BUILDING CAPABILITIES: THE INTELLIGENCE COMMUNITY'S NATIONAL SECURITY REQUIREMENTS FOR DIVERSITY OF LANGUAGE, SKILLS, AND ETHNIC AND CULTURAL UNDERSTANDING

HEARING

BEFORE THE

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HEARING ON BUILDING CAPABILITIES: THE INTELLIGENCE COMMUNITY'S NATIONAL SECURITY REQUIREMENTS FOR DIVERSITY OF LANGUAGE, SKILLS, AND ETHNIC AND CULTURAL UNDERSTANDING

WEDNESDAY, NOVEMBER 5, 2003.

U.S. HOUSE OF REPRESENTATIVES,
PERMANENT SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The committee met, pursuant to call, at 9 a.m., in room 2212, Rayburn House Office Building, the Honorable Porter Goss (chairman of the committee) presiding.

Present: Representatives Goss, Boehlert, Gibbons, Hoekstra, Harman, Hastings, Reyes, Boswell, Cramer, Eshoo, Holt, and Ruppersberger.

Staff present: Patrick Murray, Staff Director; Merrell Moorhead, Deputy Staff Director; Mike Fogarty, Counsel; Claire Young, Chief Clerk; William P. McFarland, Director of Security; Brandon Smith, Systems Administrator; Barbara Bennett, Professional Staff; Patrick Kelly, Legislative Counsel/Professional Staff; Abigail Sullivan, Staff Assistant; Mike Kostiw, Staff Director, Subcommittee on Terrorism & Homeland Security; Suzanne Spaulding, Minority Counsel; Wyndee Parker, Counsel/Professional Staff; Elizabeth Larson, Professional Staff; John Keefe, Professional Staff; Bob Emmett, Professional Staff; and Courtney Anderson, Staff Assistant.

The CHAIRMAN. Good morning, ladies and gentlemen. I will call the hearing to order, but note that unfortunately Republicans every Wednesday morning have a conference scheduled at 9 o'clock. And normally we would not call a hearing in conflict with that, but this was the only time we could get the real estate. As most folks know, this committee generally meets in the Capitol in executive session, and our spaces aren't sufficient for public hearings. So that is why we find ourselves in these circumstances. I know my colleagues will be along after they get through their other obligations.

I start by saying good morning, everybody, and thank you for coming. We will try to do something about the temperature in the room, which I understand is way too warm right now. We welcome everyone here today to what we think is an important hearing examining the national security requirement for diversity of languages, skills, and ethnic and cultural understanding within the Intelligence Community.

I think today we have got the right people in the right places to talk about this, and it is my desire that the Intelligence Community have the right people in the right place at the right time to be able to do the job that is necessary for national security, and

that means in a broad globe that has got a lot of hot spots and problems in it, that we are going to have a lot of need for a lot of capacity, which we presently apparently do not have in sufficient quantity.

There are some who come this morning, I know, with the idea that this is an investigation into discrimination or any kind of wrongdoing in the community. That could not be farther from the truth. Obviously in our oversight capacity, we are very concerned that there never be discrimination. That is against the law, it is against our standards. And if there were any matters of that type, those will be handled immediately, and I think efficiently, by our staff. So we are not starting what I would say on a negative note. We are trying to start on a positive note about what are the skills and mixes we need in our Intelligence Community, and how do we get to them. And it is in that vein I ask the panelists to address the committee.

We have a full schedule this morning. In an effort to maximize the time we have to do this, I am going to limit opening remarks. We are fortunate to have two full panels of witnesses with us today. I look forward very much to hearing from each of our witnesses.

The first panel is comprised of representatives from the Intelligence Community. They will provide an update on the status of their efforts to maximize the recruitment programs and strategic hiring and their efforts to retain and promote within their ranks those employees who bring particular talents to the table. These are the people with the language skills, ethnic and cultural understanding of their target sets.

The second panel of witnesses is comprised of a broad range of professionals from outside the Intelligence Community and outside the government who will provide their individual perspectives on how their organizations have addressed similar issues in the non-government context.

Given the time constraints this morning, each of the witnesses on both panels will be asked to limit their remarks to 5 minutes. This is required so all witnesses will have the opportunity to testify, so Members each will be given an opportunity to pose questions. We will first hear from all of panel one witnesses and then proceed to questions for panel one. At the conclusion of questions and answers for the first panel, which will be halfway through the time, we will proceed to the second panel.

I want to thank you all in advance for your time and attention to these issues. Panel one witnesses will be free to leave after their question-and-answer period if their schedules require or they so desire.

That about covers the administrative remarks I need to make. Let me briefly turn to the reason we are here again.

This is an important hearing in the ongoing discussion of sufficiency of intelligence and capabilities which are usually held in closed session. I would like our focus to be on three main areas of interest. First I hope we will discuss the national security imperative for diversity and language skill sets and ethnic and cultural understanding. It is obvious to me, given our extensive and continuing interest in Iraq, Afghanistan, the Middle East, Indonesia,

the Pacific Rim, the Balkans, Africa, Latin America and many other places, that the Intelligence Community has a pressing need for such diversity in the collection and analytical requirement. The Intelligence Community for many years has been working to address this requirement.

There is no doubt that the Intelligence Community must anticipate and respond to the actions of an extremely complex and heterogeneous target set. Success in collecting against these targets is inextricably linked to the success of the efforts within the Intelligence Community to expand its language capability skill set and its ethnic and cultural understanding of those very targets. Both intelligence collection and intelligence analysis benefit from each of these factors; the ultimate beneficiary, however, the American people, security we care about.

Second, which relates to the first, it is important to hear from the Intelligence Community about the progress it has made in recruiting, hiring, retaining and promoting the people whose diversity of languages, skills or cultural understanding enriches and deepens the Intelligence Community's ability to succeed in defense of America's national security interest.

I believe that the most important factor in intelligence collection is the human factor. Everybody has heard me say that a number of times. It is people that make the business work. Today, perhaps more than ever before in our history, it is critical that the Intelligence Community recruit and hire only the highest quality intelligence officers and analysts, train and develop these officers and analysts to the highest standards of professionalism, and retain and promote only the very best intelligence professionals meeting the highest professional standards and manifesting the necessary capabilities. To this end the Intelligence Community must develop and maintain a workforce diverse in language skill and ethnic and cultural understanding. Without this, the Intelligence Community simply cannot achieve its mission, steal secrets, inform policymakers of the consequences. In doing so, the Intelligence Community must reflect the world in which it operates.

Finally, it is important for the Intelligence Community to be an attractive employment opportunity for all people across this plentiful and bountiful Nation. Based on the testimony expected from panel one, it seems to me that the administration understands this clearly. They ought to be commended for their efforts. They cannot, however, rest on progress made to date. Those improvements must continue because the Nation's security depends on it.

The CHAIRMAN. Before I introduce panel one, I would like to turn to Ranking Member Ms. Harman for comments she may wish to make.

Ms. HARMAN. Thank you, Mr. Chairman. I would like to welcome good friends on the witness panel, and thank you for bipartisan cooperation on what will now be our fourth public hearing this fall. This is unprecedented for the House Intelligence Committee. We have had two public hearings on civil liberties, one on this topic, and one on prewar intelligence on Iraq where we had several former Directors of Central Intelligence and the former Deputy Secretary of Defense.

Before several Members just arrived, Mr. Holt and Mr. Boehlert, I was going to comment our side of this dais included one African American, the first African American elected to Congress from Florida; one Hispanic, the first elected from his part of Texas, which has an overwhelming Spanish population, and first to rise in the senior ranks in the Border Patrol; and two women elected in 1992 in the year of the woman. We doubled the number of women in the House. And now we have a few of the more historical Members of Congress. But my point is similar to yours, Mr. Chairman, that we can no longer expect an Intelligence Community that is mostly male and mostly white to be able to monitor and infiltrate suspicious organizations or terrorist groups. We need spies that look like their targets, CIA officers who speak the dialects that terrorists use, and FBI agents who can speak to Muslim women that might be intimidated by men, and this is a hearing about that. It is about capability.

I am planning to share my brief remarks with Mr. Hastings, but just want to express some concern about developments we learned of late yesterday. We learned that the honorable Jose Fourquet, United States Executive Director of the Inter American Development Bank, who was scheduled to appear on our second panel, has been advised by officials at the Department of Treasury not to appear. Last night we also learned that testimony submitted to the committee by several of the witnesses on panel one was being recalled for further review by the Department of Justice and OMB. This is after their testimony had initially been reviewed and okayed.

These developments obviously are troubling because they appear to be an attempt to muzzle these agency heads. And the question is what were these witnesses going to say that was so worrisome, and how has their testimony been chilled, or has it been, by this effort? And most importantly, what does this say about the level of the support in this administration for a serious effort to bring greater diversity to the Intelligence Community workforce? I am concerned, and I am sure these witnesses will enlighten us when they speak.

Without going further, I want to commend you, Mr. Chairman, for agreeing to hold this important hearing, and it is my honor to yield the remainder of my time to Mr. Hastings.

Mr. HASTINGS. I thank my good friend Ms. Harman for yielding her time and her vigorous effort to make sure that this diversity effort is pursued. Without your effort, I doubt very seriously we would be this far along the path, and that goes to the chairman as well, who has consistently listened to us and tried to bring about a better understanding with reference to diversity.

Also, it is a pleasure to work with my colleagues Silvestre Reyes and Anna Eshoo and Rush Holt, who have had sensitivities expressed in this area on a continuing basis. And I would be terribly remiss if I did not mention the extraordinary work done by Louis Stokes and Julian Dixon and Nancy Pelosi and Tim Roemer, some of our predecessors who pressed this issue on a continuing basis. And not to exclude anybody here, but Sherwood Boehlert takes no back seat to any of us when it comes to exploring opportunities for all in our society.

Shortly after joining the Intelligence Committee in 1999, I was disappointed to learn that the presence of women and minorities remains proportionately below their representation in the Federal and civilian labor force. In addition, I also found that the number of minorities in feeder pools possessing the skills needed for career advancement was disproportionately small, and that continues to be the case and is an important point that I would hope that the witnesses will address. While strides have been made to increase intelligence workforce diversity, these trends have unfortunately not been reversed.

In order to help the committee better understand this issue, I hope that our government witnesses will answer some of the following questions: What training programs have been instituted to build core mission competencies across disciplines, and how do you ensure that all employees are given the opportunity to take advantage of these programs? To what degree are you holding managers accountable for increasing diversity and overall competencies of your entire workforce? What specific challenges exist to implementing the DCI's diversity strategic plan, and how have you addressed those challenges?

I hope that our second panel of outside experts will provide insight into the best management practices of the private sector that might serve as a model for the Intelligence Community.

Over the course of my tenure on the Intelligence Committee, I have had the pleasure of meeting hundreds of America's intelligence professionals. They are bright, talented and dedicated to helping our Nation maintain its strategic advantage. Indeed, they are our Nation's most important intelligence resource. Building an intelligence apparatus flexible enough to meet evolving national security requirements requires greater investment in recruiting, training and retention initiatives. The community must not only rely on traditional methods—and any more of you tell me about going to a college to recruit, I am going to tell you where you can find some other people other than at a college that can do what you do, but you must employ innovative methods used by others, including private corporations.

Success also requires strong, focused leadership on the part of the Director of Central Intelligence and the heads of each agency, including the two here today, General Clapper and Mr. Teets, both of whom I have great respect for. Sustained commitment today will pay dividends in the future.

One final comment, Mr. Chairman, all the time when we recruit in this arena, it seems we go recruiting people that are, for lack of a better expression, A students. I believe I can do what George Tenet does, and I was a C student.

The CHAIRMAN. Thank you.

The CHAIRMAN. With regard to the concern about the panel, my understanding is that there was one witness, Mr. Fourquet, who was not exactly on the subject on what we are talking about and has offered to talk to the staff with any observations he might have, but that the Treasury Department felt that the subject matter was not appropriate for him as our witness. He is happy to talk to us. I am not aware of any attempts to stifle anybody's first amendment rights.

Mr. REYES. Mr. Chairman, if I could shed some light, because he was one of the individuals that I actually went out and asked to come and testify. He was exactly on this issue and on target. I think the concern that at least was expressed to me—and I have to say that I object that less than 24 hours—with less than 24 hours notice, we are told that a member that was—or an individual that is supposed to testify before this committee had been pulled by the administration.

The CHAIRMAN. Well, I will be happy to look further into the matter. My understanding was that the testimony had not been checked, or there was some question about whether he was speaking on behalf of himself or speaking on behalf of the Bureau of the Treasury, and I think that that needs to be sorted out. I apologize to you if he was your choice witness. We pick our witnesses on what we think will be the committee's best step forward, and we will look into that.

With regard to the other matters, I am advised somewhat on some legalese there is a problem, which I will just read. It is our understanding that yesterday evening's testimony of the panel one witnesses were reviewed by the White House counsel and DOJ Office of Legal Counsel in order to ensure that the administration's position on these issues was accurately represented. We understand the executive branch needs to speak consistently on these issues given the legal positions the administration has taken before the United States Supreme Court Michigan case *Grutter* v. *Bollinger* and other pending and related legal matters. Justice Department will be representing the government in a number of legal cases in the future, and any statements not consistent with the administration's position can be used against the government in court, and the resulting review yesterday evening was done in regard to such concerns.

I note that we still have five witnesses of the first panel in front of us, so I gather their testimony passed muster and was consistent with the administration's worries about cases that might be brought in court on anything relevant to this issue. It is a shame that we have to go through all this kind of stuff when we have good witnesses in front of us and rehash all these things, and I am sure everybody's motives are extremely pure on it, but I believe it is important now to get to the business of the committee.

And I am going to introduce Mr. Don Cryer, Special Assistant to the Director for Diversity Plans and Programs for the Community Management Staff within the Office of Director of Central Intelligence, and as such is speaking on behalf of DCI for the CIA as well as the community management staff.

Mr. Cryer, did I portray that accurately?

Mr. CRYER. Yes, sir.

The CHAIRMAN. Honorable James Clapper, Director of the National Imagery and Mapping Agency. Prior to his appointment he was vice president and director of intelligence programs at SRA International. General Clapper's last military appointment was as Director of the Defense Intelligence Agency. He is well known to us. Welcome, General Clapper.

Honorable Peter Teets is the Under Secretary of the Air Force as well as the Director of the National Reconnaissance Office. As

the Director of the NRO, he is responsible for the acquisition and operation of all U.S. Space-based reconnaissance and intelligence systems. This includes the National Reconnaissance Program. He reports directly to the Secretary of Defense and the Director of Central Intelligence.

Mr. Teets, good morning, sir.

Honorable William Black, the Deputy Director of the National Security Agency, has almost 40 years of experience at the NSA, retiring from NSA in 1997. Prior to returning to NSA, Mr. Black was assistant vice president and director of information operations in the advanced technologies, SAIC. Welcome.

Mr. Armando Rodriguez, who is behind Mr. Teets only because there is not sufficient room at the table—I am sorry about that. He will come forward to make his presentation at this time. He is the Defense Intelligence Agency Chief of the Office of Diversity Management and Equal Opportunity, prior to which he was Deputy Assistant Secretary for Diversity Management and Equal Employment Opportunity at the Department of Veterans Affairs.

And that—I think that is it for the first panel.

I want to seriously look at you and welcome you all and thank you for coming up. This is a matter of great concern to us for all of the reasons you have heard expressed. You understand there are different concerns. Many of us, for obvious reasons, come at it from different platforms. What we want to get is the right answer and make sure that the work that this committee does is in pursuit of that.

I trust that there is nobody here who feels constrained or muzzled. If they do, I invite you to say so at the time you make your presentation.

We will start with Mr. Cryer.

STATEMENT OF DON CRYER, SPECIAL ASSISTANT TO THE DIRECTOR OF CENTRAL INTELLIGENCE FOR DIVERSITY MANAGEMENT, ACCOMPANIED BY RACHEL STROUD, DEPUTY TO MR. CRYER; JAN KARCZ, OFFICE OF THE ASSISTANT DIRECTOR OF CENTRAL INTELLIGENCE FOR ANALYSIS AND PRODUCTION; AND HAROLD TATE, DIRECTOR OF RECRUITMENT, CENTRAL INTELLIGENCE AGENCY

Mr. CRYER. Thank you, Mr. Chairman. We appreciate the opportunity to share with the committee community efforts to build and retain a workforce with the diversity of language and skills, ethnic and cultural understanding critical to meeting the global challenges and threats facing our Nation.

The events of 11 September and the war on terrorism have intensified the requirement for a creative, high-performing, diverse cadre of professionals. As the Special Assistant for the DCI for Diversity Management, I can confidently say that IC agencies are devoting major effort and resources and collaborating at unprecedented levels to ensure that we build, develop the talent we need to get the mission accomplished.

Less than 2 months ago, I had the privilege of testifying before the Subcommittee on Intelligence Policy and National Security regarding communitywide initiatives to attract and retain a diverse workforce. Today we will expand on that testimony.

Several communitywide initiatives have been developed in anticipation of the requirement for a diversity pilot project contained in the House version of the fiscal year 2004 intelligence authorization bill. For example, we are building a four-element retention strategy designed to accelerate the development of new workers and to sustain high performance throughout the workforce. The DCI will establish a special panel of diverse leaders to recommend strategies to ensure that we have the diversity of talent, skills and perspectives needed to accomplish our mission today.

In addition, IC agencies are vigorously engaged in individual efforts that their directors or representatives will describe in their testimonies in just a moment. At this point I would like to ask my deputy Ms. Rachel Stroud to briefly highlight community diversity initiatives and strategies. Mr. Jan Karcz, from the Office of the Assistant Director of Central Intelligence for Analysis and Production, will highlight key programs to build language capabilities and to recruit, train and retain analytical professionals. And Mr. Harold Tate, Director of CIA Recruitment will touch briefly on CIA-specific activities.

I understand, Mr. Chairman, that our time is limited. We will interchange these speakers very quickly and stay on our schedule. Thank you for the opportunity to address this committee today.

Ms. STROUD. I am Rachel Stroud, and I will address very quickly some of the Intelligence Community initiatives for targeted outreach, and this in no way would undercut any group, but we are speaking on cultural and ethnic diversity.

Following 9/11, stirred patriotism as well as a weakened job market resulted in a substantial increase in resumes; however, the increase in minority applications was less encouraging. We are doing a number of things to build relationships with institutions such as the universities that have large minority populations. We have done an IC colloquia at New Mexico State University, and we are planning one for Atlanta tomorrow. Some of our targeted marketing initiatives will use the services of a professional consultant. We are going to follow CIA's lead they have already done this, and they are specifically looking at cultural and ethnic groups including Arab Americans, Chinese Americans and Korean Americans. We know some of our typical marketing techniques have not worked.

Another important initiative is the high school outreach program. If we don't reach young people sooner, they are not going to know about intelligence careers until they arrive in college, when it may be too late to influence their choices. We will be targeting bilingual and bicultural students in English as a second language programs. We know that the Washington area is rich in diversity. There are about 300 languages spoken in our area schools, so we will be looking at doing a pilot in the Washington area first.

In the area of retention, retention is more than just keeping employees. It is making sure we create an environment in which employees can be their most productive. As a community, we want to pilot a course that will focus on training first-level supervisors in those areas that would increase retention and maximize performance.

With regard to retirement eligibles and replacements, we know that a recent GAO study found that more than half the senior SES

members are eligible to retire or will retire by October 2007. We haven't collected all the community data on retirement eligibles, but we think we mirror this figure very closely.

We have asked our intelligence agencies to apply predictive models to forecast hiring and attrition and ongoing trends over the next 5 years and to develop strategies to address areas of legitimate concern. We are concerned about competition with the private sector now and into the future. We have hired the Hudson Institute, the renowned Author of Workforce 2020, to analyze the U.S. Labor force in relation to IC skill requirements and to make recommendations. In that study, we want them to look at the private sector and our competition there. In their recommendations, we expect that they will make recommendations that may very well impact our personnel authorities or suggest for new personnel authorities.

This concludes my segment, and I will turn it over to Mr. Jan Karcz from the office of the Assistant DCI for Analysis and Production.

Mr. KARCZ. Good morning.

Regarding foreign languages, one of the strategic goals articulated in the DCI 2003 Strategic Direction for Intelligence Community Foreign Language Activities is to invest in people, and towards that end the DCI has appointed the ADCI/AP as the senior authority responsible for guiding and overseeing foreign language issues within the IC. Dr. Lowenthal chairs a community body of senior agency officials, the Foreign Language Executive Committee, which coordinates and shares best practices amongst the agencies.

The community is actively seeking qualified candidates to cover its global responsibility, but this remains a challenging task. A large applicant pool is necessary to meet an Agency's language proficiency and security requirements. As an example, the FBI must process 10 applicants in order to hire 1 that meets their requirements. Several agencies have also recently reviewed and launched initiatives to enhance language incentive programs as a principal means of maintaining their foreign language expertise internal to their own organizations.

