems?

Answer: If confirmed, I will look into the problems of information sharing you describe at the National Counter-Proliferation Center, and I will inform you of the results of such inquiries as well as the actions I have taken or plan to take. Speaking more generally, I believe the DNI has a legislative mandate to take action to improve information sharing across the Intelligence Community. Information sharing has been a priority of Director McConnell’s, and, if I am confirmed, it will be a priority of mine.

Question for the Record
Senator Hatch

Question: Admiral Blair, in reviewing your response to my question about how you would explain the failure of the IC in correctly assessing Iraq's wmd program prior to the war, you said you had read a "summary" of the SSCI's July 2004 report, *U.S. Intelligence Community's Prewar Intelligence Assessments on Iraq*. I was extremely troubled by your response that one of the reasons for the intelligence failure was, "part of it had to do also with the extraordinary political pressure that was placed on some of the analysts." This response is metagrobolizing insofar as you pronounced, in your response, the report to be an "extremely thorough document." Yet the report very clearly stated in **Conclusion 83** that:

The Committee did not find any evidence that Administration officials attempted to coerce, influence or pressure analysts to change their judgments related to Iraq's weapons of mass destruction capabilities. (p. 284)

I remind you that this report was voted out unanimously by the Committee in July, 2004.

When I followed up and challenged you on your reading of the report or your understanding of this catastrophic intelligence failure and the role of "political pressure," you responded, "I'm sort of thinking small 'p' political – the intense overwatch, the high stakes." This is incomprehensible. I would be grateful for answers to the following questions in writing before the Committee has the opportunity to vote on your nomination.

The July 2004 SSCI report has no "summary." What summary did you read, and who wrote it?

Please describe in detail what you believe was the "political pressure" put on analysts working on this critical intelligence question. From where did you obtain this information?

If you heard these charges directly from analysts who were involved in the flawed Iraq assessments, please provide an explanation why they would

declare to you that they were under political pressure while they did not reveal to Committee investigators this same crucial information.

Asking hypothetically, how would you judge the professionalism of an analyst who would deny information to properly cleared congressional investigators, and then change their story afterward, presenting incomplete information to congressional investigators. Should such analysts be considered reliable in their duties?

What, exactly, did you mean when you qualified your first statement asserting “political pressure” by adding that you were “sort of thinking small ‘p’ political – the intense overwatch, the high stakes.

What, in your opinion, is worse – analysts who succumb to political pressure and knowingly present analysis they do not believe to be accurate, or analysts who change their stories due to political circumstances to protect their reputations and the errors of their analysis?

Please explain in detail your understanding of how politicization can corrode analysis, giving examples if you can, and what should be done regarding those who politicize intelligence and intelligence analysts who tolerate political pressure.

For example, I have heard credible reports that during the September 1999 violence in East Timor, senior military leaders at PACOM and in the Pentagon’s J5 were reluctant to accept intelligence from analysts as it began to show that General Wiranto and the TNI were complicit in or supporting militia violence in East Timor. Some military leaders encouraged analysts to downplay this intelligence in finished assessments so as not to affect military assistance funding for the TNI. Do you consider either the reluctance to accept intelligence judgments or efforts to encourage analysts to change their assessments to be political pressure? If so, why was this kind of pressure allowed to go on during your watch as PACOM commander?

Answer: I appreciate the opportunity to reply in more detail to the questions you posed in my confirmation hearing about the mistakes that were made in

intelligence before the Iraq War of 2003. Let me try to answer them together as follows:

Following your reference to the SSCI investigations in our conversation in your office on January 13, I went to the committee website and read the references to the committee's report in the "Press" tab of the site. I was not able to read the entire report prior to my testimony. I have now had the opportunity to review the report more thoroughly and the valuable insights it provides into the mistakes that were made in the key intelligence estimates produced before the war. I also now understand more clearly the careful work that the Committee did on the question of potential direct Administration pressure on analysts as they reached their conclusions on the Iraqi WMD program.

