"Statement of Mark H. Moore before the Select Committee on Intelligence" November, 1975.

Office of Intelligence we had paid the price of poor coordination. Indeed, we had active competition, not just poor coordination. And there was little evidence of a developing intelligence profession.

First that statement I made in January last year approximately.

Despite these problems, the intelligence program within DEA did have some significant accomplishments during this period.

Significant accomplishments included the development and routine use of the heroin signature program which allows DEA to make more precise estimates about the sources of drugs; the development of an interagency intelligence facility on the Southwest border which will insure that large amounts of information available within DEA are brought to bear on operation decisions in the vital area of the Southwest border; and third, significant and increasing contributions by operational and tactical intelligence to take care of major conspiracy cases made by CENTAC units.

These accomplishments signal a significant potential within the current intelligence program.

Hopeful signs indicating that the program is now moving in the correct direction include the following:

Gradual replacement of 1.811 supervisors in the intelligence area.

The development of filing procedures to facilitate and organize intelligence production.

Closer liaison between intelligence analysts and enforcement people to insure relevant intelligence.

Thus, we are beginning to see the best of all worlds—a world in which intelligence is flourishing and effectively cooperating with enforcement operations.

However, it is important to keep in mind that the development of this program is by nature a long-run process. Since I have returned to Harvard, I have discussed this organizational problem with several colleagues—including some from the Harvard Business School. They point out that even in a private firm where they have significant discretion over hiring and firing, we would be thinking in terms of a 5-year development program. In a Government agency, with less discretion about personnel and less measurable outputs the process would probably be substantially longer. I hope that this committee will lend its weight to assist DEA in this development process. It is the duty of all of us to do so.

Thank you.

[Professor Moore's prepared statement follows:]

PREPARED STATEMENT OF MARK H. MOORE, ASSISTANT PROFESSOR OF PUBLIC POLICY, THE KENNEDY SCHOOL OF GOVERNMENT, HARVARD UNIVERSITY, FORMERLY CHIEF PLANNING OFFICER, DRUG ENFORCEMENT ADMINISTRATION

INTRODUCTION

My name is Mark Moore. I am currently an Assistant Professor of Public Policy at the Kennedy School of Government at Harvard University. From July, 1974 to August, 1975, I was the Chief Planning Officer of the Drug Enforcement Administration of the Department of Justice.

As I understand it, the mandate of this Committee is generally to review the intelligence functions of the U.S. Government. You are concerned that intelligence be conducted not only with due regard for civil liberties, but also with efficiency and effectiveness. You have asked me to discuss the efficiency and effectiveness of the intelligence program in DEA.

I will do so in the following steps. First, I will describe the important role of intelligence in DEA's mission. Second, I will outline the general organizational problems that arise when an effort is made to develop a professional intelligence capability in an enforcement organization like DEA. Third, I will describe the strategy that was adopted for DEA, initial limitations that made successful development of the program difficult, and some problems that developed. Fourth, I will indicate some significant accomplishments of DEA's intelligence program, and identify some signs that are auspicious for the future development of the program.

I should make it clear that my discussion is neither the official position of DEA, nor the analysis of an intelligence expert. I am making these remarks as a reasonably knowledgeable and thoughtful layman who had the opportunity to work closely with professionals inside DEA on the analysis and planning of the intelligence program. I am grateful to have had the opportunity. I would still be working at DEA but for the fact that my leave of absence from Harvard expired on September 1, 1975.

THE ROLE OF INTELLIGENCE IN DEA

There is a tendency to make the intelligence process mysterious. In some organizations, at some levels of analysis, I am certain that the process is difficult and mysterious. However, it is possible to have a very simple view of intelligence in an organization like DEA.

We need a basic distinction. *Strategic* intelligence will be defined as intelligence which contributes to evaluations of DEA's performance or affects basic allocation decisions within DEA. It has no effect on the development of individual cases. *Operational* and *tactical* intelligence will be treated together and defined as intelligence that affects the development of individual cases. I will discuss strategic intelligence first because it can be handled fairly quickly, and then give more concentrated attention to operational and tactical intelligence.