Turning to the analytic workforce, we recognize that the quality of our intelligence analysis is determined by the strength of our analytical corps. The community is making concerted efforts in this area to recruit, train and develop our analysts. Although the September 11 terrorist attacks have substantially increased the demand and supply of new analytic recruits, the community remains hard-pressed to retain people with expertise in certain geographic areas, languages and disciplines.

In collaboration with several prominent research institutes, the ADCI/AP is starting an initiative entitled The Future of the Analyst, which is looking precisely at the issues that are the focus of today's briefing.

In order to better understand and manage the analytic community, the ADCI/AP has developed the Analytic Resources Catalog, which tracks individual analysts by their assignment, experience, language expertise and education. This catalog is a critical tool for senior managers not only to identify analytical expertise and language skills in times of support crises to support surge require-

ments and to fill analytic shortfalls, but also to monitor the overall health and manning of the analytic community.

Other initiatives currently under way include the National Intelligence Priorities Framework, which identifies countries and intelligence topics of greatest concern to policymakers. The DCI uses this framework to provide guidance to the community about intelligence objectives, which in turn influence decisions on community resources.

Mr. Chairman, the DCI and the Intelligence Community he heads remains committed to building an analytical corps second to none as we confront the transnational and regional challenges that threaten our national security. The analysts of the future must be well educated and expert in their area of responsibility, equipped with the most advanced analytical tools, fluent in at least one and oftentimes several foreign languages, and committed to their profession. The initiatives and programs we are working on are important components of our national investment in our analytical corps.

I will now be followed by Harold Tate of the Central Intelligence.

Mr. TATE. Good morning, Mr. Chairman and Ranking Member Harman. I want to share with you some of the efforts we have underway in the Central Intelligence Agency to enhance our workforce.

For us, diversity of our workforce is absolutely critical to our mission because we are in the business of selecting a mix of skills, experiences and perspectives, including language area expertise, overseas experience and various backgrounds to achieve this mission. To this end we do operate a proactive nationwide program that is focused on finding individuals with the skills we need to develop the jobs. We are also targeting all languages, but especially the high-priority languages of today: Arabic, Chinese, Kazakh, Korean, Pashto, Persian and Urdu.

In fiscal year 2002, 14 percent of all our new hires claim proficiency at the level 2 level and above in Arabic, Chinese, Japanese and Korean. Forty-three percent of all our core hires in the past fiscal year claimed a foreign language, and 28 percent of all of our analytic hires did the same.

We are quite proud of the record on diversity in terms of hiring. We maintained a level of 20 percent or higher since fiscal year 2000. To achieve this we have targeted our marketing and advertising campaigns. We have collected information from focus groups around the Nation so we are developing ads and information that attracts.

On the retention front we have instituted within the Agency a best management practices program best designed to not only address issues of development of the workforce, but also management leaders of that workforce, because clearly to address any retention issues, it all starts with management leadership.

Finally, in March of 2002, we created the Central Intelligence Agency University to bring all of our training and leadership and development activities under one umbrella. Under the CIAU, we have also established the Intelligence Language Institute and hiring of language instructors to increase the size of the instructors available as one of our highest priorities this fiscal year.

The CHAIRMAN. Mr. Cryer, does that complete your—the team. I notice that the 5 minutes has expired.

[The prepared statement of Mr. Cryer follows:]

PREPARED STATEMENT OF DON CRYER, SPECIAL ASSISTANT TO THE DIRECTOR OF CENTRAL INTELLIGENCE FOR DIVERSITY MANAGEMENT

Mr. Chairman, I appreciate this opportunity to discuss with the Committee IC efforts to build and retain a work force with the diversity of languages, skills, and ethnic and cultural understanding that is critical to meeting the increasingly complex, urgent and diverse challenges the IC faces now and in the future. The events of 11 September and the war on terrorism have more acutely accentuated the requirement for a creative, energized, and diverse cadre of professionals. As the Special Assistant to the DCI for Community Diversity Management, I can confidently say that IC agencies are devoting major effort and resources and collaborating at an unprecedented level to ensure that we build and develop the talent we need. I also would like to re-emphasize that the DCI has unequivocally made work force diversity—in languages, skills, and ethnic and cultural backgrounds—a high priority. Our business is understanding peoples and cultures—a diverse work force is one of the most the powerful resources we can have. I would emphasize however that our targeted outreach efforts will not be conducted in a manner that undercuts equal opportunity and recruitment for all racial and ethnic groups, both minority and non-minority. Nor are our diversity programs intended to achieve proportional representation on the basis of race or ethnicity.

Less than 2 months ago, I had the privilege of testifying before Congressman Bereuter's, subcommittee on Intelligence Policy and National Security, on several Community-wide initiatives designed to attract and retain diversity. Today, we will expand on that testimony. Several of the initiatives were developed in anticipation of the requirements for a diversity pilot project contained in the House version of the FY04 Intelligence Authorization bill. In addition, IC agencies are vigorously engaged in individual efforts, which their Directors or representatives will describe in their testimony.

At this point, I will ask my Deputy, Ms. Rachel Stroud, to briefly highlight some of the diversity initiatives and strategies we are pursuing at the Community level. She will be followed by Mr. Jan Karcz of the Office of the Assistant Director of Central Intelligence for Analysis and Production who will address some of the key programs and strategies to build critical language capabilities and to recruit, train, develop and retain a major segment of the IC work force, our analytic professionals.

RECRUITMENT AND OUTREACH

In the aftermath of September 11, 2001 and in waging the war on terrorism, IC agencies have substantially increased recruitment and hiring. Fortunately, stirred patriotism, combined with a weakened job market, have resulted in a significant increase in resumes received from the public. However, the increase in applications from minority individuals was less encouraging. We have to do more in relationship building with minority communities and institutions to overcome the lack of information and misperceptions about the IC. We are undertaking several efforts to address this issue:

• IC Colloquia.—The purpose of the colloquia is to increase awareness of the role, mission and contributions of the IC among colleges and universities that have significant minority enrollments and to foster enhanced recruiting and academic relationships with these schools. We have held events at Trinity College here in Washington and, most recently, at New Mexico State University which has a large Hispanic population. An additional colloquium, scheduled for Atlanta on November 6, targets African-Americans. We are also considering a colloquium on the west coast that targets Asian-American students.

• Joint Recruitment.—IC agencies, individually and jointly through the IC Recruiting Working Group, participate in a host of job fairs each year to reach diverse candidates in critical skill areas. Some examples of career fairs that agencies will jointly participate in this fall include:

- Women for Hire, Crystal City, VA;
- Career Expo for People with Disabilities, Washington, DC;
- Asian Diversity for Hire, New York City; and
- American Indian Science and Engineering Society, Albuquerque, New Mexico.

In addition, IC agencies will individually participate in many similar target recruitment activities throughout the year.

• IC Website.—The IC Website, launched in October 2002, has been enormously popular. We will continue to enhance the website to assist visitors in matching their interests to appropriate occupations and IC agencies. Also, we have begun to add more information that will appeal to diverse audiences, e.g. information on minority-focused career fairs and activities in which IC agencies will participate.

• Targeted Marketing.—This effort involves the development of marketing strategies tailored to reach specific ethnic, cultural and minority groups. We know that traditional methods alone, such as career fairs, will not achieve the results we want. With the assistance of professional marketing consultants, we will design and place IC ads that will most effectively attract the right candidates within targeted groups, to include Chinese Americans, Korean Americans, Arab Americans, African Americans, Hispanics, Native Americans and persons with disabilities. CIA is taking the lead in this effort and the community will build on what CIA has already successfully accomplished.

• High School Outreach.—The increasing diversity of the American population is most apparent in our schools. We cannot afford to wait until students have moved on to college, when it may be too late to influence their choice of an academic major or an employer. Our goal is to reach potential candidates earlier and create an interest in IC careers with an emphasis on critical skill categories, including languages. We will pilot our high school outreach program here in the Washington metropolitan area, a region rich in diversity. We will target schools offering science and technology, international baccalaureate programs and other programs that prepare students for the college majors we need. In addition, we will target bilingual and bicultural students. Our initial contacts with counselors in some of our local school systems indicate that their English as a Second Language programs serve students who speak almost 300 different languages. While we have to address the significant security issues that will surface, we cannot afford to disregard this scarce asset at our doorstep. Some the activities planned include participation in high school career days, hosting a regional IC Career Fair, and sponsoring an IC Camp. Ultimately, our objective is to steer high potential candidates into one of the many IC student programs and convert successful students to permanent employees.

In FY02, IC agencies employed over 800 students in various programs, including the Stokes program, internships and cooperative education programs. Approximately 35% of these students were minorities. We believe that more can be done to leverage existing student programs to improve cultural, ethnic, racial and gender diversity in the Community.

TRAINING AND DEVELOPMENT

We have a number of ongoing programs and new initiatives to develop current and future intelligence officers.

• The Intelligence Community Officers Program, designed to professionalize intelligence officers, has over 1400 participants. Over 144 Community officers have achieved certification to date. All IC organizations are participating in the program, including the FBI, Department of State and Department of Energy.

• We have successfully developed and implemented the Intelligence Community Officers Course, a two-week course that challenges managers to collaborate and broaden their perspectives in resolving Community issues.

• Centers of Excellence for Intelligence Studies. This initiative of the Community Diversity Issues Board, coincidentally and fortuitously, mirrors proposed legislation that would provide funding to support the establishment of university-based Intelligence programs. We began formulating the concept for Centers of Excellence after being approached by several minority academic institutions interested in developing intelligence-related programs of study. It became apparent that the IC needed to establish guidelines for schools that wanted to set up such programs. We are reviewing as a model the program established by NSA for Centers of Excellence in Information Assurance. CIA has initiated the lead on this effort and will work closely with IC agencies and staff of the Assistant Director of Central Intelligence for Analysis and Production.

RETENTION

We view retention as more than keeping employees; it also means creating an environment in which employees can be at their most productive level. As our work force ages and the rates of retirement rise, retention of our newer employees, particularly in core skill areas, becomes all the more important. On a pilot basis, we plan to conduct post-hire surveys of new employees 3 to 6 months after arrival in IC agencies. The purpose of the surveys is to assess the level of new employee satisfaction and provide feedback to management that will help them to develop policies

and practices to strengthen the culture of inclusion and improve retention. In addition, we will develop and pilot a training course for IC managers that specifically focuses on retention issues. Another important aspect of retention is offering tools to help employees cope and flourish in today's dynamic and demanding environment and adapt to various management styles. We are reviewing options for training that can assist employees in that regard.

RETIREMENT ELIGIBLES

A recent GAO Study found that more than half of career senior SES members will leave the federal government by October 2007 and, if past appointment trends continue, the diversity of the SES corps will remain virtually unchanged. While we have not collected and analyzed data from IC agencies on retirement eligibility, we suspect that the IC mirrors the rest of the government. We have asked IC agencies to apply a predictive analysis model to project hiring, attrition and employment levels by grade and ethnic/racial/ categories over the next five years and to develop strategies to address legitimate problems. This model can also assist agencies in projecting retirement losses and the potential pool of GS–14's and GS–15's that will be available internally to replace departing senior executives.

COMPETITION WITH PRIVATE SECTOR

We have contracted with the Hudson Institute, renown authors of Workforce 2020, to conduct an analysis of the U.S. labor force in relation to core IC skill requirements, including area studies and languages. The study will also examine projected labor market conditions and competition for talent across the various segments of private industry. The Institute will recommend recruitment and retention strategies that will make the IC more competitive in attracting and retaining the talent we need. Some of these recommendations may very well suggest the need for new or revised personnel authorities.

LANGUAGE CAPABILITIES

Regarding foreign languages, one of the strategic goals articulated in the DCI's May 2003 Strategic Direction for Intelligence Community Foreign Language Activities, is to invest in people. Specifically, the Intelligence Community is charged to "build and maintain a diverse work force with the requisite foreign language, analytic, and technical skills to meet the critical and growing demand for language processing, analysis, and operational use throughout the Intelligence Community."

• Toward that end, the DCI has appointed the ADCI/AP as the senior authority responsible for guidance and oversight of foreign language issues within the IC. The ADCI/AP chairs a community body of senior agency officials, the Foreign Language Executive Committee, to coordinate activities and share best practices with respect to foreign language-capable personnel and the tools to enable their work.

The Community is actively seeking qualified candidates to cover our global responsibilities, but this remains a challenging task. Languages we are focusing on include Arabic, Chinese, Japanese, Kazakh, Korean, Kurdish, Malay, Pashto, Persian-Dari, Persian-Farsi, Punjabi, Russian, Serbo-Croatian, Urdu, and Vietnamese. A large applicant pool is necessary to meet the agencies' language proficiency and security requirements. FBI, for example, notes that they must process ten applicants to yield one that meets employment proficiency and security standards. Given these challenges, the agencies do work together in terms of sharing best practices.

• CIA, NSA and DIA have all recently reviewed or launched initiatives to enhance language incentive programs as a principal means of meeting their foreign language needs. These include adding hiring bonuses to their current incentive programs designed to attract and retain persons with the requisite language skills. DIA is planning to double its language incentive pay for civilians, and NSA has significantly increased incentives so that civilian employees may earn up to $1,000 per month. CIA has launched a Foreign Language Strategic Program that also addressed improved incentives for language acquisition and maintenance and offers hiring bonuses that can go as high as a one-time payment of $35,000 per individual.

• The DCI has established the National Virtual Translation Center to serve as a clearinghouse for translations to assist agencies in meeting their translation requirements. The Translation Center under the executive agency of the FBI is actively recruiting linguist resources to network qualified individuals in government, the military, the commercial sector, and academia to meet our translation requirements.

• The DCI has taken steps, as well, to address the sharing and processing of materials captured in the war on terrorism. He has established a National Media Exploitation Center under the executive agency of the Defense Intelligence Agency.

The Center achieved initial operating capability in June 2003 and will serve as another community resource to triage and process foreign language materials.

ANALYST WORK FORCE

Recognizing that the quality of our Intelligence analysis is determined by the strength of our analytical corps, the Intelligence Community is making a concerted effort in the areas of analyst recruitment, training, retention, and development. Although the 9/11 terrorist attacks have substantially increased both the demand and the supply of new analytical recruits, the challenges of training and retaining them also have increased dramatically. And despite our general recruiting successes, the Community remains hard-pressed to attract and train people with expertise in certain geographic areas, disciplines, and languages.

In collaboration with prominent research institutions, the ADCI/AP has undertaken an initiative entitled the "future of the analyst" which looks precisely at the issues that are the focus of today's briefing.

• One project is focusing on developing "new quantitative analytical tools"—and reemphasizing neglected older ones such as comparative analysis—to better equip the "analyst of the 21st century" to understand and analyze today's complex transnational and region-specific security challenges.

• Another project is looking at the gamut of issues respecting recruitment, training, and retention with an eye to learning from best practices in the private sector, including the business community.

• Still others are aimed at expanding the nexus between the Intelligence and broader knowledge communities outside the government through the building of data-bases that will provide analysts with up-to-date information on future conferences in their fields and the best expert institutions to tap for outside expertise. A new prominent guest speaker program will further facilitate analyst outreach to other knowledge communities.

• Individual agencies also have undertaken major outreach efforts, and one challenge for the Community is to better coordinate them and share the substantive results of such outreach.

To better guide our analyst recruitment, training, and retention efforts, the ADCI/AP has developed a Community-wide Analytic Resources Catalog (ARC) of analyst assignments, experience, language expertise, and education.

• This Catalog is providing a key management tool for the DCI, the ADCI/AP, and agency directors across the Community to identify analytical expertise and language skills in order to support crises, surge requirements, and analytic shortfalls. It also will help us to optimally assign Community analysts across the Community to meet Intelligence priorities.

• Agencies will update data in the Catalog semi-annually to ensure that the information remains current.

The National Intelligence Priorities Framework (NIPF) is another important management tool created by the ADCI/AP that the DCI will use to provide guidance to the Community about intelligence objectives, which in turn will influence our decisions on the full range of Community resources.

• The Priorities Framework identifies the countries and Intelligence topics of greatest concern and therefore will guide investment decisions on analyst recruitment and training.

• The Framework will help determine the kind of analysts we should be hiring respecting education, experience, skills, foreign area expertise, and language ability.

Joint educational experiences within the Intelligence Community break down cultural barriers, erode organizational stovepipes, and increase interactivity and collaboration.

• Toward that end, we will strive to complement the progress in agency specific training programs with an expanded Community training component for new and middle-level Intelligence officers. We are unsure at this time about the course content and organizational aspects of this initiative, but the ADCI/AP in collaboration with agency officials will develop it further.

Mr. Chairman, the DCI and the Intelligence Community he heads remain committed to building and analytical corps second to none as we confront the transnational and regional challenges that threaten our national security. The analyst of the future must be well educated; steeped in knowledge of his or her substantive area; equipped with the most advanced analytical tools and tradecraft; fully fluent in at least one and oftentimes several foreign languages; and committed to his and her profession. The initiatives and programs I have described to you today are important components of our strategic investment in our analytical corps.

The CHAIRMAN. I think as Mr. Rodriguez comes to take the table, we will ask General Clapper from the National Imagery and Mapping Agency to address us.

STATEMENT OF JAMES CLAPPER, DIRECTOR, NATIONAL IMAGERY AND MAPPING AGENCY

General CLAPPER. Thank you, Mr. Chairman, Congresswoman Harman. As you know, this is my second time around as an intelligence agency Director, and I have appeared before this panel before when I served as Director of the Defense Intelligence Agency. I commend the committee for holding this hearing. I think having these hearings is a positive thing to keep the light of day on this subject.

I would like to mention that Joann Isham, my deputy, who now, I believe, is the senior woman in the Intelligence Community. This is a fact of which I am very proud, as both of us are strongly committed to diversity not only because it is the right thing to do, but because it is requisite to our business and inherent to our mission that we look outward to the rest of the world. This is particularly true in the case of NIMA where our business is the rest of the world's geography, thermography, culture, language, et cetera. For us, diversity is a big deal.

I have enjoyed the senior leadership in NIMA since I arrived over 2 years ago to foster an inclusive work environment. We want, like everyone else, NIMA to be the agency of choice, the employer of choice. A conviction that I have arrived at after my 4 years as Director of DIA and now into my third year at NIMA is that the ultimate solution to diversity and balance is sustained and focused recruiting, and that basically underlies the philosophy as I have approached it in NIMA of a number of our fiscal year 2003 recruitment efforts which will continue to be designed for diversity; for example, participating in the model U.N. Conference, and we have struck up an arrangement with that forum. We have diversity recruitment program managers specifically to focus on that.

Our challenge—of course, NIMA is probably—as the newest and perhaps lesser known of the intelligence agencies is just making all of our applicants aware of what NIMA is and what we do. We have no real change in overall minority or female representation over the past 2 fiscal years. Our minority representation increased slightly, four-tenths of a percentage from 2002 to 2003, from 17.3 percent to 17.7 percent, and our female representation similarly increased slightly. Now, what has affected that, we have also transitioned a significant portion of our noncore occupations to the private sector, and so that affected our population as a proportion of our overall government workforce because many of these people who are women and who are minority members transitioned as contractors instead of government employees as we outsourced some of our noncore competency functions.

One thing I would like to highlight which I have come to believe is extremely important is a practice called alternate dispute resolution, which has been very successful in resolving issues that surround equal opportunity before they become formally litigated. If you enter into formal litigation, it is my conviction it is a lose-lose for the employee involved and for the Agency. We have greatly

strengthened and energized our entire training ladder from entry level to our senior executives, and one of the principal tenets there that we foster is inclusiveness. And whom we select for these training courses is something we try to be sensitive to.

For challenges and solutions, I would mention there are—clearances requirements are going to become more of a challenge as the demographics of the Nation change, as the population proportion of minority members increases. The stringent security requirements, I think, are going to work against us somewhat in promoting diversity. Not to whine or an excuse, but just a fact. And the fact that lengthy security clearance process, I have found, discourages many entry-level candidates unless we go back and begin the recruitment process as early as high school, and certainly into college, to get them sort of connected with us.

And as I mentioned, we don't have the same level of name recognition, a situation that is going to be complicated when and if—I will be optimistic—when the National Defense Authorization Act is signed into law and our name changes to the National Geospacial Intelligence Agency. So we will have a public relations channel there.

So we are transformational, and NIMA by definition, since it stood up in 1996, is transformational. We will continue to focus throughout on our most important asset, our people, which they, too, are transforming. Diversity is a mission imperative, and we are working to maintain an inclusive working environment that values each employee's unique capabilities and contributions, and I do hold our seniors responsible for that. And one of the things I found very effective is a series of peer reviews when they make personnel actions, which I think is an imposing sociological impact.

And again, we want to make NIMA the agency of choice for those seeking a career in the IC, and I will end where I began: It all begins and ends with focus and intense recruiting. Thank you, sir.

The CHAIRMAN. Thank you very much, General Clapper.

The CHAIRMAN. And we turn to Secretary Peter Teets. Mr. Teets.