As I stated in my answer to your question at the hearing, and as the committee's report corroborates, the primary causes for this flawed analysis lay in the lack of credible intelligence sources on Iraq, and in faulty analysis of the evidence that did exist. To make matters worse, the analysis failed to alert policymakers as to how meager and uncertain the evidence underlying the key judgments actually had been.

As you reminded me in the hearing on January 22, neither the committee nor the WMD commission found evidence that the Administration deliberately attempted to coerce, influence, or pressure the analysts involved to change their judgments of Iraq's WMD capabilities. Indeed, this is what the analysts themselves told investigators. At the same time, it is clear from the committee's report itself, and subsequent accounts of those involved in the analytical process (including National Intelligence Officer Paul Pillar and DCI Tenet), that the analysts involved found themselves working in an intensely political climate. As they were wrestling with scant evidence, short timelines, and assessments that would have a major impact on questions of war and peace, senior Administration officials and members of Congress were making public statements with judgments that were stronger and more confident than the analysts themselves could be sure of. In retrospect, the intelligence community was probably expected to bear more responsibility than it had the capability to assume at that point, and this pressure had to have had an effect on the deliberate production of measured assessments.

You, Vice Chairman Bond, and Senators Chambliss and Burr perceptively pointed out a similar effect in your minority views to the committee's 5 January 2008 report. You were addressing the issue of selective declassification of the key judgments in NIEs generally, and pointed out that intelligence analysts are not immune from political pressure:

“Requesting NIEs with unclassified key judgments has become sport in Washington as each side hopes the NIE will support its position. Cries of ‘politicization’ usually follow from whichever side is unhappy with the results. This is not only unfair to the Intelligence Community, it is dangerous in that analysts will attempt to please all sides and their muddled judgments will help no one.

“We expect intelligence analysts to follow tried and true marching orders for intelligence: tell me what you know, tell me what you don't know, tell me what you think and make sure the policymaker understands the difference. Analysts cannot do this if they are constantly wondering if their assessments will be used for politics.”

If confirmed as Director of National Intelligence, my objective will be to ensure that the analysis produced by the Intelligence Community is objective and free of any political bias, whatever the issue or political climate might be. The experience of the analysis before the Iraq War, and in the declassification of NIEs, provides excellent lessons that can be applied to future judgments.

You also asked about reports of attempts within the Pacific Command staff to influence intelligence concerning events in East Timor when I was commander-in-chief. Documents of these events, which occurred almost a decade ago, are not now available to me. However, I do remember well that the reports of the atrocities themselves were quickly available, both through intelligence reports and in the international press. It was clear that the local TNI units charged with security in East Timor were failing to protect civilians, and were sometimes assisting those conducting the atrocities. I was the senior officer in PACOM, and was requesting and receiving information both on the atrocities themselves and on senior TNI complicity in ordering them. It was not clear whether the TNI units in East Timor were disregarding orders to act humanely, or whether they were

receiving secret orders from TNI leadership to permit or commit the atrocities. At that stage in Indonesia, the military chain of command was weak, and either explanation was possible. The intelligence on this key question was not extensive or conclusive. When I talked with TNI leadership during visits and by phone, those leaders assured me that they had given orders to their troops to act humanely. In my conversations with TNI leaders concerning the atrocities, I therefore relied on the international media reports of the atrocities, and the fundamental responsibility of a military leader to have his orders carried out. I remember at one point pointing to a television set and telling a senior TNI officer that if he was giving the orders he claimed, it was clear from television cameras on scene that they were not being carried out, and that it was his responsibility to ensure they were. The worst atrocities were after the August 1999 referendum, and were so widespread and well planned that it was clear that the entire TNI command in East Timor was involved. At this point it did not matter whether General Wiranto had ordered them or not – they were his responsibility. That was the thrust of my conversation with him on September 9 when I delivered this message on behalf of the U.S. government.

Question for the Record
Chairman Feinstein

If you wish to expand upon or clarify any answer you provided at the hearing today, please do so.

Answer: I have no further responses or clarifications of my testimony.

###