The Administrator of DEA is responsible for monitoring the performance of his organization, and for knowing what shifts of resources from one geographic area to another, or from one program to another, are likely to improve the performance. Strategic intelligence should supply him with this information. Specifically, strategic intelligence should inform him on the following issues:

Trends in the abuse of different kinds of drugs.
Levels of price and availability of drugs in illicit markets.
The major sources of drugs to illicit markets.
The capabilities of drug control agencies of other governments that are potentially able to assist DEA in overall drug control efforts.
The structure of illicit distribution systems.

If he knows these things, he can make reasonable policy decisions about the allocation and use of his resources, and can reliably report on the external environment he faces, and what he has been able to accomplish.

Two things are worth noting about the strategic intelligence program. First, strategic intelligence requires information and analytic capabilities that are significantly different from the information and analysis that are required to make cases. For example, it is important to collect information about the capabilities of other drug control agencies so that DEA will know how much of the job they can depend on these other agencies to do, and how DEA can best complement their efforts. In the course of their regular efforts, DEA agents will pick up some information of this kind. However, to have systematic information available, special collection efforts must be organized. Another example: strategic intelligence analysts must be able to discern general trends in a welter of detail. For some requirements involving quantitative data, this simply requires that the analysts be competent statisticians. However, for other requirements the analysts must be able to develop general models and descriptions on the basis of fragments of information. In an agency that is oriented to producing evidence to be used in court to convict individuals, this speculative effort to establish general trends seems suspicious. Thus, the strategic intelligence function does not fit neatly into the ordinary operators of an enforcement agency. Second, despite these problems, DEA has made some substantial progress in the strategic intelligence area—particularly with respect to the first three requirements. Indeed, DEA is now in an excellent position to monitor trends in the use, availability, and sources of heroin. These issues can be resolved with some confidence and precision.

The basic purpose of the operational and tactical intelligence program is to insure that the full weight of DEA's international data base be brought to bear on the operational decisions made by individual DEA agents. To understand the importance of this function, it is necessary to understand a little about important decisions in making cases, and the information that is currently and potentially available to DEA agents who make those decisions.

DEA agents make two important kinds of tactical decisions. They decide which cases are worth developing. And they make decisions about the direction of development by pushing the case in one direction rather than another, or seizing some opportunities that appear during the development and ignoring others. While this sounds abstract, it is really quite concrete and simple. Agents de-brief defendants and other informants to see who they can "give up." They must gage the credibility of the informants, and the importance of the trafficker who the informant has volunteered to surrender. In the course of undercover operations or surveillance activities, new individuals will be implicated and different avenues of investigation will open up. Agents must then decide which avenues to pursue in the light of the importance of the potential targets, and the chance that they will be able to secure incriminating evidence. In effect, agents are constantly evaluating "leads." Their individual decisions about which leads to follow will determine the aggregate production and ultimate impact of DEA.

Now, the important question is what information do DEA agents have available to them when making these vital operational decisions. To answer this question, one must know about the basic structure of information processing within DEA. One must know how the national data base is created and organized, and how DEA agents in the field can gain access to this information.

Information collected by DEA agents comes into headquarters in several different forms. By far the most important source is the "DEA–6: Report of Investigation." However, there are also teletypes (particularly from foreign areas), and telephone calls. The DEA–6's usually arrive several weeks after the events have occurred. The telephone and teletype messages are much more timely. The written documents (DEA–6's and teletype) are stored in chronological order in numbered case files. A case file will often include many different individuals. Names mentioned in the documents will be cross-indexed to other case files in which the name appears. The pages of the file are not numbered. In addition to these manual files, there is an automated system called NADDIS. Names, related case files, telephone numbers, and some narrative information are entered into the NADDIS system from the DEA–6's and teletypes. Telephone messages will enter the manual or automated data bases only if someone writes down their content on a DEA–6. Thus, the data base consists primarily of DEA–6's organized in numbered case files, cross-indexed on the basis of names. The automated system called NADDIS is primarily an automated cross-indexing system. It contains only a small portion of the total information available on the DEA–6.