STATEMENT OF PETER B. TEETS, DIRECTOR, NATIONAL RECONNAISSANCE OFFICE, ACCOMPANIED BY ANNETTE WYATT, DIRECTOR, EQUAL EMPLOYMENT OPPORTUNITY AND MILITARY EMPLOYMENT OPPORTUNITY, NATIONAL RECONNAISSANCE OFFICE

Mr. TEETS. Thank you, Mr. Chairman, and good morning to you and Ranking Member Harman and distinguished members of the committee. It is a pleasure to be here this morning and have an opportunity to talk to you about one of my favorite subjects, which is the NRO workforce.

Our job, of course is to attract, retain, develop, motivate and keep at work some of the highest-class professionals in the world, and, of course, our mission is to develop space-based reconnaissance systems which can serve our intelligence needs. Clearly the NRO workforce is the key to our success.

We are inherently a joint operation which provides some diversity in and of itself. We are an organization that is made up of a sizable number of CIA professionals, Air Force professionals. We have representatives as well from the Army, the Navy, the Marine

Corps. And also at the NRO, we have professionals from the National Security Agency, from the National Imaging and Mapping Agency, NIMA, as well as some representation from DIA as well. And so we have a certain joint character here, and we also have, of course, over 12 personnel systems that we deal with in terms of having these people who are assigned to us from their mother agencies.

I also want to say with me today is Ms. Annette Wyatt. She is Director of Equal Employment Opportunity and Military Employment Opportunity out at the NRO and is part of a strong Office of Human Resources effort that we have underway. This HR effort that we have had ongoing now for more than 2 years is designed really to create a number of initiatives, to define and manage current and future workforce requirements, to recruit and retain a diverse world-class workforce, to implement expanded career development and training programs, and, of course, to conduct formalized succession planning for key leadership and technical skill positions.

I would like to now just say a few words, if I may, about the NRO and diversity. First of all, I want to say that diversity is one of the core values at the NRO. We have five core values, and diversity certainly is one of them. I meet quarterly with what we call our Unity Council, and this Unity Council is a group that is comprised of the chairpersons from each of our special emphasis councils, and they are chartered really to raise management awareness of breadth of diversity issues.

We have bimonthly cultural awareness programs. I am proud to say that some of those cultural awareness programs, we have had distinguished speakers such as Congressman Reyes come out to the NRO during Hispanic Awareness Month and gave a stirring talk really to a full auditorium of people who were very interested of learning Congressman Reyes' background and his experiences on the border between Texas and Mexico. And it was a great day, Congressman Reyes. We continue to appreciate it and talk about it.

We also were fortunate to have a visit from Senator Inouye at a gathering that we had for Asian Pacific Island Awareness Month. We have had Congressman Bishop come out during Black History Month to discuss, again, his perspective on diversity issues. We have had American Indian representation in terms of having the group that came out with windtalkers. Diversity is an important core value at the NRO, and we honor it.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Teets.

[The prepared statement of Mr. Teets follows:]

PREPARED STATEMENT OF PETER B. TEETS, DIRECTOR, NATIONAL RECONNAISSANCE OFFICE

Mr. Chairman, Ranking Member, and distinguished Committee members, I am pleased to be here today to talk to you about "Building Capabilities: The Intelligence Community's National Security Requirement for Diversity of Languages, Skills, and Ethnic and Cultural Understanding".

The National Reconnaissance Office (NRO) workforce is the key to its success. Our mission is a complex and critical one and we are striving to attract, train, and retain the right people to perform this important work. In order to collect data and information from space, the NRO conducts space system research and development, manages acquisitions, conducts launches, and operates overhead systems. The NRO has an ongoing responsibility to provide pioneering technologies, systems, and oper-

ations methodologies to deliver unparalleled intelligence, surveillance, and reconnaissance capabilities to our Nation. To accomplish this mission, the NRO must acquire the nation's best scientists, engineers, and operators (from both government and industry) to work as a team focused on providing decisionmakers and warfighters the information advantage they require.

Today, the NRO workforce consists of a cadre of dedicated, talented, and innovative personnel committed to mission success and steadfast in their pursuit of excellence. It comprises a unique mix of government civilian, military, and industrial professionals who are managed under more than a dozen different sets of Human Resources policies and procedures from across the Department of Defense, Central Intelligence Agency (CIA), and other Intelligence Community Agencies. This complex workforce embraces a diversity of characteristics, backgrounds, experiences, and viewpoints that have converged within the NRO and have led to the superb technologies that we deploy.

Our objective is to continue implementation of our strategic human resource plan that fosters a challenging and productive work environment; encourages and supports individual career development; and builds a system that attracts, develops, and retains a talented and diverse team of professionals able to meet the future challenges of the NRO. Part of this process involves crafting new ways of hiring people into the organization. It also involves finding ways to motivate and satisfy employees at all levels and job classifications and provide the training and broadening opportunities necessary to develop our future space and intelligence leaders.

The ability of the NRO to maintain and improve this diverse work force is challenged by many factors. Skills, knowledge, and abilities required for the development and operation of space systems are the same skills, knowledge, and abilities in high demand throughout the space engineering sector, a demand unlikely to change for the foreseeable future. The NRO must compete with industry as well as other government agencies for critical talent.

Recognizing these challenges, we are positioning ourselves to effectively compete within today's rapidly changing human resources environment. The NRO Strategic Plan, revised in Fiscal Year (FY) 2003, placed an increased emphasis on a number of strategic workforce initiatives undertaken following the creation of the NRO's Office of Human Resources (OHR) in 2001. Our strategic plan focuses on developing and maintaining a world-class workforce through three enabling objectives:

—Creating and maintaining a diverse world-class workforce;

—Mastering program management as an NRO core competency; and

—Developing a state-of-the-art systems engineering competency.

The NRO continues to work toward improving day-to-day personnel operations as well as fostering workforce transformation to meet future needs. OHR's Strategic Performance Analysis Group was chartered to develop HR performance measures and to conduct analytic studies in support of initiatives addressing workforce issues. We have increased the use of objective analyses to guide improvement activities and strategic workforce programs in FY 2003 improved our ability to effectively manage our diverse workforce.

REQUIREMENTS DEFINITION AND MANAGEMENT

In January 2003, the NRO completed mapping of all parent organization occupational classification systems into a standard series of NRO occupational categories. Parent organization variability in occupation definitions had precluded consistent, actionable analyses in the NRO for some time. The mapping overcame this impediment and provided the NRO with its first ever capability to analyze the entire organization in a consistent fashion along occupational lines.

The first application of the new occupational categories was an analysis of the NRO's positions to determine that "tooth-to-tail" mix of mission versus support activities. As a result of the analysis, the NRO was able to gauge the impact of recent reengineering and internal realignment efforts to free positions for reallocation to mission activities. These actions have resulted in a 3 percent reduction of the NRO's support tail in favor of mission elements.

In addition to recent reengineering and realignment activities, the NRO is initiating its first corporate attempt to project total position requirements and establish annual position occupation mix targets. These efforts are driven by the development of the NRO's technical Way Ahead, which lays out a vision for future programs in accordance with the NRO Strategic Plan. We have begun to map the space system lifecycle to the Way Ahead schedules for each system and to determine the personnel complements that would be required in each phase of the life-cycle, thus painting an overall picture of future requirements. We have also begun to outline

the concept of operations for a corporate decisionmaking body to oversee the reallocation of positions to meet these future needs.

To further support the shift toward a more mission-oriented occupational mix, a number of functional reviews are underway to streamline and/or reduce redundancies in capabilities. The largest of these efforts are an on-going review of positions within the Management Services and Operations (MS&O) Directorate and a cross-organizational position review of the NRO's information technology functions. Additionally, the NRO's newly created Deputy Director for Administration plans to conduct reviews of embedded support functions across the organization to assess the feasibility of shared support alternatives for improved efficiency and effectiveness of support activities.

WORKFORCE RECRUITMENT AND ACQUISITION

Acquiring the personnel to meet the NRO's manpower requirements is a challenge. Reasons include rising retirement rates as "baby boomers" leave the government and increasing competitive pressure from both the private sector and the parent organizations for limited technical resources. During recent years, the NRO experienced increasing vacancy rates in its two most critical mission occupations: engineering and program management. To remedy these vacancy concerns, the NRO has placed added emphasis on targeted recruiting of engineers and program managers. The Office of Development and Engineering, for example, launched aggressive recruiting campaigns in partnership with the CIA's Recruitment Center. The NRO provided senior technical personnel for these recruiting campaigns at a number of universities, a strategy that has proven effective in garnering more interest among targeted populations. CIA technical hiring for the NRO doubled from 2002 to 2003. Coupled with the Air Force military element's efforts to improve assignment rates of technical personnel, the NRO saw a marked improvement in its engineering and program manager vacancy rates.

While the vacancy rates in the NRO's most critical mission occupations improved in FY 2003, the NRO's overall vacancy rate did not improve, and in fact, crept slightly higher to 14.4 percent of our total personnel allocation versus 13.5 percent for FY 2002. This happened for the following reasons: first, higher operational tempo of the parent organizations since September 11th has begun to affect the speed with which vacancies are filled in the space operations and intelligence occupations. Second, the NRO has seen an increase in the vacancy rates for non-technical CIA personnel, primarily in the administration area. This is partly due to the lower priority to fill such positions in light of the CIA's focus on critical mission skill recruiting. The implementation of the CIA's Deployed Support concept also carries inherent delays in staffing support vacancies within the NRO. At this juncture, the vacancy trends in space operations, intelligence, and administration are not having a profound impact on mission accomplishment, but they warrant continued close observation.

TRAINING AND CAREER DEVELOPMENT

We continue to expand our workforce development system by adding new guidance tools and learning opportunities. We have started to revise our competency models to better reflect the mission requirements of the 21st Century NRO. We piloted a new, leadership development course, Leadership Landscape, which provides case studies and materials tailored to the complex operating environment of the NRO. Also, we have revised our annual training program call process to provide a more equitable environment in which employees may compete for placement in prestigious external training programs. In addition, the NRO continues to reap benefit from several well-established functional training centers that are chartered to provide NRO unique, program-tailored material. The NRO's Acquisition Center for Excellence, for example, provides acquisition training and support for the NRO and its mission partners, ensuring common standards and best practices are effectively integrated into our programs. Furthermore, the NRO established a Corporate Learning and Development Group to deliver professional multi-disciplinary development training to improve the overall quality of management, promote continuous learning, and to acculturate employees to the NRO's distinctive environment. This element also offers career counseling services, manages the NRO's robust mentoring program, and provides other tools to facilitate lifelong workforce learning.

SUCCESSION PLANNING

In 2002 we began a succession planning program that will ensure continuity of NRO operations through development of a leadership cadre. This program identifies critical management positions and the competencies and experiences required to fill

them and allows all personnel insight into the development required to successfully compete for these jobs. Individuals may assess themselves against published requirements and self-nominate for consideration for positions among other qualified applicants. The construct of this program affords opportunities for individuals who might not otherwise have been assessed in the selection process to be considered for our most critical jobs. In addition to offering new assurance that that NRO employees can fairly prepare and compete for critical jobs, this program also holds promise for improving the representation of women and minorities in these key leadership posts.

THE NRO AND DIVERSITY

The NRO continues to emphasize diversity and fairness throughout the ranks, embracing the characteristics and capabilities that comprise a multi-cultural workforce and leveraging them to strategic advantage. To those ends, our Office Of Equal Employment Opportunity and Military Equal Opportunity sponsors a robust Diversity program that includes:

—Special Emphasis employment programs required by Title VII 29 CFR 1614;

—17 collateral duty Diversity Liaison Officers (DLO) at our sites around the world responsible for promoting cultural awareness within the workforce;

—6 Workforce Excellence lectures for our Headquarters employees; and

—Quarterly diversity-centric meetings between the Director, NRO and our Unity Council, a group that is comprised of the chairpersons from each of the Special Emphasis Councils and chartered to raise management awareness of a breadth of diversity issues.

In January 2002, we published a new Strategic Plan for Diversity to augment our ongoing efforts in this area. We are partnered with other intelligence Community agencies to evaluate recruitment and retention strategies, and participate in outreach programs to elementary, high school, and university students. In addition, we are also implementing an NRO Disabilities Internship Program with four slots identified for FY 2004. Although the overall representation of minorities within the NRO's administrative specialties is still below the Bureau of Labor Statistics benchmark for the U.S. population, the representation of women and minorities in our technical specialties now exceeds those benchmarks, as a result of the continued emphasis in this area. Because the NRO does not have its own workforce and is, therefore, limited in its ability to influence diversity demographics, it is critical that we continue to partner effectively with the parent agencies and to achieve acceptable representation in all NRO occupations.

RETENTION

In addition to improving its approach to acquiring personnel, the NRO has undertaken efforts to preserve as much NRO experience as possible within the workforce. With lifelong NRO careers largely a thing of the past, the NRO has attempted to increase the percentage of its workforce that has prior NRO experience through deliberate efforts to bring personnel back following mandatory rotations to their parent element. The NRO maintains alumni and experience rosters and monitors the career progress of prior-NRO personnel with an eye to future return assignments. One NRO element, in fact, has established personnel practices that expedite hiring of military personnel back into the NRO following their retirement. These combined efforts paid modest dividends: we experienced a 3.5 percent increase in the average NRO years of experience in its workforce from 1999 to 2002 and we expect to see a continuing upward trend.

THE NRO CLIMATE SURVEY

We are committed to providing our workforce with an environment that promotes high productivity through tools and infrastructure as well as a supportive culture. Annually, we conduct a climate survey to gauge employee satisfaction across the full spectrum of work environment, diversity, and HR support programs. Since its implementation in 1998, the survey has been invaluable in helping to direct and focus workforce programs. Consequently, all factors measured by the survey now exceed the minimum satisfaction rating and most factors exhibit high levels of workforce satisfaction. In 2003, all human resources related factors (like quality of life, training, and performance recognition) showed a measurable increase in employee satisfaction.

THE FUTURE

The NRO continues to improve and transform its workforce to meet the needs of the future through implementation of several new initiatives:

First, the Way Ahead—which lays out our vision for future programs—defines the overarching demand for human resources to meet future needs. We will continue to assess the overall impacts of this vision on personnel and their development and drive our workforce planning and implementation activities commensurate with that vision and mission.

Second, the NRO Strategic Plan emphasizes mission-critical skills, particularly systems engineering and program management competencies, thus further dictating the development of focused plans for the growth and management of the workforce. While earlier efforts have garnered some improvements, we must continue to carry out targeted workforce planning to achieve further advancements. With assistance from our Deputy Director for Systems Engineering, we plan to conduct a deeper investigation into the health and dynamics of the engineering and program management populations, and to identify actions to strengthen these areas.

Finally, with the advent of the space professional cadre concept, the national security space community has initiated space-specific workforce planning activities in a number of the parent organizations that support the NRO. These activities will enhance the quality of the NRO's future workforce and will drive other initiatives in management, development, and utilization of the cadre. In addition, we have drafted our own strategy for managing space professionals during their NRO tours with an eye toward meeting our unique mission needs while ensuring compliance with parent organization standards.

In summary, the NRO is fully committed to creating and maintaining a world-class workforce to meet the needs of the NRO and of the Nation. Our people are the key to continuing our long record of unparalleled accomplishment, innovation, and service and our mission requires the full commitment and dedication of each and every member of the NRO team. We will continue to attract, train, motivate and retain the right people—the best people—to perform our critical work.

The CHAIRMAN. We now go to the Honorable William Black, Deputy Director of the National Security Agency.

STATEMENT OF WILLIAM B. BLACK, DEPUTY DIRECTOR, NATIONAL SECURITY AGENCY

Mr. BLACK. Thank you very much, Chairman Goss and Ranking Member Harman. This is my report to you from the National Security Agency.

I think it is important for everyone to understand that what I will talk about is the Federal civilian workforce at NSA. But the truth of the matter is half of our placement is military, and also we are spread throughout the United States and in many other parts of the world, and this has had a major impact on our people which is absolutely critical to what our mission is about.

The fact that our work strength had been reduced over recent years has caused us to concentrate on targeting specific mission areas and to align our work skills with this because we have gone through a major transformation in the Agency. We have taken initial steps to improve our situation by, first of all, moving our diversity office itself into our human resource organization so that all of our human resource actions will, in fact, reflect the diversity on which we are built.

Between the fiscal years of 1990 and 2001, the reduction, as I mentioned, in our civilian workforce was such that if it wasn't for this committee's support, we probably would not be able to grow as we are now and to have the impact we are having on the workforce. Fifteen percent of the Agency's workforce has been hired in the last 3 years. The growth projected in our manpower strategy will allow us to increase that percentage to 40 percent by fiscal

year 2008. As an example of the opportunity presented by this influx of personnel, the Agency hired 350 minority employees in the past 2 years, which is as many as we had hired in the previous 4 years.

In this past year, NSA recruiters logged more than 290,000 miles on 268 recruiting trips. These trips have included 27 colleges and universities and significant minority population in many of these institutions. NSA exceeded its hiring goals in the last 3 years and maintained its 18 percent diversity hiring rate. Our students program hired an additional 333 students and achieved a 21 percent diversity rate.

One goal for the coming year is the creation of a new 2-year Congressman Stokes program geared toward language students. We also intend to significantly increase the percentage of language students accepted into the 4-year Stokes program that we have had ongoing for several years at NSA and to develop a High School Native Speaker Program.

While target and mission expertise is critical, the foreign language proficiency of the language professional is essential. We must understand not only the words, but the intentions behind the words. This is defined as "Level 3" proficiency, the formal requirement for working a cryptologic language.

In this new environment, retaining skilled linguist professionals is particularly important. Earlier this year, we rewarded professionals who have the requisite language proficiency by increasing their foreign language and incentive pay ceiling. And additionally, we recently approved the second step, the Language Analyst Recruitment Bonus and Milestone Reward Program, which consists of a recruitment bonus for new hires and a 2-year Milestone Reward Program to retain linguists and encourage the Level 3 proficiency which is critical for our business.

I thank this committee for its support in the last 2 years in the Intelligence Authorization Act. We are working now on what we call 21st Century Distributed Learning. This ground-breaking work revolutionizes our language education through "just-in-time" language learning opportunities. We are sharing this information throughout the Nation and particularly with Flagship Universities. These universities sponsor programs designed to produce Level 3 proficient graduates in such language as Arabic, Chinese and Persian-Farsi.

The DCI has emphasized diversity as a corporate imperative, a strategic goal, and states, "our people are our most precious assets, not satellites or high-speed computers." We have reaffirmed our commitment to diversity well beyond the recruitment and hiring initiatives mentioned above. Diversity is not just about fairness. It is mission-critical, and we incorporated this principle into our strategic and business planning in the day-to-day operations. People remain, to NSA's success, a key to the 21st century and beyond. We remain dedicated to those efforts that will ensure we have a truly diverse workforce, with the right people with the right skills in the right jobs.

As we grow the workforce, we have unprecedented opportunity to further our transformation. We will do this by eliminating the barriers that prevent a truly integrated, seamless, cooperative learn-

ing and thriving information enterprise. With your help, we will continue to provide the vital information that will enable the United States to maintain a decisive information superiority edge.

Thank you, Mr. Chairman, members of this committee, for this opportunity to testify.

[The prepared statement of Mr. Black follows:]

PREPARED STATEMENT OF WILLIAM B. BLACK, DEPUTY DIRECTOR, NATIONAL SECURITY AGENCY

INTRODUCTION

Thank you very much Mr. Chairman, Ranking Member, and Members of the Committee for the opportunity to report on the National Security Agency's (NSA) progress in meeting the Human Resources (HR) and diversity challenges that are central to the continued transformation of the NSA. Enhancing our expert work force and effectively leading and managing our people is a critical task and the key to constructing the unified, end-to-end enterprise needed to achieve and maintain information superiority for America.

Since 1999, in concert with the Director of Central Intelligence's (DCI) Strategic Intent, the transformation of the NSA has been focused on four strategic goals:

- Ensure responsive intelligence information and information assurance for national decision-makers and military commanders.
- Continuously modernize the cryptologic system by using advanced technology to provide solutions for the production and protection of information.
- Shape the NSA work force to meet SIGINT and Information Assurance mission challenges.
- Maximize the use of resources through effective business processes and prudent risk to achieve and sustain responsive Signals Intelligence and Information Assurance solutions.

NSA has made great progress in each of these areas but much remains to be done as we embark on the Director's new vision of Transformation 2.0: Cryptology as a Team Sport. This vision furthers the above goals by focusing on dependencies not only within NSA/CSS, but increasingly on dependencies beyond the fence line—in the larger DoD and Intelligence communities. Faced with a variety of changes that include increasing the scale and scope of computer network operations; expanding and in some cases tailoring our products to serve customers at the federal, state, and local levels; meeting new demands necessitated by precision targeting; tracking people and discrete things as well as organizations and nations; and automating processes throughout the enterprise, we will succeed only by improving NSA's collaborative relationships across the board.

Our future objectives include:

- Blending the SIGINT and Information Assurance missions;
- Integrating the strategic and tactical SIGINT enterprise;
- Transforming customer access to the SIGINT process stream; and
- Taking the lead in teaming by enabling more Community collaboration along our five business lines: get it; know it; use it; manage the mission; and manage the enterprise.

Because people are key to the successful accomplishment of all of these goals and their associated programs/initiatives, NSA articulated a work force strategy that is based on growth, skills alignment and knowledge transfer. The strategy outlines the Agency's need to grow the work force to meet increased mission challenges and to acquire the next generation of SIGINT and Information Assurance professionals. But this growth will not take place equally across the Agency. It is targeted toward specific areas and realigns skills to enhance capabilities and readiness in language, focus on analysis, increase our ability to exploit the global network, preserve our expertise in cryptanalysis, strengthen our target development activities, protect our people, and modestly augment some of the enabling functions. The strategy also addresses the Agency's critical need to transfer knowledge between the expert onboard population and the new generation. This is vital to our future success and a critical aspect of transformation.

NSA has made significant progress in hiring, recruitment, retention, skills mix, and training. Despite successes in these areas, NSA recognizes that its diversity is an area in which improvement is essential to sustaining our mission. NSA also recognizes, of course, that these steps to ensure diversity in our workforce must be consistent with the Constitution's guarantee of equal protection. We have taken initial

steps to improve the situation, to include moving the responsibility for diversity management to the office that has successfully managed other HR initiatives.

After years of downsizing we are increasing the size of the civilian work force . . .

Between FY1990 and FY2001 NSA reduced civilian manpower by 32 percent through voluntary means. With this Committee's support, NSA's manpower authorizations increased by 400 in FY2002, 428 in FY2003, and 965 in FY2004. This growth allowed for significantly increased hiring programs to fill current vacancies and the additional authorized billets with 820 new hires in FY2002, 1125 in FY2003, and 1500 projected for FY2004. As the Agency moves forward, it is now working with the Administration on the budget to increase civilian billets between FY2005 and FY2008 to enhance the existing work force with the multidisciplinary, analytic, and technical personnel needed to transform the cryptologic enterprise.

This growth also presents a significant opportunity to increase NSA's diversity. Fifteen percent of the Agency's work force has been hired since FY2001 and the growth projected in the manpower strategy would allow NSA to increase that percentage to 40 percent by FY2008. As an example of the opportunity presented by this influx of personnel, the Agency hired as many minority employees in the past two years (350 in FY2002 and FY2003) as it did in the previous four years (FY1998 through FY2001).

We continue to improve recruitment processes . . .

NSA continues to improve its recruitment processes and expand its presence in the job marketplace. This past year NSA recruiters logged more than 290,000 miles on 268 recruiting trips to 102 schools in 44 States and one Territory. As a key part of the effort to hire more than 1100 new employees and build a pipeline for FY2004, these trips included 27 colleges and universities that have a significant minority population (i.e., African-Americans, Hispanics, Asian-Pacific, and Native American) and 19 professional events.

NSA's student programs, especially the Cooperative Education, Summer, and Stokes Scholarship (formerly Undergraduate Training Program) programs, serve as a prime source of new employee recruits by providing college students and graduates with Agency operational experience. Graduates of these programs can immediately begin productive and responsible assignments. As such, these programs are key feeders into the Agency's full-time hiring program.

Other major recruiting improvements include:

- Establishing an Employee Referral Program, which encourages Agency employees to refer qualified candidates to the NSA Office of Recruitment;
- Doubling participation in Intelligence Community collaborative recruiting events from 4 to 8;
- Outsourcing scheduling, welcome center, and data entry functions, which provides a high level of professionalism;
- Awarding a new advertising contract, which offered the opportunity to highlight diversity issues;
- Refreshing the print media;
- Enhancing web site features and functionality;
- Deploying a new auto call center voice mail system to assist applicants;
- Hiring recruiters with private sector experience;
- Initiating a recruiter training curriculum;
- Publishing the third edition of NSA's award-winning recruiting CD (recognized for excellence by the national advertising industry) and effectively using other new promotional items to market NSA as a quality employer (thanks to this Committee's support for legislative authority to execute this function);
- Using invitation-only career fairs and skill group interview sessions resulting in over 200 hires; and
- Establishing a language hiring bonus and awards program to compete in the extremely competitive language hiring market.

We would be happy to brief you at a later time on our plans for a new print media and web site advertising campaign in the spring of 2004.

But we also need to retain talented people . . .

Over the past two years NSA transitioned its workforce to an annual evaluation cycle that links rewards and recognition directly to performance. At the same time, NSA encouraged managers to push the decision level for promotion and awards down to the lowest possible level so that managers can recognize those who are key to achieving the Agency's mission. NSA increased the overall budget for recognition (10 percent for promotion and seven percent for awards) at a time when employees were giving their all to support the Global War on Terrorism. In addition, the Agen-

cy received an additional $2.5 million specifically to recognize employees whose efforts supported the war in Iraq.

NSA used retention bonuses to keep critical employees from leaving. Judicious use of these incentives allowed the Agency to retain just over 100 personnel primarily within the SIGINT Directorate, the Information Assurance Directorate, and in Research areas. NSA also set aside $1.5 million dollars for lump-sum performance awards for individuals demonstrating outstanding work in several of the Agency's most important and sensitive missions. Fifty-eight percent of these funds were offered to personnel working the SIGINT mission and 42 percent were used for the Information Assurance mission.

We've focused our hiring program on core mission skills . . .

One of the pillars of the NSA work force strategy is skills alignment, i.e., identifying the skill mix necessary to meet future goals and objectives. This includes evaluating the current work force skill mix, defining mission goals, matching the skill mix to the mission goals, and developing a plan to get from "here to there." Hiring efforts in FY2003 were aligned with this plan. Over ninety percent of all FY2003 hires held a Bachelor's degree or above and the new hire class holds a 3.41 average G.P.A.

NSA exceeded its hiring goals the last three years and maintained an 18.4 percent diversity-hiring rate. This is remarkable given that much of the Agency's hiring took place in the areas of language, analytical, and technical skills that traditionally have less diverse applicant populations. In addition, NSA achieved its best diversity results in computer science, organizational leadership and management, signals analysis, security, and cryptanalysis.

Student programs hired an additional 333 students and achieved a 21 percent diversity rate while shifting the skills of approximately 25 percent of its FY2003 Cooperative Education, Summer, and Stokes Scholarship program skills from Electrical/Computer Engineering and Computer Science to language and intelligence analysis. New for FY2004 is the Graduate Training Program, in which six outstanding technical undergraduates in Electrical/Computer Engineering, Computer Science, Systems Engineering, and Information Operations were recruited to continue their education at the Air Force Institute of Technology (AFIT) and the Monterey Postgraduate School (MPS). The Committee's inclusion of language authorizing this program in the FY2003 Intelligence Authorization conference report is greatly appreciated.

In addition, NSA's goals in FY2004 include a new two-year Stokes Program, geared towards students who have already started the study of a language in college; a significant increase in the percentage of language students accepted into the four-year Stokes Program; and the development of a High School Native Speaker Program, with a projected implementation date of fall 2004. Through this latter program, NSA will employ high school seniors, who have a native capability in a critically needed language, as high school work-study students, then employ and mentor those students through college while paying their college tuition. NSA also plans to bring in additional language students by participating in the Intelligence Community Analyst Training Program, when it becomes available.

We are particularly focused on language . . .

In the past, much of the foreign language material that NSA processed for national security was somewhat formatted. We basically knew who our enemies were and we knew pretty much what to expect. That is no longer the case. Our enemies can be anywhere, and many of them would do us harm in ways that were previously unfathomable. While target and mission expertise is still critical for successful SIGINT work, the foreign language proficiency of the language professional is essential to successfully protect our country. We must understand not only the words, but also the intentions behind the words. This is defined as "Level 3" proficiency, which DIRNSA documented in April 2002 as the formal requirement for working cryptologic language.

At NSA, the Senior Language Authority works in a collaborative partnership with the Military Services and the Defense Language Institute/Foreign Language Center (DLI/FLC) on plans to bring the entire cryptologic language workforce, military and civilian, to Level 3. These plans identify a need for considerable increases in funding to support adjustments in training, assignments, and numbers of billets.

In this new environment, retaining skilled language professionals is particularly important. Earlier this year, NSA rewarded the qualified and stable staff of professionals who have the requisite language proficiency by increasing the Foreign Language Incentive Pay ceiling for civilians and encouraging DOD action for commensurate military increases in Foreign Language Proficiency Pay. In addition, the

DIRNSA recently approved the second step—the Language Analyst Recruitment Bonus and Milestone Award Program. This program consists of two parts. First, a recruitment bonus for new hires will be used to enhance NSA's ability to set starting pay for language analysts at competitive levels. Second, a two-year milestone award program will serve as an incentive to retain new language analysts and encourage them to attain Level 3 language proficiency in the language for which they are hired.

Thanks to the support of this Committee in the FY2003 Intelligence Authorization Act, NSA is working with the National Security Education Program (NSEP) and the National Foreign Language Center (NFLC) on 21st Century Distributed Learning (LangNet). This groundbreaking work at the University of Maryland revolutionizes language education in "less-commonly-taught languages" (LCTLs) and at higher levels. This is accomplished by providing "just-in-time" language learning and maintenance opportunities on demand at a learner's convenience—night or day—through the Internet. To date, more than 1000 learning objects in 15 languages have been delivered.

While the optimal language-learning environment remains a classroom, building a language workforce at the Level 3 proficiency requires 21st century alternatives. All learning objects align with the specific learners' preferences and needs based on diagnostic assessments. All are unclassified and can be shared throughout the nation at large and particularly with the new Flagship Universities, which sponsor programs designed to produce Level 3 proficient graduates in such languages as Arabic, Chinese, and Persian-Farsi. NSA is proud to support and advocate for this first-ever language-related academic initiative for our nation.

In calendar year 2005, two major language initiatives will begin . . .

A new capability-driven language testing system will allow NSA to streamline its language assessments. NSA will go from its current two-part performance-based testing system to a one-part proficiency-based assessment of reading and listening comprehension. In alignment with the Director's goal for all language analysts to maintain a minimum of Level 3 in reading and listening, additional funding has been allocated in FY2004 and beyond to provide training opportunities at the NSA National Cryptologic School with local vendors and, where possible, immersion training. NSA is committed to providing continuous learning and development opportunities for its language workforce worldwide. All language analysts are encouraged to pursue a variety of proficiency performance opportunities to maintain and improve their language readiness.

The second major initiative is the Center for Advanced Study of Language (CASL) at the University of Maryland: The nations' 10th University Affiliated Research Center (UARC). The CASL at the University of Maryland will ensure sustained, sophisticated research in language and linguistics, critical to intelligence work related to the Global War on Terrorism. CASL represents a significant step toward strengthening our nation's language competence by building a community of researchers actively engaged in the practical scientific exploration of a skill so critical to the defense of our nation.

Intelligence Community and Department of Defense Language Boards (composed of senior professionals from NSA, CIA, DIA, DLI, FBI, State Department, and the Services) identified the requirement for the UARC as part of an end-to-end solution to address and improve the U.S. government's foreign language deficiency. In addition to its value in foreign intelligence, the initiative will support effective response to language skill deficiencies identified by combatant commanders and combat support agencies.

With an understanding of the critical nature of languages in national security, CASL will perform innovative research that is framed in the reality of classified missions. The research paradigm will shift from a traditional academic approach to a more pragmatic approach, investigating and improving how language professionals apply their skills in actual language work. Research will be responsive to the requirements collected, documented, and prioritized by U.S. government language professionals. CASL will also support the federal and national language skill communities by sharing knowledge, conducting independent evaluations, and fostering language and linguistics education.

CASL will initially be comprised of approximately 80 University of Maryland staff members and U.S. government personnel, growing to 150 to 200 personnel over the next five years. NSA, collaborating across DoD and the IC, will coordinate research priorities based upon unique and crucial needs of member components. NSA, DoD, and IC component agencies will provide technical leadership for management of the center and will integrate language professionals from their components into the research activity itself.

We're ensuring a well-trained work force with current skills to meet NSA's evolving needs . . .

NSA is committed to providing the highest level of training, development, and educational opportunities for its employees. In addition to offering a myriad of in-house, specialized technical, and cryptologic training, NSA contracts with academia, industry, and consultants to enhance the business and management skills of the workforce. NSA has a proud reputation of supporting the continuing education of its employees, and for FY2004 spent over $6 million to support continuing after-hours educational endeavors.

NSA is an active partner in the Meyerhoff Scholarship Program created at the University of Maryland at Baltimore County in 1988 with a substantial grant from the Robert and Jane Meyerhoff Foundation. The program supports high-achieving students who are interested in pursuing doctoral study in the sciences or engineering, and who are interested in the advancement of minorities in the sciences and related fields. The National Science Foundation and The New York Times recognized the program as a national model. NSA has been supporting the program at an increasing level since 1992. The current grant allows NSA to sponsor up to 10 students.

The Agency's new Center for Leadership and Professional Development has begun creating career road maps for the NSA work force throughout the 22 skill communities to which they belong and creating opportunities for employees to share technical knowledge and work experiences. NSA is aligning training and development initiatives with the mission needs of individuals, professional communities, and organizations and with values critical to the NSA transformation.

NSA is dedicated to developing "the leadership in all of us," no matter the level of the organization or the job title of the employee, whether the individual is a manager or a technical leader or an individual contributor called upon to lead a project or collaborate with a partner agency. While NSA's leadership and professional development efforts are focused primarily on strengthening the capability of team leaders, supervisors, managers, and senior leaders to achieve mission success through others, we recognize the need for all our employees to hone both their technical and leadership skills. Each NSA employee must be ready to assume leadership roles when the challenge arises and, for transformation to take hold, each employee must participate fully in this team sport called "cryptology."

Within the Agency's new Center for Leadership and Professional Development, we launched an ambitious program of training and development targeted at both basic leadership competencies and specific management skills. In addition to management and leadership courses, we are offering opportunities for leadership assessment, coaching, mentoring, peer networking, and on-line resources to complement and reinforce learning.

We value diversity . . .

NSA recently increased its ability to link diversity with strategic Human Resource policies, plans, and programs by placing the Office of Diversity Management (ODM) in the Associate Directorate of Human Resource Services (ADHRS). This move emphasizes the importance of attaining a diverse workforce by including ODM personnel in the development of strategic manpower management initiatives. The closer integration of these two offices will greatly increase partnership opportunities with key human resources personnel responsible for program development and administration, work force planning, recruitment and hiring, employee relations, dispute resolution, and customer service and support.

The DCI emphasizes diversity as a corporate imperative—a strategic goal—and states, "Our people are our most precious assets—not satellites, or light tables or high-speed computers." NSA needs to recruit and retain the best that America has to offer from all of her people.

NSA has reaffirmed its commitment to diversity well beyond the recruitment and hiring initiatives mentioned above. Diversity is not just about fairness; it is mission critical. We incorporated this principle into our strategic and business planning and day-to-day operations.

- NSA employees routinely provide leadership and consulting services to the Community Management Staff, IC partners, and the Defense Equal Employment Management Institute.
- NSA's EEO and Diversity Strategies are clearly linked with the DCI Strategic Diversity Plan and are fully incorporated into the NSA Strategic Plan.
- To ensure that Diversity Management is seen as a leadership imperative, we modified executive contracts to include "Leveraging Diversity" as a critical component for success.

• We established a team of six Executive Diversity Champions from the most senior ranks of our business and six Corporate Diversity Councils with charters designed to enable our business objectives.
• We continue to offer and provide a wide range of diversity training to all of our employees.

CONCLUSION

People remain the key to NSA's success in the 21st century and beyond. We remain dedicated to those efforts that will ensure that we have a truly diverse work force, with the right people with the right skills in the right jobs. As we grow the work force we have an unprecedented opportunity to further transformation by eliminating the barriers that prevent a truly integrated, seamless, cooperative, learning, and thriving information enterprise. With your help, we will continue to provide the vital information that will enable the United States to maintain a decisive information superiority edge.

Thank you Mr. Chairman and Members of the Committee for the opportunity to testify before you today.

The CHAIRMAN. Mr. Rodriguez from the Defense Intelligence Agency, the Office of Diversity Management and Equal Opportunity. We welcome you, sir.

STATEMENT OF ARMANDO E. RODRIGUEZ, CHIEF, DIVERSITY MANAGEMENT AND EQUAL OPPORTUNITY, DEFENSE INTELLIGENCE AGENCY

Mr. RODRIGUEZ. Representative Goss, Representative Harman, committee members, on behalf of Admiral Jacoby, Director of the Defense Intelligence Agency, thank you for the opportunity to address you today. As you are aware, I am the new Chief of our Diversity Management and Equal Opportunity, having joined DIA 2 weeks ago. I am honored to talk about the extensive and innovative programs and initiatives being implemented across the Defense Intelligence Agency to optimize the Intelligence Community's capabilities.

I chose DIA over other departments and agencies for their leadership, commitment to diversity and acquiring a workforce with the skills required to meet the formidable challenges we face now and into the future. The key to building DIA's future workforce are through unprecedented strategic initiatives, which I will highlight as they are related specifically to the areas you have expressed.

DIA recruitment, retention and training strategies have been transformed to create and maintain the critical talent required to meet the challenges of the 21st century. We have launched key initiatives to ensure a partnership of highly skilled people and leading-edge technologies to provide warfighters, policymakers and planners with assured access through acquired intelligence.

The competition with the private sector. DIA does compete with the private sector for talent on both the hiring and retention fronts. On the hiring front, competition has increased precipitously with the hope of new private sector companies making their foray into the intelligence domain. There has also been additional competition from other IT organizations as well as States and local governments who are also building their own intelligence capabilities.

On the retention front, public sector organizations have been a bigger competitor in the private sector. Of those who have left DIA over the past 3 years, approximately 40 percent have indicated their employer has been a public sector organization, and only about 10 percent private sector companies. Beginning in fiscal year

2003, we have instituted rigorous attrition analysis in order to better understand the factors of attrition. The Agency is also currently developing corresponding mitigation strategies to address these factors.

In the recruitment and development efforts, our diversity efforts are overwhelmingly focused on the critical skills area. We would emphasize, however, that our targeted outreach efforts will not be conducted in a manner that undercuts equal opportunity and recruitment of all racial and ethnic groups, both minority and nonminority, nor are our diversity programs intended to achieve proportional representation on the basis of race or ethnicity.

Human Resources has worked with Agency directorates to develop annual workforce plans which will define the needed skills. Armed with these skill requirements, Human Resources in conjunction with Diversity Management and Equal Opportunity built a recruitment program that targeted a diverse set of applicants with the necessary skills mix for mission accomplishment. To assist in this effort, DIA has hired the services of a professional advertising agency, TMP. TMP has received national recognition by the Society of Human Resource Management for three ads designed specifically for DIA. These ads were recognized in the creative excellence award category for design and presentation both in black and white magazine ad category as well as the online advertising. DIA's ad campaign was designed to reach the broadest audience nationwide.

In fiscal year 2003, DIA embarked on a very intense and aggressive hiring program to meet the current and future skill set. DIA participated in 72 recruitment events at academic institutions, military sites and professional organizations. We hired over 600 employees in fiscal year 2003, by far the largest influx of new employees in recent memory.

With regard to development of DIA language capabilities, DIA has morphed its strategy to meet the growing global requirements. Today we recruit individuals with a number of targeted languages. Many requirements for linguists since 9/11 have been filled with contract linguists. DIA has a distinct advantage in our attacks system in that the majority has language proficiency. Currently we have a requirement for nearly 1,000 linguists who will be—who will enhance their capabilities by being in a country and learning the cultural context of the area. DIA has—is concentrating on recruiting people with language capabilities that will support our requirements.

The ability to replace large numbers of experienced persons. Challenges associated with the number of recruitment-eligible employees continues to exist at DIA. Currently 30 percent of our workforce is eligible for some form of retirement; however, only 10 to 15 percent of those eligible actually execute retirement options each year. We recognize this and have identified the need for a formal succession planning framework to minimize the loss of critical institutional knowledge and mission-critical skills. DIA's workforce planning effort is currently developing a succession planning transition plan that will establish and institute succession planning into DIA's business processes.

We have made a keen investment to ensure that our capabilities are the capabilities required to meet the emerging and evolving

mission through our workforce planning efforts. Today the national security environment requires the Department of Defense reconsider traditional concepts and think in new ways about the global threat and our corresponding deterrence, warning and military superiority strategy. For Defense Intelligence Agency, the complexity of these challenges and breadth of the opportunities has never been greater. To address these challenges and maximize our accompanying opportunities, we have commissioned a workforce planning project to set a framework for making fundamental changes to the business processes and to our workforce.

In summary, we are optimistic about the possibilities and believe we have a unique opportunity to transform the intelligence capabilities, personnel and processes to support those that protect and defend our country and its principles. DIA is exploring new and innovative approaches to attract and retain the diversity of skills and capabilities needed in this very dynamic, global, complex environment in which we live. We do not intend to let this opportunity pass. Rather, we are working to seize it and to optimize our capacity to serve our warfighters, support our planners, and inform our policymakers so they have the best basis for decision-making possible.

Mr. RODRIGUEZ. Our Nation requires it, our forces depend on it, and our professionalism demands it.

I want to thank you, Representative Goss, Representative Harman and committee members. This concludes my statement.

The CHAIRMAN. Thank you very much, Mr. Rodriguez.