To gain access to the existing information, DEA agents in the field can do several things. First, the agents have immediate access to the case files stored in their office. If they are operating out of a regional office, this will include all the cases made in the region. If they are in a district office, only cases made in that district will be available. Second, about two-thirds of the domestic DEA offices (including about 80% of the domestic personnel) have access to NADDIS through a NADDIS terminal. If NADDIS is operating, and if someone in the office knows how to use the NADDIS terminal, the agent can obtain the limited, but important information about individuals contained by NADDIS, and identify the case numbers of other cases in which a specific individual is mentioned. He can gain access to these other case files by asking someone at headquarters to look through the files. However, because the pages of the files are not numbered and the files are often very thick, sifting through the related case files is a time-consuming chore. Probably a more valuable source of information is the FTS. telephone system. From NADDIS, the agent will know which offices made different cases. A telephone call to that office will often enable the inquiring agent to talk to the agent who made the related case. Their conversation is likely to produce more comprehensive information more quickly than checking the files. Thus, it is likely that the field agent's mainstays are the files stored physically in his office. NADDIS and the FTC system. While this system may not look like a formal intelligence system, it may be very effective.

The basic idea of the operational and tactical intelligence program inside DEA is to improve on this basic system—not replace it. The specific improvement is simply to create a specialized group of people who can master the case file and monitor a flow of paper relating to a given geographical area. Basically, this capability represents a large investment in operational intelligence *analysis*. The analysts should steep themselves in the historical record of investigations, come

to know the traffickers and their organizations, and monitor on-going cases in the context of that historical record. In making this investment, we are betting on a fairly simple proposition: if a man has access to a data base that covers a longer span of time and a larger geographical area, the chance of discovering significant relationships that can be exploited in the investigation increase significantly.

If this capability existed, several significant benefits would accrue. First, a given agent would be able to bring more information to bear on the decisions about which cases to develop, and the direction in which to develop them. On average, if his decision got slightly better (i.e., he changed from a .200 hitter to a .350 hitter), DEA's overall production would increase significantly. Secondly, relationships between cases being developed simultaneously would be noted, and the tactics in the case adjusted to insure the effective development of what is now seen to be a single case involving several different agents from different regions. Third, a review of historical files might reveal significant investigative opportunities in relationships among cases that were not noticed at the time. These opportunities would become available as additional leads for agents to consider in deciding how to allocate their time. If done well, this would have a profound impact on the kinds of cases developed within DEA. One would expect to see more cases involving high level traffickers, more cases crossing regional boundaries, and more cases involving conspiracy charges for historical offenses which had not yet passed the statute of limitations. DEA's aggregate production would increase.

There is an additional point about this process. As the intelligence analysts worked with the existing case files to support on-going investigations, they would be effectively re-arranging the information currently available within DEA. Pieces of information in disparate case files would be organized into coherent pictures of trafficking networks. Implicity, then, a new data base, organized on a much different and more useful basis than the existing case would begin to grow. The growth of this data base would mean that retrieval from manual files would be easier in the future. Moreover, there would be a new possibility for automation of the files. In effect, the analysts' work has an investment component as well as an immediate, operational component.

There are several things worth noting about this process. First, in order to do this job well, one needs people who have the minds of agents and the temperaments of scholars. They need the minds of agents to insure: (1) that the analysts can distinguish facts from credible allegations; and credible allegations from rumours; and (2) that they are able to see when two pieces of information are related in a way that explains a whole set of relationships or a whole pattern of activity. They need the temperaments of scholars to insure that they are satisfied with and absorbed by the process of sifting through pieces of paper to discover facts. Such people are rare, and somewhat difficult to train.