[The prepared statement of Mr. Rodriguez follows:]

PREPARED STATEMENT OF ARMANDO RODRIGUEZ, CHIEF, DIVERSITY MANAGEMENT AND EQUAL OPPORTUNITY OFFICE, DEFENSE INTELLIGENCE AGENCY

I. INTRODUCTION

Thank you for this opportunity to talk about the extensive and innovative programs and initiatives being implemented across the Defense Intelligence Agency to optimize Intelligence Community (IC) capabilities. As the Chief, Diversity Management and Equal Opportunity Office, DIA, I am pleased to say that the IC agencies are collaborating at an unprecedented level in sharing ideas, resources and expertise to ensure that the IC has the diversity and skills that are required to meet the formidable challenges we face now and into the future.

The keys to building DIA's future workforce are through unprecedented strategic initiatives, which I will highlight today as they relate to your expressed areas of interest. DIA recruitment, retention, and training strategy have been transformed to create and maintain the critical talent required to meet the challenges of the 21st Century. DIA has launched key initiatives to ensure a "partnership of highly skilled people and leading edge technologies to provide war fighters, policymakers and planners with assured access to required intelligence."

II. COMPETITION WITH THE PRIVATE SECTOR

DIA competes with the private sector for talent on both the hiring and retention fronts. On the hiring front, competition has increased precipitously with a host of new private sector companies making their foray into the intelligence domain. There has also been additional competition from other IC organizations as well as state and local governments, which are also building their own intelligence capabilities. On the retention front, public sector organizations have been a bigger competitor than the private sector. Of those who left DIA in the past three years, 35% indicated their next employer as a public sector organization and only 10% as private sector companies. Beginning in FY03, DIA instituted a rigorous attrition analysis program in order to better understand factors of attrition; the Agency currently is developing corresponding mitigation strategies to address these factors.

III. RECRUITMENT AND DEVELOPMENT EFFORTS TO CREATE AND MAINTAIN A WORKFORCE WITH THE NECESSARY EDUCATIONAL, LINGUISTIC, ETHNIC AND EXPERIENTIAL BACKGROUNDS AND SKILLS

I want to emphasize that our diversity efforts are overwhelmingly focused on the critical skill areas. In the years prior to 9/11, the focus of DIA's strategic recruitment program focused on academic disciplines steeped toward analysts, collectors, and information managers with specialized skills. Directorate requirements changed little from year to year, and essentially mirrored those skill sets of the current workforce.

While some efforts were made toward a more strategic approach to defining future skills requirements prior to 9/11, the terrorist attacks drove the Agency to accelerate and redefine the very nature of our intelligence officer and support officer core. DIA's analytical focus returned to truly "all source" analysis, providing immediate on-demand access to all sources of data. Its collection focus changed from episodic reconnaissance, primarily from technical collection platforms, to long-dwell, persistent surveillance, with a heightened emphasis on Human Intelligence (HUMINT) collection. Information management focus shifted toward content tagging and building interoperability at the data, vice systems level, enabling horizontal integration of information from all sources, at all levels of classification.

To meet this change in Agency focus, DIA's Office for Human Resources (DAH) worked with Agency directorates to develop annual workforce analysis plans which defined the needed skill sets. Armed with the skills requirements, DAH, in conjunction with the Diversity Management and Equal Opportunity Office (MD), built a recruitment program that targeted a diverse set of applicants with the necessary skills mix for mission accomplishment. Last year, DIA hired a professional ad agency, TMP. The three DIA specific ads they developed won National recognition through the Society of Human Resources Management. The DIA ads were recognized in both the creative excellence award category for design and presentation, and in the black and white magazine ad category.

In FY03, DIA embarked on a very intense and aggressive hiring program to meet current and future skills sets. DIA participated in 72 recruitment events at academic institutions, military sites, and professional organizations. DIA hired over 600 new employees in FY03, by far the largest influx of new employees in recent memory!

Hiring:

HIRING RATE SUMMARY

[In percent]

	FY01	FY02	FY03
DIA	9	10	16
Federal Government	*20	**21	***17

*Based on BLS data from calendar year January–December 2001.
**Based on BLS data from calendar year January–December 2002.
***Based on BLS data from September 2002–August 2003.

With regard to development of DIA language capabilities, DIA has morphed its strategy to meet growing global requirements. Over the past several years, Agency demand for analysts with language capability has increased significantly. We are transforming a workforce able to meet multiple global crises, meet the ability to surge as required, and meet a growing need for a more geographically mobile workforce. Language capability and cultural awareness via overseas experience enhances our ability to meet these mission needs.

In addition to an increased language emphasis for our analytical workforce, DIA's renewed emphasis in the area of HUMINT necessitated a corresponding increase in the requirement for language skills. Today, DIA recruits individuals with a number of targeted languages. DIA has a distinct advantage in our attache system, in that the majority has language proficiency.

Many requirements for linguists since 9/11 have been filled with contract linguists. Currently, DIA has a requirement for nearly 1000 linguists, who will enhance their capabilities by being in a country and learning the cultural context of the area. Reservists offer us another resource and we are using them in all our operations.

Prior to 9/11, recruitment of analysts and HUMINT personnel with language skills was highly desired, but not an absolute requirement. DIA intends to expand

and make language proficiency and cultural orientation mandatory for many of our specialists.

DIA is concentrating on recruiting people with language capabilities, and targeting recruitment in areas in the U.S. with high representation of ethnic capabilities that will support our requirements.

We would emphasize, however, that our targeted outreach efforts will not be conducted in a manner that undercuts equal opportunity and recruitment for all racial and ethnic groups, both minority and non-minority. Nor are our diversity programs intended to achieve proportional representation on the basis of race or ethnicity.

At the Intelligence Community level, DIA participates in four recruitment events per year as part of a collaborative effort to enhance the IC presence at colleges, universities, and professional association events. Additionally, DIA maintains a presence on the Intelligence Community Internet website, and has led and participated in Intelligence Community advertising programs. In fiscal year 2003, DIA led an unprecedented initiative to develop and publish a joint Intelligence Community Agency ad, in three of the broadest reaching minority publications.

The Community Diversity Issues Board (CDIB) maintains a key focus on academic outreach. We believe the key to effective strategic recruitment is connecting with students and the faculty that prepares them to enter our agencies. We need to make them aware of the academic majors and skills we require, including foreign languages, and the many exciting and rewarding career opportunities that we offer. Therefore, student programs and academic outreach are a very important part of our strategy. IC agencies, individually and jointly through the IC Recruiting Working Group, participate in a host of job fairs each year to reach diverse candidates in critical skill areas. Some examples of career fairs that agencies will jointly participate in this fall include:

- Women for Hire, Crystal City, VA;
- Career Expo for People with Disabilities, Washington, DC;
- Asian Diversity for Hire, New York City; and
- American Indian Science and Engineering Society, Albuquerque, New Mexico

IC agencies will participate in many similar recruitment activities throughout the year

The CDIB led two Intelligence Community Colloquia in FY 03. The purpose of the colloquia is to increase awareness of the role, mission and contributions of the IC among colleges and universities that have significant minority enrollments and to foster enhanced recruiting and academic relationships with these schools. The initial pilot for our colloquia was held at Trinity College here in Washington in October 2002. Trinity is a college for women and also has a large enrollment of African-American students. In September 2003, DIA led an IC colloquium at New Mexico State University where Dr. Mark Lowenthal was our guest speaker. Dr. Lowenthal, along with eight other senior executives from across the community, enthusiastically shared about the real world challenges we face, the importance of what we do, and the type of talent we need. The target group at New Mexico State was Hispanics. Approximately 60% of the students enrolled in the Intelligence Studies program there are Hispanic. New Mexico State University is home to an intelligence studies program that develops key skills and competencies in full alignment with intelligence agency requirements. Students often work directly with intelligence contracts as part of their academic experience, and have a security clearance upon graduation, thereby expediting their transition into our work environment. An additional colloquium is planned in Atlanta in November which targets Historically Black Colleges and Universities. We are also considering a colloquium on the west coast that targets Asian-American and Hispanic students. In publicizing the colloquia, we make it clear that we are focusing on students majoring in area studies, international studies, languages, engineering, and other core skill subjects.

The CDIB has acquired the services of the Hudson Institute, the renowned organization that published Workforce 2000 and Workforce 2020, to assist us developing innovative diversity recruitment and retention strategies. In Workforce 2020, the Hudson Institute predicts that competition for the type of skills required by the IC will greatly intensify. It also predicts continuing growth in the proportion of minorities and women in the workforce. Currently, at least one third of all new entrants to the workforce are minorities and half are women. We must become more deliberate in our outreach to these growing segments of the population if we expect to effectively compete for the talented applicants. We have asked the Institute to conduct an analysis of the U.S. labor force in relation to core IC skill requirements, such as area studies and languages, and recommend recruitment and retention strategies tailored to the IC.

HPSCI language in the FY04 Intelligence Authorization requires a diversity pilot project to "improve diversity throughout the intelligence community using innovative methodologies for the recruitment, hiring and retention of ethnic and cultural minorities and women with the diversity of skills, languages and expertise reflective of the current mission". The Community Diversity Issues Board is excited about this project and has already identified two initiatives that we will undertake to meet the challenge.

(1) *Targeted Marketing.* The first initiative is targeted marketing. This effort involves the development of marketing strategies tailored to reach specific ethnic, cultural and minority groups. We know that traditional methods alone, such as career fairs, will not achieve the results we want.

With the assistance of professional marketing consultants, we will obtain feedback from focus groups representing the target populations in order to design and place ads that will most effectively attract the right candidates. CIA is taking the lead in this effort and the community will build on what CIA has already successfully accomplished. CIA has already conducted focus groups of Chinese, Korean, Arab, African, and Hispanic Americans. Additional focus groups are planned for Native Americans and persons with disabilities.

To give you some idea of the value of the focus groups, allow me to describe what was involved in conducting the Arab-American groups. Eight focus groups were convened in areas where large numbers of Arab Americans reside, including Detroit, Michigan and Tampa, Florida. Participants were asked about resources they use when looking for a job and their perceptions about working for the government and the intelligence community. Using their responses, as well as their feedback on proposed advertisements, CIA developed a print ad specifically geared to Arab Americans and published the ad in media most likely to reach high potential candidates. The response from Arab-American job-seekers has been outstanding.

Our objective is to expand on what CIA is doing by developing Intelligence Community ads as well as applying the results of CIA's marketing study to develop DIA's marketing strategies. We will ensure that IC ads focus on the language skills, cultural background and regional expertise we need. We envision applying a wide array of media, including radio, television, newspapers, ethnic publications, and the internet.

(2) *High School Outreach.* The other initiative is High School Outreach. Our goal is to reach potential candidates earlier and create an interest in IC careers with an emphasis on critical skill categories. Waiting to contact students until they are already in college may be too late to influence their choice of an academic major. It also places the IC at a disadvantage when competing with large corporations that are household names. For the pilot, we will start with high schools in the Washington metropolitan area, a region rich in diversity. We will target schools offering science and technology programs, language programs, and other programs that prepare students for the college majors we need. In addition, we will target bilingual and bicultural students. Some of the activities planned include participation in high school career days as well as hosting a regional IC Career Fair. Ultimately, our objective is to steer high potential candidates into one of many IC student programs and convert the most successful students to permanent employees.

IV. ABILITY TO REPLACE THE LARGE NUMBER OF EXPERIENCED PERSONS SOON TO BE ELIGIBLE FOR RETIREMENT

Challenges associated with the number of retirement eligible employees continue to exist at DIA. Currently, 30% of DIA's workforce is eligible for some form of retirement; however, only 10% to 15% of those eligible actually execute their retirement option each year. DIA recognizes this, and has identified the need for a formal succession planning framework to minimize the loss of critical institutional knowledge and mission critical skills. DIA's Workforce Planning effort is currently developing a succession planning transition plan that will establish and institute succession planning into the way DIA does business.

ATTRITION RATE SUMMARY

[In percent]

	FYC1	FY02	FYC3
DIA	7	9	11
Federal Government	*16	**16	***15

* Based on BLS data from calendar year January–December 2001.
** Based on BLS data from calendar year January–December 2002.
*** based on BLS data from September 2002–August 2003.

DIA has made a keen investment to ensure it has the capabilities required to meet emerging and evolving mission through its workforce planning efforts. Today's national security environment requires that the Department of Defense reconsider traditional concepts and think in new ways about the global threat and our corresponding deterrence, warning, and military superiority strategy. For the Defense Intelligence Agency, the complexity of these challenges and breadth of opportunities has never been greater. To address these challenges and maximize accompanying opportunities, DIA commissioned a Workforce Planning project to set the framework for making fundamental changes to our business processes and our workforce.

This project is a long-term multi-year effort that began in January 2003. We hired two contractor teams to assist in this project and developed a four-phased approach that will be completed at the end of this calendar year. Phase one involves capturing the future environment. We hired Toffler Associates and Dove Consulting to conduct research and provide context for the future, specifically in the areas of technology, process, structure, strategy, and people. For Phase two, we hired BearingPoint and Keane Federal Systems to capture information about our current workforce and the business processes that support it. Phase three will require both contractor teams to identify the gaps between our current workforce and processes and the workforce of the future, and make recommendations on closing those gaps. Phase four is the transition planning phase that will provide transformational roadmaps in eight specific areas: Succession Planning, Compensation and Rewards, Training, Recruiting, Career Development, Performance Management, Staffing, and Workforce Planning. Each of these transition plans will help us institutionalize the changes we need to make in our processes and workforce, and build the capability to put the right people with the right skills in the right place at the right time.

V. SUMMARY

In summary, we are optimistic about the possibilities and believe we have a unique opportunity to transform the intelligence capabilities, personnel, and processes that support those that protect and defend our country and its principles. With full collaboration across IC agencies, and partnerships with both academia and professional consultants, DIA is exploring new and innovative approaches to attract and retain the diversity of skills and capabilities needed in this very dynamic, global and complex environment in which we live. We do not intend to let this opportunity pass; rather, we are working to seize it and optimize our capacity to serve our war fighers, support our planners, and inform our policymakers so they have the best basis for decision making possible. Our Nation requires it, our forces depend on it, and our professionalism demands it.

The CHAIRMAN. At this point, I am going to go to panel questioning, and I think we can go about 45 minutes or so before we bring in our second panel, would be my intent. I am assuming no votes.

Ms. Harman.

Ms. HARMAN. Thank you, Mr. Chairman, and I thank our witnesses for explaining in great detail what they are doing to recruit and retain a diverse workforce. It matters. And you are obviously all making a great effort.

In 1969, when I graduated Harvard Law School, one of a tiny little band of women and minorities, almost none of us, or none of my predecessors who were women and minorities, were hired by the big law firms. In my graduating year, for the first time, the law school insisted any law firm that came to campus had to interview—had to—all qualified applicants. And lo and behold, women and minorities were hired by law firms.

Thirty-four years later—but who is counting—now there are women and minorities in the Fortune 50, there are women and minorities who are deans of law schools, including Harvard and major business schools, there are women and minorities in the top tiers of all recent administrations including this one, but there is only one woman and no minorities in the top tier of the Intelligence Community agencies.

The only woman who has made it to that level, or is presently at that level is JoAnn Isham, who is Jim Clapper's very able partner. And she is there, not because it is politically correct, but because she earned it. And she functions there, I know he will tell all of us, as a very valued senior employee of NIMA.

Here is what I want to get at in my remaining 2 minutes. It is why reaching for the entire talent pool matters. In Jim Clapper's testimony—we happened to get it in its first version and then its excised version—there was this sentence that said: "the impact of diversity includes the benefit of often divergent perspectives in solving problems, and presents opportunities for creativity not available to a more homogeneous group." I am not sure why that sentence was excised; I certainly agree with it, and I think most of the witnesses testified to it in their testimony.

But, anyway, here is my question: In The Washington Post earlier this week, I thought there was a very good article about what we are reportedly learning from Tariq Aziz, one of the senior Iraqi officials who has now been captured by our forces, and he was analyzing the personality of Saddam Hussein and why it might have been that the weapons of mass destruction weren't there but Saddam Hussein could not admit that because of the importance of saving face.

Now, that is a perspective that I think some of us might think about. But my question specifically is, if we had more diversity at senior levels in your agencies as you helped collect and analyze information on the Iraq problem, do you think that that diversity might have added something to your understanding of the psyche of Saddam Hussein and that might have added something to our understanding of whether he had weapons of mass destruction or not; and if he did not, what his motivation might be for not telling us that at the time?

General CLAPPER. I will take a try at that. That is kind of a clairvoyance question. But I think it is safe to say, Congresswoman, that were there more diversity, it certainly would not detract from the analytic approach to trying to understand the psyche of Saddam Hussein. I think that is a safe statement. The extent of how might we empirically measure were there more diversity at the senior levels, which I think is your question, that is hard to say. But it certainly would not hurt it.

Ms. HARMAN. If I might add, Mr. Clapper, and to all of us, I am not just asking about the empirical scientific information, I am asking about the understanding of Iraqi culture and the motivation of Iraqi leaders perhaps to mislead us in ways that we had not properly assessed.

Mr. TEETS. I would just simply say that both in my career in industry as well as my current activity within the government, I have found diversity to be an enormously powerful tool. And given any difficult problem, as certainly the collection of intelligence is a difficult problem and the analysis of intelligence is a difficult problem, any problem like that, you get much, much better perspective when you have a diverse group of individuals who are coming at the problem in a positively spirited way but from very different backgrounds. And the power of diversity has been demonstrated amply in many, many basis.

Mr. BLACK. If I could. In the case of the National Security Agency, you noticed I mentioned Level 3 in linguists. That means a linguist is almost native. We, in fact, require that the individuals totally understand their target and who they are, how they function, and how they think. Even if we take a Level 3 individual off the street and bring them into our business, it takes us 18 months to take an American that speaks at the level 3 level to begin to once again understand their target.

The understanding of the target, which diversity obviously impacts, is critical to us. We could not do our job without it. So yes, it is an important aspect.

Ms. HARMAN. And Mr. Black, if you could hire someone with built-in language competence and that cultural awareness, because that person has the background or that person is an Iraqi American, a patriotic Iraqi American, wouldn't that jump-start a lot of this and help you use your scarce resources to train even more folks to be knowledgeable?

Mr. BLACK. Yes, ma'am. The fact is that is where we get an awful lot of our very best.

Mr. HARMAN. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Mr. Hastings.

Mr. HASTINGS. Mr. Chairman, when I sat here, Mr. Reyes and I, after our witnesses finished, decided that we may as well pack up and go home because everything is okay. And I am vitally interested in a number of things that I recognize are a continuing problem.

I want to begin with a program that was initiated by one of our predecessors, Mr. Lou Stokes, in the late eighties. He helped create the Undergraduate Training Assistance Program. The goal of that program was to increase minority and female representation in the community. I would like to know why has there been a marked decline in the number of minority and female participants in the program. The total number of CIA participants in the program dropped by approximately 90 percent from the early nineties to 2000.

Now, Lou spoke with me personally about his concern about the direction of the program. I would like to hear from some of you that know something about it.

Mr. CRYER. Mr. Hastings, I know you have addressed CIA on this subject on a number of occasions, and I would say to you that we are also concerned, as you are, with the drop-off of participation of minorities in that program. We have now, in the CIA, centralized that effort under the Director of Recruitment, Harold Tate, and our progress to date shows that we are now increasing our numbers of students in that program.

We have also taken another step to look not only at high school students, but students who are in their first and second year of college, as potential candidates to come into that program. But we also see the problem of drop-off not just being a recruitment issue, but as we have studied this problem we learned from many of the participants in the programs that once they were recruited, got into those offices, they really got into situations that weren't nurturing and certainly did not encourage their continuation.

Mr. HASTINGS. So you are going after that?

Mr. CRYER. Right. So we are going after that problem.

Mr. HASTINGS. Well, the numbers are horrible, and I just wanted to share with you that the author of the program at least is concerned.

But Mr. Cryer, while you answer, tell me your view regarding specifically African Americans in the CIA at this point. I think the track of Hispanics and women will follow pretty much what I am asking at this time.

Now, you, Mr. Tate, Ms. Stroud have reached a moderate age in the agency, as well as——

Mr. CRYER. Thank you, sir.

Mr. HASTINGS. As well as many of your colleagues that are black, and you all ain't gonna be there much longer. I would like to know what is in the pipeline that is going to replace you and what direct efforts are going on. Because as I look at it—and I think I know the answer, and I am not trying to be rhetorical—there are not too many people doing what you all are doing, in a position to do what you do when you leave. So we are going to wind up with a problem, a gap, when you all retire.

Mr. CRYER. Right. Well, we are very much aware of that problem. We know that many of our senior executive minority officers will be retirement eligible in the next 5 years. One of the things that we have done in the community is to bring in a predictive analysis model that looks at all of the dynamics of hiring, attrition, promotions, advancement, et cetera, to predict what those outcomes will be 5, even 10 years out, so that we can come up with strategies to mitigate against the kinds of concerns that you are addressing. So we are looking at that problem.

The other side of this, of course, is that many organizations are faced with the same problem of losing institutional knowledge, senior executives, and there are strategies that are being looked at to find ways to retain those persons longer in the workforce than would otherwise be the case. So I can tell you that we are very focused on that issue and hope to come up with strategies to help us to deal with it.

Mr. HASTINGS. I appreciate that very much. I think what the agency has, or the Intelligence Community has in the way of a problem is developing a hoops-to-jump-through problem. From time to time the models have changed and the hoops have lessened, but when a hoop is removed—let us take marijuana for example; it was a big hoop 40 years ago, and you couldn't become an agent if you had smoked marijuana. So they got rid of that hoop and said if you admit it, then maybe it will be all right if you can vet on the rest of it. But there are other kinds of hoops.

And I keep saying this, and I am going to say it until somebody hears me: Everybody does not have to have more degrees than a thermometer to be a spy. You can find some people that may not speak as accurately or with articulation that many of us claim to do that can do what you do, but you have to get beyond it. And that is true here in the congressional culture as well as if we are talking about diversity.

Mr. Chairman, I think I have overspent my time. I thank you very much for the time.

The CHAIRMAN. Thank you. Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman, and I wanted to thank you for holding this hearing. As you know, I am finishing up my third year on this committee, and this is an issue that I think is imperative that we not just address in this hearing but continue to address because the statistics, in my opinion, are horrible in terms of diversity for the Intelligence Community.

I wanted to thank Secretary Teets for your words and also pass on to Mr. Tenet, who both of you have given me an opportunity to come out and address the issue of diversity, and I appreciate that. And I do so because I think, as the Chairman set out his three main reasons for the importance of this hearing, the highest one is national security and the fact that I believe, based on my experience—and I couldn't agree more with my colleague—that you don't need a whole litany of degrees to do good work in this area.

In fact, based on my experience, you have got to be able to blend in, and that doesn't mean that you go out and get people that look ideal in a three-piece suit. You have got to get people that can pass off as scumbags. That is the reality of it. And that doesn't just include minorities. I have had an extensive career as a chief in the Border Patrol where antismuggling and working undercover operations were an important part of being successful on the U.S.-Mexican border. So this is an issue that is vitally important to me.

But I want to start off by addressing two issues. The first one, Mr. Rodriguez—and welcome on your third week, it must be a daunting challenge to come before the committee to defend an abysmal record in terms of diversity. But let me tell you that the Defense Attache Program, which you mentioned, is usually the most senior U.S. department official in a host country. It is a very important and visible position. That is the face that the Defense Department is putting forth abroad. How diverse is the Defense Attache Corps?

I do extensive traveling as a Member of Congress, and I can remember one minority being in that defense attache position. Do you know how diverse that Attache Corps is?

Mr. RODRIGUEZ. I do not have any data to give you the racial or ethnic breakdown of that particular part of the organization, but we do know that when you talk about diversity, you are talking about beyond the racial and ethnic looks of an individual.

When you look at that particular part of an organization, you have to look at the skills set. And I can assure you that our first and foremost requirement is the skill. That is what we need there. What we need to do as a community, if I may, sir, what we need to do as a community when we talk about succession planning, we have more opportunities today to bring diversity into the workforce than we have ever had in this country. When you start looking at filling jobs at the higher level, you are filling jobs primarily with a labor pool or an applicant pool that is the tail end of the baby boomers, and that is where we lack a lot of diversity.

So once we understand that dynamic, we know that if we are going to diversify the workforce in the manner that I believe you are looking at, you need to start very diligently with the intakes of the entry-level individuals.

Mr. REYES. The pipeline that my colleague was referring to.

Mr. RODRIGUEZ. The pipeline loses diversity as you look up, based on the available labor pool that would qualify for those particular positions.

Mr. REYES. Well, that brings me to my second point which is that, according to Table 15 in the DCI's fiscal year 2002 diversity report, the overwhelming percentage of people attending senior military service schools and military command and staff colleges are white men. To say that I find that troubling is an understatement. And I wanted to get your perspective as panelists on personnel that are being groomed to lead through these efforts, not adequately representing the workforce of this country, and certainly taking into account the conflicts and challenging worldwide mission that we have seen brought home since 9/11.

How does the Intelligence Community intend to increase the diversity of participation in these critically important career-enhancing programs? We will start, Mr. Teets, with you.

Mr. TEETS. I would simply say that I would encourage all of our diverse employee force to engage—embrace methods of personal development. And as it relates to attendance at senior service schools, I don't have the demographics at my disposal right at the moment as to the NRO population and how many people attend senior service schools versus those that don't, but I would be more than happy to take that as a question for the record and get it back to you.

I would encourage in a major way all of our employees to take a hand in their own career development and aggressively engage and take advantages of the opportunities that are afforded to employees at the NRO.

Mr. REYES. But from my perspective, when we hear this morning that since 2000 we are doing really good because our classes have 20 percent diversity, that to me is horrible to hear that since 2000 only 20 percent of those that we are recruiting are minorities. That is the figure that was given to us this morning.

It seems to me like if we identify that we have a shortfall, that we have underperformance in a particular area, shouldn't we be trying to compensate? Shouldn't we be going not just to universities and colleges but to police departments and other entities to try and balance that off in terms of what we are trying to compensate for, and still maintain the same level of entry-level competence that is required by a very, very critical element in keeping this country's national security uppermost in everybody's mind?

Mr. RODRIGUEZ. If I may speak for DIA in terms of that particular effort, we recognize that we have to do more than we have done in the past. And if you take just as an example what we are doing in terms of the target of recruiting, using the advertising agency, I think that is a monumental step in moving in the right direction. And by that I am referring to the specific ads that will be placed in specific targeted journals, if you will, newspapers with professional organizations, et cetera, that begin to tell people about the opportunities within our agency.

I think that is paramount, and we are doing that now. Our efforts are actually bearing fruit. Our diversity continues to grow. No, it is not perfect, but at least the progress is in the right direction. So we will continue to step up efforts like that, because people don't know who we are, certainly in the minority community. This

is a brand new opportunity for them that they have never been exposed to.

So here we are starting to make the leaps in that area. I think that is critical. I think we are all going to be stepping up to the plate on that and you will see results, slowly, unfortunately, but you will see results over the coming years.

Mr. HASTINGS. Would my colleague yield for a statistical sentence? Seventy percent of all Intelligence Community managers are male, and 77 percent of the managers at the senior executive level are male. I hope you all hear us here.

Mr. REYES. Let me just, Mr. Chairman, thank you for your patience on this. But let me just give another statistic so that all of us may mull this over, because we are talking about the feeder pipeline in recruits out there, and this relates specifically to congressional fellowships and how candidates are being selected for these fellowships.

In fiscal year 2002, 58 percent of fellowships were white males, 23 percent were females, and 17 percent were minority males. That is the reality. Those are the statistics. And you can come in here and try to put the best face on we are going to, we are about to, we are thinking about, but the reality is this is a horrible, horrible track record in a very critical, critical issue for national defense. And we have got to do better or else we are going to reap the whirlwind of disastrous consequences by not being able to understand the culture, by not being able to get in the mindset of those very same enemies that we so worry about repeating 9/11.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Hoekstra.

Mr. HOEKSTRA. Thank you, Mr. Chairman.

Mr. Black, you said we couldn't do the job without it, and I think you are talking about having diversity, having language capabilities, and having cultural understanding. As I have had the opportunity to travel and visit with our folks in the field and talk with Dr. Kay and go to Afghanistan and other hot spots, it is clear that we can't do the job without it. They are having great difficulty getting their jobs done because we don't have enough folks with these kinds of skills readily available to go in and act in a timely way to get their jobs done, and I think we are paying a price for it.

Some of what I have heard today says that we are doing more of the same that we did maybe during the nineties. This is not a new issue. When I first came on the committee 3 years ago, this was something that was brought up consistently, a lack of diversity, a lack of language skills and those types of things. I would like the panel members to talk about what are the barriers that we have faced during the nineties—as I believe this was an issue through the nineties, or at least the late nineties—what are the barriers that prevent us from getting this diversity both in language skills and cultural understanding?

What are the barriers to getting these people into your organizations; and are we doing something more, are we making some more fundamental shifts to remove these barriers so that in 5 or 7 or 9 years we are not still talking about those same kinds of issues?

Mr. BLACK. In 1990 to 2001, our population decrease was such that we honestly closed our Office of Recruitment because we didn't

have enough people leaving to replace them in the attrition. So we couldn't do what you are talking about except through re-training within our existing workforce.

Since then, and in fact as of the year before the 9/11 event, we began a massive transformation at NSA. Our first initiative was to offer the opportunity for senior, long-term Federal employees to retire early or to retire with a bonus so that we could in fact have the room that you are talking about to build for that. This last year, we hired over 1,200 people, whereas years before we hardly hired anyone. And in that mix, at least half of them probably linguists. So we are trying to fix it now as best we can.

I would also tell you that the military services that we are working with, we have told them that they must bring us linguists of a higher capability than in the past. And to be honest, our business was built on the Soviet Union. In many instances, our target wasn't much above a 2 level itself, and it required us not to push the way we have today.

Today, we are facing a global linguistic major problem that is requiring us to look in every place we can and do what I would call mid-career hiring, which is very new for us, bringing people in that in fact already have a lot of linguist capabilities out of other jobs and converting them into being a cryptologic linguist.

Mr. HOEKSTRA. It is pretty difficult to change the face of your organization over the period of 10 or 11 years if you are not adding any new people in.

Mr. BLACK. Yes, sir, exactly.

General CLAPPER. Sir, if I may just pile on there, I guess being the unit historian here, having been in the Intelligence business about 40 years. First of all, the origins of the Intelligence Community are basically white male, if you go back to World War II and its aftermath. And that may be a lingering legacy yet today.

As the nominal founding father of the Defense HUMINT Service, just to pick up on a point made earlier, DIA is of course dependent on military departments for the officers who emerge, particularly in the attache cadre, which I always consider a unique national resource. So where we as agencies can influence, for example, participation in service schools, professional military education courses, those we have selection authority, which is normally not the military officers who are assigned to our agencies. Just a point.

Bill Black, I think, made a very key point here, in that prior to 9/11—and this is certainly the case when I walked in the door of NIMA on the 13th of September, 2001—my agency at least was on a drawdown path. We were on a reduction path. We were going to consolidate facilities, move out of the Navy Yard because of the continued path in the post-Cold War environment of reducing the size of the Intelligence Community. When I was director of DIA, I presided over reduction of almost 23 percent of the personnel at DIA.

Now, that has a slow bathtub effect, in that we are only now beginning to turn the tide and we are on the uptick. The trends are upward in terms of bringing on new people. So all these numbers you hear, which are quite dramatic that we are now able to bring on, is after a period of pretty thin pickings in terms of our ability

to recruit when essentially we were more focused on reducing the workforce.

I would go back to a point I made at the outset. I believe this begins and ends with focused and sustained recruiting. And the problem we both face, you as a committee and we here, is that we are both essentially transients. We are temporary stewards of these positions, and that is one of the things I personally signed up to since I was asked to serve for 5 years, is to sustain recruiting, assuming that our personnel trends continue upward, because I believe long term that is the way to rectify these imbalances.

One more thing, if I may. Mr. Teets has inspired me too. I would be remiss if I didn't acknowledge Congresswoman Harman's visit to our agency. She gave a stirring speech to our women on the occasion of Women's Day. So, Pete, thank you for that cue.

Mr. CRYER. I want to thank Mr. Hastings for coming out to the CIA.

Ms. HARMAN. Mr. Chairman, if you would yield to me. We are a very busy committee, and I am very happy that so many members have been out and about in the Intelligence Community. We are also a very diverse committee, and I think that is unprecedented, this level of diversity. And that says good things about our leadership in the Congress because we are personally appointed here by our leaders.

Thank you, Mr. Chairman.

Mr. CRYER. If I could make one further point. One of the things that has happened, as we have come forward to say what we are doing to address diversity management issues in our agencies in the community, we talk about making progress, and indeed the trends are going upward. But when you look at those trends, those trends are not indicative of the kind of progress that you expect. One of the things that we are trying to do is to be smarter about our practices with regard to these issues. So we are trying to use modeling tools to help us to understand, if we continue doing the things that we are doing now, where we will be in 5 years with regard to diversity management issues. We think that that is going to help us to improve our outcomes in the future tremendously, because we will know those things that are paying off and those things that are not and we can focus on the things that are promising and helpful.

The CHAIRMAN. Mr. Hoekstra.

Mr. HOEKSTRA. I would just close with it does become a performance issue. If you don't have the capabilities on the staff, just like if we don't have the latest satellites in the sky or those types of things, if we don't have the diversity in language skills and cultural understanding, we can't get the information and you can't provide us with the insights and the knowledge that we need as decisionmakers to implement policy.

So it is more than a check in a box sometimes that some of the programs in the private sector may sometimes be viewed. It really does become a performance basis, and I hope we can work together and remedy these issues and accelerate the process to address it.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Hoekstra. Ms. Eshoo.

Ms. ESHOO. Thank you, Mr. Chairman, and to our Ranking Member, for your joint commitment, along with all the members of the committee to have these public hearings which are so important to the people of our country, because they really don't know or have an appreciation or get to see who is on the House Intelligence Committee. And to make a public hearing central to this issue of what diversity and linguistics mean to our Nation's capability to operate in the world today on the critical issues that really face us as a Nation, I think says something in and of itself. I think it is an eloquent statement about what the topic of this hearing is about.

I would like to begin with Mr. Black. Last year, NSA was authorized an additional 290 billets for linguists and analysts, and these billets were to be added to the billets already allocated in 2003 for hiring additional linguists. The committee expected that NSA would hire more than 290 linguists and analysts in 2003 to address what was the documented shortage of linguists. The conferees were so concerned about this issue that it was made an item of congressional concern requiring the NSA to get prior approval from the committees to use these billets for any other purpose.

Yesterday, the committee received a memo from General Hayden summarizing the fiscal year 2003 hiring. To quote the memo, "NSA just concluded a highly successful fiscal year 2003 campaign, hiring 1,125 full-time workers, which represents a 27 percent increase over fiscal 2002. NSA hired only 200 linguists and analysts out of 1,125 new hires, well below who was authorized by this committee."

I think I need to be very clear about this. The committee expected more than 290 additional linguists and analysts. So can you explain why NSA's hiring did not comply with congressional direction? How many linguists quit, retired, or were assigned to positions outside their specialty in 2003?

You said in your testimony this morning that half of the 1,200 hired are linguists. You just stated that a little while ago. So I think that there are two different cases here, or maybe three; what this committee and the Senate Intelligence Committee absolutely insisted upon. There was a high concern that they came out of the conference with the language that they did, and then what the NSA is doing. Can you explain what these differences are about and why? They run contrary to everything we are here for and what you somewhat testified to.

Mr. BLACK. In the numbers that you have in the memo, I think there are about 350 people not even accounted for, in that it only highlighted certain fields. We hired another 400.

Ms. ESHOO. I think you need to explain that. I don't know what those words mean.

Mr. BLACK. As I recall the memo you are speaking about, we probably don't even have it here, it talked about 200 in a certain category, another number, and if I added it all up, I don't think I would have come to the 1,125. We owe you an answer.

Ms. ESHOO. How many linguists and analysts were actually hired?

Mr. BLACK. We owe you an answer. We will have to get back to you to be exact.

What we did in many instances, also, we hired computer scientists to become analysts because of our new environment. That is part of the confusion. The linguists, I know we hired more than this, and I will get back to you with exactly what numbers we have in this particular instance.

We have picked up, I know, 450 in the pipeline to be hired. We can only hire so fast in our place because of the security requirements, et cetera. But the most important thing here is, let me get back to you, give you an official answer with the exact numbers, Congresswoman.

Ms. ESHOO. I think you need to review General Hayden's memo.

Mr. BLACK. Yes, I agree, the way it is written.

Ms. ESHOO. I am only quoting the memo. And then you gave us testimony this morning that half of the 1,200 hired are linguists.

Mr. BLACK. Yes, I did, and I was thinking more in terms of what we have in the pipeline and what we are spending our time trying to get. But we will come back to you with the exact numbers.

Ms. ESHOO. With all due respect, I think that when you are talking about hiring linguists, that you be very clear. Is it your hope about hiring, is it in the pipeline? When we kind of push back and ask the questions, it is not what is actually presented, and I find that just a little disturbing. It is better for us to know, to have the ground truth on this, so that we can measure what the congressional directive was, how the agency has responded to it with very clear numbers. That way we are all working from the same numbers and we know the progress that we are making and also where we need to go. But this is not clear, to put it mildly.

To General Clapper, thank you for the work that you do and the attitude with which you approach it. Every time you testify before us, I am very glad that you head up the agency. I think you do a terrific job.

You mentioned that heightened security requirements may negatively impact your diversity efforts. Do you have suggestions for ways to address this challenge, and also maybe touch on why you think this is so?

General CLAPPER. Thank you, first of all, for your generous characterizations. I appreciate that. It is a particular problem for NIMA because we do not have—which I find amazing, it was a decision made at standup—our own organic personnel security apparatus. I am trying to rectify that.

What that means is I am dependent on others, DIA, OPM, and others, to do our security processing and, most importantly, adjudication. As I say, I am trying to rectify that. That is not a cheap proposition, and we have laid out over the FYDP a program to generate our own organic capabilities. So what that means to me is I am not in a position to adjudicate personnel security issues and get people cleared rapidly.

I do not mean this as a criticism of those on whom we depend, notably DIA. They do a great job for us. But they have their own priorities as well. So for me this is a particularly critical problem.

The other point I alluded to, which I think will apply to all of us, is as the demographics of this country change, wherein the predominance of what are now minority groups grows, that the ap-

proach we take to security clearances is going to cause us even more of a challenge in bringing on a diverse workforce.

Ms. ESHOO. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. Mr. Gibbons.

Mr. GIBBONS. Thank you, very much, Mr. Chairman, and, gentlemen, I do apologize for missing your opening remarks. I did have some questions, because this is an area of increasing interest to not only the United States but this committee that has looked at this issue of language, skill based, and diversity capability the last several years. I have been on this committee for 7 years. It has been an issue from the very beginning of that service, and I am sure for much longer before that.

My question is one based on my understanding of qualitative versus quantitative analysis when you look at the problem of diversity and language skill. And to each of you, I would ask you to respond to this question. If we are to have an agency which mirrors the population of the demographics of this country, how do we surge in areas where a majority of the requirement in resources are vastly different than the demographic makeup of the country and the population mix that you are trying to achieve?

For example, Afghanistan. When the majority of the resources in our Intelligence Community were required to have an understanding and a knowledge and education in that part of the Middle East, those language skill capabilities, whether they were Pashtu, Urdu, Farsi, how do you take the resources, when you mix the capabilities based on diversity, and have a requirement that is specific in another language capability?

Where is the analysis, where is the analytical part that goes into the makeup of the demographics of the agency with regard to the surge requirements and the needs on a quantitative side? Mr. Black, we will start with you.

Mr. BLACK. What you have presented is probably one of the biggest problems we have in regard to some of the areas of the world. We have our own internal programs of training as well as the weeding out of the analysts, linguists that we use, to be sure that we can in fact put on the priorities of the problem the best people for the top priorities.

When you go against one of these targets, there is such a diverse requirement that what we do is we have to allocate what we will work on first, what will give us the highest paid results and put our best people on that. For us, the Information Age has almost brought on to us the world of too much, too hard to understand. It is an inundation problem for us and a prioritization, so that we can put what resources we have; and we have some people, of course, that have been and understand the target for a long time and we have them training others. But it is a very difficult and constant problem.

General CLAPPER. Sir, let me try that from a little different dimension. I think the challenge that we collectively face, I know it is certainly true in my agency, is the ability to surge. The current tenet is that we are to know a little bit about everything everywhere, which is fine until you have a crisis in a particular area. Then the challenge is bringing to bear the additional resources that you need to focus on a particular area.

Case in point for me is Afghanistan. Prior to 9/11, Afghanistan was an area, a country that we had not devoted a lot of resources to. The geospacial foundation currency was not what we would like, but with the focus on other areas, you are always faced with a challenge of surging up, building up your workforce.

This is not so difficult in my case, because geospacial analysts, imagery analysts, are somewhat fungible, in that you can move them around from area to area, although there is an area of expertise they acquire. With linguists, that is pretty hard to do. You have a stable of linguists in a variety of languages and they are not nearly as fungible. So you have that problem, and, of course, it takes time to train them and all that.

So I am not sure that that directly bears on your question, but it certainly conjured up that thought in my mind with respect to NIMA.

Mr. GIBBONS. Anybody else want to attempt to answer that? Yes, sir.

Mr. CRYER. Can't answer the question. I think the agency is faced with a similar problem, trying to figure out how do we balance all of these competing requirements and sustain a workforce that enables us to be right at the point when things happen so that we can react to it appropriately and so on. So we are involved in that process now of trying to figure out what that balance is needed to sustain our efforts and certainly allow us to surge when necessary.