Second, what is called operational and tactical intelligence in DEA is really only a piece of the total intelligence process. Intelligence in DEA means *analysis* and *production*. And then it means only a portion of the analysis and production that is actually done within DEA. People called *Agents* do the vast majority of the intelligence collection, and no small portion of the total analysis and production. In effect, agents performing what would be called intelligence functions in an intelligence organization, surround the tiny piece of the overall intelligence process that is given to the program called Intelligence in DEA. Intelligence in DEA is really only an increased expenditure on the process of analysis and production.

Third, it is clear that the basic structure of information processing in DEA is likely to be a problem. There is some problem with timeliness for written documents—but this is not likely to be a major problem. Six months to several years may be a reasonable planning horizon for most conspiracy cases. More serious problems exist in capturing, organizing, and retrieving the information. The case files are incomplete in terms of information available to agents and very difficult to work with in doing analysis. There is a long design process ahead in terms of filing procedures and automation.

Fourth, the *net* contribution of the operational and tactical intelligence program depends a great deal on how well agents are doing with the combination of NADDIS and FTS. Some portion of the potential that exists to be captured by the improved operational intelligence program is already being captured by this other ad hoc system. It is unclear what fraction this is, but if it is substantial, then the potential net contribution of existing intelligence system will be fairly small.

Thus, there are potentially significant contributions to be made to enforcement program by an effective strategic intelligence program and a fective operational intelligence program. One would expect to see the resu of improved strategic intelligence in the form of more accurate characteristics of the drug abuse problem, more rational allocation decision, and increased productivity. One would expect to see the results of an improved operational intelligence program in the form of cases that involved higher quality defendants, crossed regional boundaries, and charged people with conspiracy for historical offenses. Both would contribute to DEA's ability to control the drug problem.

GENERAL PROBLEMS OF INTELLIGENCE PROGRAMS IN ENFORCEMENT ORGANIZATIONS

It should be apparent from the discussion above that there will be some *general* problems in seeking to develop intelligence programs in enforcement organizations. These problems will show up in any enforcement organization embarking on an intelligence program. There are three problems worth noting.

First, there is the problem of information processing. Existing systems, both manual and automated, are unlikely to be useful. The development of new filing and indexing systems is likely to be very difficult. Shifting from manual systems to automated systems is likely to require more resources and greater technical expertise than enforcement organizations are likely to have available to them. Thus, one must pay a *very* high entry cost to have an intelligence oriented data base.

Second, there is the problem of capturing what agents know for the intelligence system. Agents do not write everything down that is important. This is true partly because it is simply inconvenient and expensive to do so (I once argued that the greatest contribution to the intelligence system of the NYCPD would be simply to provide more secretaries); partly because they are concerned that other agents will use the information to make a case before they get around to it; and partly because it is important to keep the case files clean of irrelevant information for evidentiary purposes.

Third, there is a basic hostility toward IG functions in enforcement organizations. The exact reasons for this hostility are not clear. However, I think it is related to the following factors. The functions of an intelligence analyst are almost wholly included in the functions of an investigator. No investigator would be happy to admit that he had not mined the files of his organization for every nugget of relevant information. Consequently, investigators think they should be doing what the intelligence analysts are doing, and also believe that they performed this function better at lower cost than the analysts currently do. A corollary of this contempt is the fear that the analysts may do the job better than the agents. There is a fear that the analysts will discover things the agent did not notice, or suggest things the agent would never take seriously, or steal credit for cases that agents helped to make. The possibility that intelligence analysts could embarrass, propose to guide, or steal credit from agents is particularly galling to agents because the intelligence analysts are dilletantes who face no risks. They do not know how hard it is to de-brief a defendant nor crash a door. They sit secure in their offices to embarrass and guide street agents who risk their neck and work long and irregular hours. Whatever the reasons, it seems clear that agents are hostile towards intelligence analysts and take every opportunity to degrade them and limit their program.

Thus, whenever one proposes to establish an intelligence program in an enforcement organization, one faces serious technical, financial, and organizational problems. It is an expensive effort.