Mr. GIBBONS. Well, this country has a wonderfully rich, diverse population from which we have enormous amount of resources in terms of personnel and capabilities out there. Have the agencies, whether it is NSA, CIA, DIA, considered using a reserve force based principally in terms of diverse populations, skilled capabilities that stand by ready to serve, identified, cleared, and trained in a reserve capability to meet the surge requirements of our agencies?

Mr. CRYER. The agency does have such a reserve corps and we are building on it all the time, yes, sir.

Mr. RODRIGUEZ. I would get back to the question, sir. I think one of the things that happens in government, when we start looking at and using phrases such as we want our workforce to be the face of America, that is very idealistic. It is wonderful if you have occupations, for example, that require perhaps not the skills that we need in some of our particular agencies. When you start focusing on the skills mix and diversity, that is where the gap comes in. And when we solve that problem, I think we are going to be in very, very good shape. We are trying to do that. It is something that has been in existence for a very, very long time, and, unfortunately, because it has been the pattern pretty much historically, it makes it very difficult to find diversity very quickly that matches up with our particular skills needs.

So our first and foremost requirement, of course, is the skills need. Then we try to attach diversity to that. We haven't been very successful. We are making progress and we will continue to make progress. But there are two different elements. If we were the Department of Education and we wanted the workforce to look like the face of America, I am sure it would be a lot more simple than

it is being in the Defense Intelligence Agency, CIA, or any of my partner agencies.

Mr. GIBBONS. One final question, if I may, Mr. Chairman, and that is have we set a mold or a criteria that presupposes that the skills required in this eliminates certain people, whether it is classes of people, types of backgrounds, et cetera, that have been standardized over the years?

In other words, we have come at this with our own predisposed prejudices. I would presume that everybody has to have a college degree, everybody has to have a law degree or a CPA certificate, they have to have a 3 level in a language that we are looking for before we set the standard of can this person achieve that with lesser and sometimes no formal education background? Have we set a standard that is too high in achieving diversity?

Mr. RODRIGUEZ. I don't think so. Our efforts are leading to a model that actually begins to identify the skills mix needed, so that that can be communicated to what I consider the younger population.

We heard earlier today that one of the efforts is going back to the high school level and begin there and pretty much talking to young people about the possibilities and the careers in the Intelligence Community. That has to continue, looking at college students who have what would be considered some of the basic requirements, bringing them into our workforce, training them, educating them and giving them the kind of experience that would lead to those individuals with skills mix that we need to further our efforts throughout the world. We are doing that.

We are partnering with academic institutions, we are partnering with professional organizations, we are partnering with communities that have the kind of ethnicity that we see has the cultural mix, if you will, that will address and help us address some of the issues throughout the world. We are doing those things. It is just very, very difficult. It is a new phenomena for America, if you will.

And so as an agency that has that as a requirement, it is rather slow going, but we are making progress. But as far as setting the standards too high, I don't believe so.

Mr. GIBBONS. Well, thank you, Mr. Chairman. I know that in dealing with the question of barriers to entrants into our Intelligence Community, many have seen the barriers as one of the reasons why we haven't achieved the diversity that we should have in these communities. But, again, it goes back to the qualitative versus quantitative assessment, the skill versus diversity issues that we have a need for, the surge requirements, and where the problems lie in this world and the prediction of what resources we will need to meet those demands in the future.

With that, Mr. Chairman, I will yield back my time.

The CHAIRMAN. Thank you, Mr. Gibbons. I am going to address the tyranny of the clock, very briefly. We had expected to bring the second panel up at about 10:45. That time has come and gone. What I propose to do, after canvassing members, is to recognize Mr. Holt briefly for about two questions, and Mr. Boswell for one, and then reserve the balance of their time until after the next panel, if that is satisfactory. And Mr. Ruppersberger and Mr.

Cramer also will have priority after the next panel has concluded their presentation.

If there are no objections, we will proceed. Mr. Holt.

Mr. HOLT. Thank you, Mr. Chairman. I want to try to underscore the importance of what we are talking about here. There was mention made recently, a moment ago, that you look for skills first and diversity second. This is not an effort to get the Intelligence Community to look like the face of America. It is not a matter of just fairness and opportunity, we are talking about life and death here. National security.

I have talked with Dr. Kay, who, when I asked him how many of the hundreds and hundreds of people who are working for him looking for traces of weapons of mass destruction in Iraq, how many of them understand science and technology and are proficient in the language, of the hundreds and hundreds of people, he took out one hand and started counting fingers. It is a real problem in our ability to do our job.

Recently we were talking with agency employees who were working in the hillsides of Afghanistan collecting intelligence. I asked them how many knew the native language, and they said, well, since we have been on the job for a year or two, we have picked up a little Pashtu. I would argue that our ability to find Osama bin Laden, to collect intelligence, is compromised more by the paucity of language capability than by limitations in combat and small arms training.

These people on the hillsides have good backgrounds in special forces and so forth but they are unable in many circumstances to collect intelligence, which is why they are supposed to be there, so that they can save lives. And so this is not just to feel good about diversity. This is so that we have the skills throughout our Intelligence Community to collect intelligence.

Let me get to my questions, because the Chairman has asked us to be brief. With respect to languages, I hear about all of the efforts you are making in recruitment, and it sounds admirable. You are going around the country, you are appearing before lots of groups and so forth. Is the problem not just shortcomings in recruitment but we are trying to recruit from an almost nonexistent pool?

When I looked at the numbers—and we have far more Americans studying ancient Greek in college than we have studying Arabic, Korean, Pashtu, Urdu, and others combined. Far more. Are there any programs that you see that are worth investing in that would increase that pool? Because programs can work. The National Defense Education Act of 1958 changed education in America. At the time, some people said, well, maybe it is just throwing money at it. But by making programs available, we ended up with more people studying science, for example.

Why have we let the National Security Education Trust Fund created by Boren in 1992, why have we let that be spent down to almost zero now? This is to provide immersion language programs and other things for students. Do you know of any programs that will increase the pool and that we should be doing more to enhance those programs?

General Clapper, let me start with you, because I think you have shown the greatest sensitivity to what we are talking about here.

General CLAPPER. I appreciate that, and having said that, I do not know the answer to your question. And again, I have not dwelled too much in the language area in my current capacity, save for our interest in journeyman-level knowledge of languages as it pertains to place names, which is an art unto itself, that I have learned in the last couple of years. But I guess I would have to take that for the record, and if you would permit me a more thoughtful response to your question.

Mr. HOLT. Other witnesses. Mr. Cryer.

Mr. CRYER. One of the things that we are considering at the community level to address this shortfall of talent and skill is a concept called centers of excellence, where we partner with schools to develop curriculums, including language courses that are geared to provide the kind of talent and skills that we need, where we have a shortfall. We are hoping to stand up this concept or project during this coming fiscal year as a part of our—one of our new creative and innovative approaches to addressing the problem of skill diversity as well as ethnic diversity.

Mr. HOLT. Thank you. Any others?

Do you know of any programs that would increase the pool of linguists? Not people who have been recruited who are then sent to Monterey to learn languages, but, rather, increase the pool from which we can recruit linguists?

General CLAPPER. There have been in the past. I know from a historian reference here, when I was director of DIA—and this came up during the Somalia engagement—there were some innovative things that were done to hire contract linguists. Their duties were somewhat insulated such that the clearance requirements for a full-fledged clearance were suspended, and their tasks were circumscribed in such a way they didn't require a clearance.

So that is one way to at least obviate the issue of how do you surge when suddenly you need an exotic language which your day-to-day workforce doesn't include. You can contract for linguists for a specific time, if their duties can be circumscribed in such a way—which was done in the Somalia engagement—that would not require the clearance. I thought that was, at the time, a fairly innovative way to obviate that challenge.

Mr. HOLT. Let me leave you with a request to get back to us about, and that has to do with the National Security Education Act. As I mentioned a moment ago, that fund has been essentially spent down to zero now. Congress has not appropriated money to refill it. I realize your actions are not supposed to guide the appropriations in Congress, it is supposed to be the other way around; but I would venture to say that if there were recommendations from the Intelligence Community for programs such as the National Security Education Fund that would improve the pool of linguists in America just as the National Defense Education Act greatly improved the pool of scientists in America back in the late fifties, then the appropriations might well follow. You might not get everything you ask for, but as it is, this fund that was created in 1992 has not been replenished since. And it may be because of our shortcomings here in Congress, but it also may be in part because you haven't asked. And I would like to hear from you about that

program and related programs and what should be the funding level or are they useless.

Please tell us. Thank you.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Holt. Mr. Boxwell.

Mr. BOSWELL. Thank you, Mr. Chairman.

I, in the interest of brevity, I would like to say I associate myself with what has been said. I think there is a message here, and I read your faces that you are hearing it, and I hope that is true. There is a sense of urgency. I think you sense that, and we certainly do.

I kind of wonder sometimes as I go out across the country, where is the sense of sacrifice. Are we at war? The Director said we were a long time ago. People being killed every day. And those of you and those of us who have led troops in combat know damn well you have to have intelligence or else you can't do your job.

Mr. Chairman, I will hold off on my question because the information coming back that Ms. Eshoo and others have brought up will answer those questions.

I would just like to say this. I think Mr. Hastings made a pretty significant statement in the opening in talking about not having the skill sets. You know, I don't think Mr. Hastings or even you, Mr. Reyes, or myself, if we had to meet all the skill sets, we would even be here today. But we are here. And you know, I think that proves a point to some degree. So I hope that we can get the information back timely. I think some good points have been made asking for the information. I trust you do.

And I will just close with this. We would like to share a few nice things back and forth. I came down to NIMA and got a wonderful briefing and I asked you to come out to our State and brief our emergency folks. Eleanor Gordon—you have heard the name—one of the most outstanding women I know in a leadership position. And it was well appreciated and caused a lot of things to be moving on. So I want to thank you for that as well.

And with that, Mr. Chairman, I do as you requested give you back the time.

The CHAIRMAN. Thank you, Mr. Boswell. We will reserve more time for you in the next round. I want to thank this distinguished panel very much.

We have some additional information requested coming back, and this is not a one-time event. I think you understand this. This committee has an abiding and continuing strong interest in this subject. We will be continuing to pursue it in our regular oversight. Whether all the meetings will be open like this or we will operate in our more normal closed session will be the decision of others in the future. But rest assured that there will be a call again for you to come up and talk on behalf of your agencies on how you are doing on these matters.

So I hope you will keep that in mind as you go back, and also thank the employees that you have for the extraordinary hard work they are doing under very difficult circumstances, we know, today. I know how hard people are working in the Intelligence Community. And it is very reassuring for me to know that, that

our community is well led and well motivated. And that wouldn't be happening if we didn't have good people doing our jobs.

I am going to excuse this panel and ask the next panel to come forward. Mr. Wes Bush is the Corporate Vice President and President of Northrop Grumman Space Technology where he is responsible for all general management responsibilities for Northrop's space technology business. Northrop Grumman has a clearly stated mission to support and nurture a diverse workforce that mirrors the communities in which we reside, and in fact offers a diversity speaker series to provide a forum in which community partners, employees, and leaders can give insight in ethnic and cultural diversity. Previous to his position at Northrop Grumman, Mr. Bush served as President and CEO for TRW Aeronautical Systems. I would point out that Mr. Bush is no relation to other Mr. Bushes in this town, to the best of my knowledge.

Major General, Retired, Robert A. Harding is the President and CEO of Harding Security Associates, LLC, where he provides consulting and support services to U.S. Government agencies on human counterintelligence and security and MASINT. Previously General Harding served as the Executive Vice President for Operations at Innovative Logistics Techniques in McLean, Virginia. In his last military assignment, General Harding served as the Army's deputy G2, Intelligence, and prior to that, he was the Director for Operations at the Defense Intelligence Agency.

General Harding, welcome. Mr. Bush, welcome.

Moving forward, Ms. Juliette Kayyem is the Executive Director of the Executive Session on Domestic Preparedness at the John F. Kennedy School of Government, Harvard University. Her work is focused on terrorism, domestic preparedness and law enforcement. Ms. Kayyem also served on the National Commission on Terrorism with Ms. Harman, I presume, which was created to provide a review of America's counterterrorism efforts. Ms. Kayyem is also a national security analyst for NBC News and the National Public Radio's—NPR's—On Point. Welcome.

Mr. Miguel Diaz is the Director of the South America Project at the Center for Strategic and International Studies. The South America Project focuses on advising U.S. policymakers and the private sector on political and economic developments in the region. His expertise is U.S.-South American relations, with an emphasis on regional economic integration initiatives, Latin American financial markets, regional electoral politics, and structural reform initiatives. And you must be a very busy man, because things are popping south of the border.

Thank you. We welcome you all. And I think the order of presentation would be the order of introduction. So, Mr. Bush, I will begin with you. We ask that you try and hit our 5-minute mark if you can.

STATEMENTS OF WES BUSH, PRESIDENT, NORTHROP GRUMMAN SPACE TECHNOLOGY; MAJOR GENERAL ROBERT A. HARDING, PRESIDENT AND CEO, HARDING SECURITY ASSOCIATES, LLC; JULIETTE KAYYEM, EXECUTIVE DIRECTOR, EXECUTIVE SESSION ON DOMESTIC PREPAREDNESS, HARVARD UNIVERSITY; AND MIGUEL DIAZ, PROJECT DIRECTOR, SCIS SOUTH AMERICA PROJECT

STATEMENT OF WES BUSH

Mr. BUSH. Thank you, sir. Chairman Goss and Ranking Member Harman, distinguished members of the committee, I would like to thank you for inviting me to provide a private sector perspective on the importance of recruiting and developing a world-class workforce for the future of the Intelligence Community. My company has served your committee and the Intelligence Community for many years, and we are honored that you would ask us to participate in this discussion today. We share your view that this is an issue of national priority, and I believe this is a critical time to be rededicating ourselves to this task.

Industry faces many of the same workforce development issues as the government side of the Intelligence Community. We are both committed to attracting the best and brightest minds in our country to develop and maintain systems to protect our national security. And although we compete for talent with one another at times, we must together address a fundamental obstacle to expanding the pool of talented and dedicated citizens who are willing to commit themselves to national security. This fundamental obstacle is the declining trend in college enrollment of U.S. citizens in science, engineering, and the physical science fields, including math and computer sciences.

The expansion of the workforce required to meet our common objectives simply cannot occur without attracting more minority and female participation into the fields of study that support our national security mission.

I would like to provide some examples of things we do at Northrop Grumman to help attract women and minorities to math and science careers, as well as steps we take to promote their career development. Our recruitment and development strategy begins with support for programs that promote interest in math and science from preschool and elementary education through postsecondary fellowships. We believe the premise that students need to be turned on to math and science very early in their education. That is why we focus our financial commitments and volunteer commitments on schools that are fostering curricula designed to increase the percentage of women and minority students interested in studying math and science in college.

For example, more than a decade ago, we helped found a math and science magnet high school in southeastern Los Angeles, California, the California Academy of Math and Science, or CAMS as we call it. We have continued a very active presence in their development. The CAMS student body is drawn from more than 11 school districts in L.A. County, representing one of the most diverse populations in our Nation. Two-thirds of its students come from inner city schools. CAMS has produced 1,300 graduates with

100 percent graduation rate; 85 percent of CAMS graduates advance to receive degrees from 4–year universities.

In addition to financial assistance, we have placed Northrop Grumman executives on the CAMS corporate advisory committee. Each summer we have hired CAMS students as interns at our Space Park facility in Redondo Beach, California. As the students move through university education, they are eligible for college-level summer internships. Our goal is to develop CAMS students into strong contributors to our Nation's future workforce, whether they choose Northrop Grumman or another employer.

We also participate in NASA's summer high school apprenticeship program, hiring about 15 interns a year. This program is designed to encourage the career paths of students that have been traditionally underrepresented in math, science technology, engineering and geography. Each intern works for a mentor for 8 weeks, gaining exposure to cutting-edge research using state-of-the art equipment. We support these programs because they increase the likelihood that these students will someday seek math or science careers.

At the undergraduate level, we manage a broad array of programs with the explicit objectives of increasing the quality and diversity of our workforce. We are active partners in the minority engineering programs at about 20 U.S. Universities, providing both financial support and Northrop Grumman representation on their boards. For example, we are sending a group of executives to Stanford University to address the first one. And just this week, I spent an entire day with engineering undergrads at MIT, working to draw them into careers at space and defense.

In addition to our university programs, we maintain strong partnerships with national diversity engineering programs to serve students' needs, such as the Society of Hispanic Professional Engineers, the National Society of Black Engineers, the Society of Women Engineers, and the American Indian Science and Engineering Society. While these relationships clearly serve the competitive needs of our business, they also encourage broader participation of underrepresented groups in math and science careers across the board.

Diversity plays an extremely important role in our direct college recruiting as we are pursuing the best minority and female talent. We operate a diversity engineering scholarship program whereby a minority or female student majoring in engineering or related discipline can complete a summer internship at Northrop Grumman and receive a stipend for each academic year they remain in the program. More than one-third of these interns become full-time Northrop Grumman employees upon graduation. This program provides our company access to top minority and female students, while at the same time increasing their access to experienced mentors and high-technology projects not available in any other workplace.

Shifting emphasis from recruitment to employee development, our diversity objective is to help employees succeed in building their careers within our company. We want to increase the diversity at all levels of our company's management. And we have worked hard to provide meaningful career paths for women and mi-

norities. For example, nearly one-third of Northrop Grumman's space technology vice-presidents today are female or minority executives. We provide a number of career development programs designed, specifically for underrepresented groups in our workforce including nine diversity networking groups each at the vice president level. These groups sponsor professional development activities, networking opportunities, diversity education, awareness events and community outreach.

In addition to our own programs, we are strong partners with professional development organizations that provide opportunities for our employees to continue to learn from professionals in their field. These organizations have recognized Northrop Grumman professional employees with a variety of awards: the Hispanic Engineering National Achievement Award, the Black Engineer of the Year Award, and similar other recognitions.

I provided a few examples of how important we at Northrop Grumman view the recruitment and development of a talented and diverse workforce within our own company, our industry, and across the broader Intelligence Community.

It is important first to expand the pool of potential employees and help them to successfully build their careers. There is one more factor, however, that makes this a critical time to focus on developing the workforce, and that is building a stable future for our industry. In 2003, we at Northrop Grumman Space Technology have more than tripled the number of college hires compared to last year, which provides significantly greater opportunities to increase the diversity of our workforce. One of the reasons we have been so successful in recruiting college students this year is that for the first time in more than a decade, we are able to convey to students the potential for stable programs in the coming years. The spending downturn of the 1990s created an environment of shrinking employment and reduced opportunity. At Space Park, for example, our population shrank from nearly 20,000 employees down to less than 8,000. It is very difficult to attract the best and brightest minds to a declining industry. Today, things are different. We have great new technology programs that have the promise of stable continued funding.

The future does look very bright. Now is the time to excite our elementary and high school students about math and science and the important technologies that they can develop. And now is the time to emphasize to our brightest engineering students that national security is a noble endeavor worthy of their skills and efforts. If we can sustain that continued stability, we can and will expand the talent pool for our industry and for the Intelligence Community. We can build the more diverse workforce that we will strive to attain.

The CHAIRMAN. Thank you very much Mr. Bush.

[The prepared statement of Mr. Bush follows:]

PREPARED STATEMENT OF WES BUSH, PRESIDENT, NORTHROP GRUMMAN SPACE TECHNOLOGY

Chairman Goss, Ranking Member Harman and distinguished members of the Committee, I am Wes Bush, President of Northrop Grumman Space Technology, and I want to thank you for inviting me to provide a private-sector perspective on the importance of recruiting and developing a world-class work force for the future

of the Intelligence Community. My company has served your committee and the Intelligence Community for many years, and we are honored that you asked us to participate in this discussion. We share your view that this is an issue of national priority. And I believe this is a critical point in time to be dedicating ourselves to this task.

Industry faces many of the same work force development issues as the Government side of the Intelligence Community. We are both committed to attracting the best and brightest minds in our country to develop and maintain systems to protect our national security. And although we compete for talent with one another at times, we must together address a fundamental obstacle to expanding the pool of dedicated and talented citizens who are willing to commit to careers in national security. This fundamental obstacle is the declining trend in college enrollment of U.S. citizens in science, engineering and the physical science fields, including math and computer sciences. The expansion of the work force required to meet our common objectives simply cannot occur without attracting more minority and female participation into the fields of study that support our national security mission.

I'd like to provide some examples of things we do at Northrop Grumman to help attract women and minorities to math and science careers, as well as steps we take to promote their career development.

Our recruitment and development strategy begins with support for programs that promote interest in math and science from preschool and elementary education through post secondary fellowships. We believe the premise that many students need to be "turned-on" to math and science careers very early in their education. This is why we focus our financial and volunteer commitments on schools that are fostering curricula designed to increase the percentage of women and minority students interested in studying math and science in college.

For example, more than a decade ago, we helped found a math and science magnet high school for females and minorities in southeastern Los Angeles, California—the California Academy of Math and Science, and we have continued to have an active presence in their development. The CAMS student body is drawn from more than 11 school districts in L.A. County, representing one of the most diverse populations in the nation. Two-thirds of its students come from inner-city schools. CAMS has produced 1,300 graduates, with a 100 percent graduation rate. Eighty-five percent of CAMS graduates advance to receive degrees from four-year universities.