PROBLEMS OF DEVELOPMENT WITHIN DEA

These general problems were known to the architects of DEA. Indeed, these problems guided their calculations. They had to be concerned about two conflicting objectives. On the one hand, they were concerned about getting a major, sustained investment in the basic systems that would support an intelligence profession (e.g., personnel systems and information systems). This argued for the creation of a separate Office of Intelligence headed by an Assistant Administrator who could take responsibility for the development of the profession, and compete successfully with other programs for resources. On the other hand, they had to be worried about insuring effective coordination between operational intelligence analysts and enforcement agents. Coordination was important partly to secure the benefits of operational intelligence and partly to win acceptance for

the intelligence function among the enforcement side of the organization. Effective coordination argued for close liaison and integration of intelligence analysts in the operational chain of command.

In the end, they decided that insuring the development of the profession was the immediate problem. They would worry about effective coordination later. Consequently, they decided to establish a separate Office of Intelligence. Moreover, in choosing the man to head this office, they nearly pulled off a brilliant compromise. They found a man who combined three important characteristics: he was probably the strongest program manager in DEA; he was highly respected by enforcement types; and he seemed to have respect for intelligence. Thus, they could put him in charge of intelligence, rely on his management skill and interest in intelligence to establish the profession, and rely on his credibility with enforcement agents to solve the long-run problem of integrating intelligence into DEA's overall program.

This was a reasonable calculation. I can easily manage myself making it. Moreover, in many situations it might have been successful. However, there were several particular problems in DEA that spoiled these reasonable hopes.

First, DEA had to deal with the trauma of a general reorganization. The instability created by the reorganization meant that there were hundreds of problems to be resolved, many people to be reassured, and many new programs that had to be funded. Moreover, most of these issues had to be resolved at fairly high levels because an important consequence of any reorganization is to confuse the delegation of authority. The result was that the central management and financial resources of the organization users were very hard pressed. A program that needed a very large investment of new resources and careful attention to procedures and personnel would have a hard time.

Second, the basic foundations for an intelligence program in DEA were fairly weak. BNDD's small strategic intelligence staff was combined with ONNI. Neither organization had a particularly distinguished record. Indeed to some extent, one had to regard these transfers as liabilities rather than assets. They absorbed a large fraction of the available resources, and would complicate efforts to design a wholly new program.

Third, supervisory positions in the intelligence program were used to absorb high grade 1811 personnel who were displaced in the reorganization. Many of these people had little commitment, and less knowledge about how to establish an intelligence program.

Fourth, the ADP program in DEA was extremely hard pressed. It was struggling, under the burden of three major ADP systems which were coming into operation (e.g., NADDIS, CSA, ARCOS), and two other systems which were supposed to be ready but were lagging very behind schedule (e.g., STRIDE and DEA–AS).

Fifth, after failing to get the resources and attention he felt he deserved and needed, the Assistant Administrator for Intelligence lost some of his interest in developing the profession of intelligence. He turned, instead, to operational programs. These programs exaggerated the potential conflict between enforcement and intelligence.

Thus, within a year or two after DEA was established, it became clear that we had the worst of all worlds. We had paid the price of poor coordination. (Indeed, we had paid it in spades. There was active competition between enforcement and intelligence, not just poor coordination.) And there was little evidence of a developing intelligence profession.

SOME HOPEFUL SIGNS

Despite these problems, the Intelligence Program within DEA did have some significant accomplishments during this period. Moreover, current signs about the development of the program are auspicious.

Significant accomplishments include:

The development and routine use of the Heroin Signature Program which allows DEA to make more precise estimates about the sources of drugs.

The development of an interagency intelligence facility on the Southwest Border which will insure that large amounts of information available within DEA are brought to bear on operational decisions in this vital area.

Significant and increasing contributions by operational and tactical intelligence to major conspiracy cases made by CENTAC units.

These accomplishments signal a significant potential within the current intelligence program.