In addition to financial assistance, we have placed Northrop Grumman executives on the CAMS Corporate Advisory Committee. Each summer, we hire CAMS students as interns at our Space Park facility in Redondo Beach, California. As the students move through university education, they are eligible for college-level summer internships. Our goal is to develop CAMS students into strong contributors to our nation's future work force, whether they choose Northrop Grumman or another employer.

We also participate in NASA's Summer High School Apprenticeship Research Program, hiring about 15 interns per year. This program is designed to encourage the career paths of students who have been traditionally underrepresented in science, math, technology, engineering and geography. Each intern works with a mentor for eight weeks, gaining exposure to cutting-edge research and using state-of-the-art-equipment. We support these programs because they increase the likelihood that these students will someday seek math or science careers.

At the undergraduate college level, we manage a broad array of programs with the explicit objective of increasing the quality and diversity of our work force. We are active partners in the minority engineering programs at about 20 U.S. universities, providing both financial support and Northrop Grumman representation on their boards. For example, last week we agreed to send a group of executives to Stanford University to address its Diversity Forum. And just last Monday, I spent the day with engineering undergrads at MIT, trying to lure them to careers in space and defense.

In addition to our university programs, we maintain strong partnerships with national diversity engineering programs that serve student needs, such as the Society of Hispanic Professional Engineers, the National Society of Black Engineers, the Society of Women Engineers and the American Indian Science and Engineering Society. While these relationships clearly serve the competitive needs of our business, they also encourage broader participation of underrepresented groups in math and science careers across the board.

Diversity plays an extremely important role in our direct college recruiting as we are pursuing the best minority and female talent from the top schools. We operate a Diversity Engineering Scholars Program, whereby minority or female students majoring in engineering or related discipline can complete a summer internship with Northrop Grumman and receive a stipend for each academic year they remain

in the program. More than one-third of these interns become full-time Northrop Grumman employees upon graduation. This program provides our company access to top minority and female students while at the same time increasing their access to experienced mentors and high technology projects not available at many other workplaces.

Shifting emphasis from recruitment to employee development, our diversity objective is to help employees succeed in building their careers within our company. We want to increase the diversity at all levels of our company's management, and we have worked hard to provide meaningful career paths for women and minorities. For example, nearly one-third of Northrop Grumman's vice presidents today are female or minority executives.

We provide a number of career development programs designed specifically for underrepresented groups in our work force, including nine diversity networking groups, each with a sponsor at the vice president level. These groups sponsor professional development activities, networking opportunities, diversity education and awareness events, and community outreach.

In addition to our own programs, we are strong partners with professional development organizations that provide opportunities for our employees to continue to learn from other professionals in their field. These organizations have recognized Northrop Grumman professional employees with awards such as the Hispanic Engineering National Achievement Award, the Black Engineer of the Year Award and other similar awards.

I've provided a few examples of how important we at Northrop Grumman Space Technology view the recruitment and development of a talented and diverse work force, within our own company, our industry and across the broader Intelligence Community. It is important first to expand the pool of potential employees and then help them successfully build their careers. There is one more factor, however, that makes this a critical time to focus on developing the work force. And that is building a stable future for the industry.

In 2003, we at Northrop Grumman Space Technology have more than tripled the number of college hires compared to last year, which provides significantly greater opportunities to increase the diversity of our work force. One of the reasons we have been so successful recruiting college students this year is that for the first time in more than a decade, we are able to convey to students the potential for stable program growth in the coming years. The spending downturn of the 1990s created an environment of shrinking employment and reduced opportunity. At Space Park, for example our population shrunk from nearly 20,000 employees down to less than 8,000. It is difficult to attract the best and brightest minds to a declining industry.

Today, things are different. We have great, new technology programs that have the promise of stable, continued funding. The future looks bright. Now is the time to excite our elementary and high school students about math and science and the important technologies they can help develop. And now is the time to emphasize to our brightest engineering students that national security is a noble endeavor, worthy of their skills and efforts. If we can sustain that continued stability, we can, and will, expand the talent pool for our industry and for the Intelligence Community. We can build the more diverse work force that we all strive to attain.

Thank you.

The CHAIRMAN. General Harding.

STATEMENT OF MAJOR GENERAL ROBERT A. HARDING

General HARDING. Chairman Goss, Congresswoman Harman, I appreciate the opportunity to appear before this committee again. Like many Americans, I have been following the work of this committee and applaud you for your continued bipartisan and effective support of the Intelligence Community as well as your continued innovative approaches and recommended solutions to the many seemingly intractable problems the community seniors face everyday. This issue of diversity clearly is in that category. Robert Callum, from the Center for Naval Analysis, wrote an article entitled "The Case for Cultural Diversity in the Intelligence Community." It is found in the Journal of Intelligence and Counterintelligence in Spring of 2001. In it he suggests the following: "* * * while the leaders of the CIA, DIA, NSA, and the NRO have all ac-

knowledged lack of diversity and have created focused recruiting efforts, the acceptance of minorities into the Intelligence Community has been disappointing to date. The reason, in part, is that diversity has been viewed as a legal and moral imperative and not as an analytical necessity."

I sincerely hope, given the current state of our analytical community, that we have collectively overcome that sentiment. So I will not spend time trying to convince this committee about the pressing need for diversity, but rather share some thoughts and observations on the continuing challenge as seen by someone who has followed the diversity issue in the Intelligence Community for more than 30 years.

Although this is my fourth appearance in front of this committee, it is my first out of uniform. And in spite of my initial feelings to the contrary, it is still just as daunting as when I was in uniform. As the Director of Operations for DIA, I had three very precious and rewarding opportunities to ask this committee to support the President's budget with respect to human intelligence. Your unfailing support was always a source of strength to me personally and to DIA in general. To my side each time was my counterpart, the Director of Operations of CIA. And I survived three DOs: Dave Cohen, Jack Downing and Jim Pavitt. And all remain good friends to this day in spite of one particular professional challenge they posed: They recruited my people.

During testimony in the spring of 1998, this committee remained steadfastly clear about the need for diversity in the ranks of CIA. My counterparts at CIA were not only mission driven, but precisely focused on addressing that issue in short order. The following year, during spring testimony, as the CIA DO held up resumes and waved them at the committee with photos of young, talented, and linguistically adept recruits, I looked over and began to recognize my best and brightest from DOD. Betrayed? Not at all. The military experience, combined with language training and willingness to commit to this line of work, was something that not only benefited CIA and the Nation, but DOD as well.

These soldiers, airmen, marines, and civilians actually added cement to a bond that grew closer and closer between DIA and CIA, and it was very important at that time for these agencies to do that. It was sort of the argument of you are not losing a son, you are gaining a daughter.

But could we continue to sustain large losses like that initial one at DOD? Of course not. But the experience made us focus on the issue of diversity and the need to field a first-class workforce in each of the agencies. In the case of DOD HUMINT we would have to build a system and incentives to attract, maintain and sustain the diverse group of gifted HUMINT operatives. In addition to bridging the gap in the cultural understanding between the two organizations, many of the young DIA analysts and collectors had experience overseas. DIA had the advantage of being a subset of the diversity extant in the Department of Defense. CIA did not have a similar demographic pool to pull from until they started pulling them from me and DHS. Right before I left my DO job in March of 2000, Mr. Tenet and I handed out diplomas together at the

training school, to what he described as the most culturally diverse class in the history of the agency.

My point is that my friends at CIA went after what they needed to ensure diversity of languages, skills, and ethnic and cultural understanding. It was not just a congressional mandate. It was a matter of survival. I have been aware for a couple of years now, but I suspect that sustainment of that effort has been both challenging and to a degree unsuccessful. I often wondered if CIA and DIA—if they ever developed the capability and flexibility to hire multicultural talent at senior levels to help work this troubling issue. Creative and flexible approaches to hiring seniors with diverse backgrounds just seems logical.

After leaving the military a couple years ago, I consulted in private practice for about a year. But about 2 months ago I decided to go after government contracts, specifically in homeland security areas relating to counterintelligence. Working with larger defense contractors like Northrop Grumman and others, I find that bringing in multicultural talent remains challenging, especially on classified contracts, but doable. The freedom that I have to simply pitch that ideal candidate without worrying too much about a bureaucratic process is both liberating and enjoyable. If I need a native linguist, I will find one. As a minority-owned company, I constantly reach out to a diverse workforce and feel I have the responsibility to do that. More importantly, it makes the company exceedingly more capable.

It seems to me that the Intelligence Community that I love still needs senior folks with language and cultural diversity at the top, folks who feel that responsibility in a particularly focused way, never taking their eyes off the ball—and I have seen that both in DOD and the Intelligence Community in the past.

When Joan Dempsey moved to the front offices within DIA and then DOD, then CIA and then to the DCI, the number of women seniors increased. Mind you, not nearly at the rate equivalent to the male counterparts, but at a significantly more rapid rate, in my opinion, than they would have absent Joan's insights, her influence, and her mentoring. And she violated no civil service regulations.

When General Shinseki became the Army Chief of Staff, I noticed a much-welcomed increase in the number of Asian Americans on the Army staff. Mind you again, not nearly at the rate equivalent to the non-minority counterparts, but at a significantly more rapid rate, in my opinion, than they would have absent General Shinseki's insights, influence and mentoring, and I am sure he violated no personnel regulations.

When General Claudia Kennedy became the Army's Chief of Intelligence, I noticed a significant increase in the number of senior intelligence females in key positions in the Army, again not at the same rate as their male counterparts, but way better than before General Kennedy arrived. But did she ensure that she mentored, coached, and developed the sometimes forgotten minorities at a pace and rate equal to their non-minority counterparts? Absolutely. And I was included in that group, as was my late wife who went on to become a Senior Executive Service member in the CI and security field.

My point here is the same as with my experience with the professional proselytizing done by my CIA DO counterparts. Their strategy: If you want to see a healthy increase in your numbers, don't come back to Congress with only a strategic plan. Go tap the talent directly, and maybe that has something to do with just being human and they know that is how you get what you want. If you want to see more women at senior levels, then bring them in at senior levels. Don't wait and grow them.

I heard Mr. Black in the previous testimony talk about NSA bringing them in at the mid-levels, I am talking about above that. Don't wait to grow them. Find them. Send them to whatever finishing program you choose, and then appoint them to positions of responsibility, and just watch what happens throughout your organization. It has been done and it has been done without violating the sensibilities of the civil service lawyers. Selections must be made at the senior levels. Many ways to do that, I believe. But if legislation is needed, then maybe that should be part of the discussion here.

Chairman Goss, Congresswoman Harman, and members of the committee, thank you for allowing me to share this long-held view. And I would be happy to address any questions.

The CHAIRMAN. Thank you very much.

[The prepared statement of General Harding follows:]

PREPARED STATEMENT OF MG ROBERT A. HARDING, USA (RETIRED), PRESIDENT AND CEO OF HARDING SECURITY ASSOCIATES, LLC

Chairman Goss, Congresswoman Harman, I appreciate the opportunity to appear before this committee. Like many Americans, I have been following the work of this committee and applaud you for your continued bipartisan and effective support of the Intelligence community as well as your continued innovative approach and recommended solutions to the many seemingly intractable problems the community seniors face on a daily basis. This issue of diversity is clearly in that category. Robert Callum from the Center for Naval Analysis wrote an article entitled: The Case for Cultural Diversity in the Intelligence Community. It's found in the Journal of Intelligence and Counterintelligence in Spring 2001. In it he suggests the following: "While the leaders of the CIA, DIA, NSA, and NRO have all acknowledged the lack of diversity and have created focused recruiting efforts, the acceptance of minorities into the IC has been disappointing to date. The reason, in part, is that diversity has been viewed as a legal and moral imperative, and not as an analytical necessity." I sincerely hope that, given the current state of our analytical community, that we've collectively overcome that sentiment. I will not spend time trying to convince this committee on that point. However, it would not surprise me if you were somewhat disappointed with the numbers provided you by my former colleagues in the previous session. Therefore, I would like to spend the next few minutes sharing my observations as someone who has followed the diversity issue in the intelligence community for more than 30 years.

Although this is my fourth appearance, it's my first out of uniform and in spite of my initial feelings to the contrary, it is just as daunting as when as I was in uniform. As the Director for Operations at DIA, I had four very precious and rewarding opportunities to ask this committee to support the president's budget with respect to Human Intelligence in the Department of Defense. Your unfailing support was always a source of strength to me personally and to DIA in general. To my side each time was my counterpart, the DO of CIA. I survived three CIA DO's—Dave Cohen, Jack Downing and Jim Pavitt—all remain good friends to this day in spite of one particular professional challenge they posed. They recruited my people. During testimony in the Spring of 1998, this committee remained steadfastly clear about the need for diversity in the ranks of the CIA. My counterparts there at CIA were not only mission driven but precisely focused on addressing that issue in short order. The following year, during Spring testimony, as the CIA DO held up resumes, with photos, of the young, talented and linguistically adept recruits—I looked over and began to recognize some my best and brightest out of DoD. Betrayed? Not at

all. The military experience combined with language training and a willingness to commit to this line of work was something that not only benefited CIA and this Nation, but DoD as well. Those soldiers, sailors, airmen, marines, and/or civilians who left DIA for CIA added cement to a bond that grew closer and closer between the two agencies at an important time. It was sort of the "you're not losing a son, you're gaining a daughter argument." Could we continue to sustain large losses of key personnel like that initial one in DoD, of course not. But the experience made us all focus on the issue of diversity and the need to field a first-class workforce in each of the agencies. In the case of DoD HUMINT, we would have to build systems and incentives to attract, maintain and sustain a diverse group of gifted HUMINT operatives. In addition to bridging the gap in the cultural understanding between the two organizations, many of the young DIA analysts and collectors had experience overseas. DIA had the advantage of being a subset of the diversity extant in the Department of Defense. CIA did not have a similar demographic pool to pull from—until they started recruiting right out of Defense HUMINT Service. Right before I left my DO job in March of 2000, Mr. Tenet and I handed out diplomas together at the training school, to what he described as the most culturally-diverse-combined CIA/DIA class in the history of the agency.

My point is that my friends at CIA went after what they needed to ensure diversity of languages, skills and ethnic and cultural understanding; it was not just a congressional mandate, it was a matter of survival. I've been away for a couple of years now, but I've often wondered if DoD maintains the capability and flexibility to attract and hire multicultural talent at senior levels.

After leaving the military a couple of years ago, I consulted in private practice for a while, but two months ago, I decided to go after government contracts—specifically in homeland security areas related to counterintelligence, HUMINT and MASINT. Working with larger defense contractors, I find that bringing in multicultural talent remains challenging, especially on classified contracts. But the freedom I have of simply pitching that ideal candidate without worrying too much about a bureaucratic process, is both liberating and enjoyable. I can negotiate directly on salary, benefits, and flexibility. If I need a native linguist, I'll find one. As a minority-owned company, I constantly reach out to a diverse workforce and feel that I have a responsibility to do that. More importantly it makes the company exceedingly more capable. It seems to me that the intelligence community that I love still needs senior folks with language and cultural diversity at the top—folks who feel that responsibility in a particularly focused way—never taking their eyes off the ball.

I've seen folks like that in DoD:

—When Joan Dempsey moved to the front offices within DIA, then to DoD, then to CIA, then to DCI—the number of women seniors increased. Mind you—not nearly at the rate equivalent to their male counterparts, but at a significantly more rapid rate, in my opinion, than they would have absent Joan's insight, influence and mentoring. And she violated no civil service regulations.

—When General Shinseki became the Army Chief of Staff, I noticed a much-welcomed increase in the number of Asian American seniors on the Army Staff. Mind you again—not nearly at the rate equivalent to their non-minority counterparts, but at a significantly more rapid rate, in my opinion, than they would have absent General Shinseki's insights, influence and mentoring. And I'm sure he violated no personnel regulations.

—When LTG Claudia Kennedy became the Army's Chief of Intelligence, I noticed a significant increase in the number of senior intelligence females in key positions in the Army. Again—not at the same rate as their male counterparts but way better than before LTG Kennedy arrived. But did she ensure that she mentored, coached and developed the sometimes forgotten minorities at a pace and rate equal to their non-minority counterparts? Absolutely; and I was included in that group—as was my late wife who became an SES in the CI/Security field.

My point here is the same as with my experience with the professional proselytizing done by my CIA DO counterparts. Their strategy: If you want to see a healthy increase in your numbers—don't come back to Congress with only a strategic plan; go tap the talent directly. (Could be something they learned as HUMINTers.) If you want to see more women at senior levels—then bring in more senior women at the top. Don't wait to grow them; find them, send them to whatever finishing program you choose and then "appoint" them to positions of responsibility and just watch what happens throughout your organization. It's been done without violating the sensibilities of the civil service lawyers. Selections must be made at the senior levels!

Many ways to do that, I believe, but if legislation is needed then maybe that should be part of the discussion here.

Mr. Chairman, Congresswoman Harman and members of the committee, thanks for allowing me to share this long-held view with you today. I'd be glad to address any questions.

The CHAIRMAN. Ms. Kayyem, welcome.

STATEMENT OF JULIETTE KAYYEM

Ms. KAYYEM. Thank you for inviting me here today. I want to start by thanking Congresswoman Harman on this diversity issue. If I had a quarter for every woman who views you as the model for getting into intelligence and national security work, I would be a rich woman, as well as Suzanne Spalding, who is sitting behind you. I served with both of them on the National Commission on Terrorism.

I am going to—I wrote remarks that you can—I am actually going to change a little bit about what I am going to talk about today, just based on the fact that you heard a lot of what I was going to say, and my personal experience as an Arab American within the national security community. Granted, I was within the law enforcement community, coming out of the Department of Justice, and then served on the National Commission on Terrorism, but perhaps I can provide some analogies for you all.

I am not Muslim, I am Lebanese Christian, and I do not speak the language well. I can barely speak it, unfortunately. I am also, at the Kennedy School, the director of a new research project which may be of import to you on diversity in the Intelligence Community. And because of that project, not only are we sort of looking at the benefits of diversity, which have been clearly and well articulated by everyone here, but also some of the challenges.

I have been in communication with a number of young Arab Americans and Muslim Americans who have had experience with the intelligence and law enforcement communities. Like you, I view the Arab and Muslim world as both a threat today, unfortunately, but also an opportunity for what we may and what the world will look like in the future.

I also do not view diversity as merely an issue of diversity of personnel, not merely an issue of the translation of words, but really what you know and what you acquire from experience. It is basically what I call that dinner table talk. If you were around the dinner table of my family or other Arab and Muslim families, Republican or Democrat, I think the lead-up to discussions about perhaps the Iraqi's reaction to our presence in Iraq after the war would have been very different, not politically based. I think it was just based on some understanding of our families abroad.

So the diversity of—and bringing in more Arab and Muslim Americans into the Intelligence Communities is of great import to me, because it is not an issue of words, but really will change the content and quality of our intelligence, which cannot be dissociated from the question of recruitment and diversity.

And I do agree with you on the senior levels. You can imagine what some of those conversations at the senior levels would have looked like if there had been probably more presence of Arab and Muslim Americans, a keen cultural understanding of that part of the world. And not that they would have been different or the policy decisions would have been different, but certainly more view-

points are probably better than one, and certainly that more viewpoints, as was recognized—and I have in my written testimony—by Sandra Day O'Connor in the Michigan diversity case really will make a better institution and a better community.

But I changed my oral remarks because I think that with due respect to the first panel, I think there is a bit of a pink elephant in the room that is important to discuss, and that is the perception by the Arab and Muslim communities about whether they are wanted in the Intelligence Community. It is important, and it is an important issue about recruitment right now, because you can have the best recruitment policies out there and they are not going to work if there is a feeling, which there clearly is right now—that is no secret within the Arab and Muslim communities—of a sense that they are not wanted; that it is, as I said in the written testimony, sort of the potential threat versus the government official.

And so I want to talk about ways, having talked to people who are interested in the community, certainly myself who am very interested in the national security community, about bridging some of those gaps. I think that the recruitment efforts have to be much more targeted than they have towards people who not only can learn the skills, which is obviously important, but the people who actually have the skills that we need and particular language skills and cultural skills.

We can—this is not new. We recognize it with parts of—with our approach to community policing, our integration of police forces in urban police departments after the riots in the 1960s. We recognized that we had to do targeted recruitment to specific ethnic and religious groups, including I daresay to religious groups, mosques, Arab Christian facilities, and others where there is—trust me, because every time I would appear somewhere, I would get 20 cards of people wanting to enter government service, a cadre of law-abiding, patriotic Arab and Muslim Americans that want to join the force. The problem clearly is that many of the policies adopted by the United States Government, adopted by every administration, actually, because we were dealing with this issue when I was working for Janet Reno; we were dealing with the same issues that Attorney General Ashcroft is dealing with: the relationship between Federal law enforcement and communities that are predominantly lawful, but where we have a concern that some portion of them may be related to terrorist groups. It became, you know, obviously more focused after 9/11, but it is something we have been dealing with—both administrations have been dealing with.

And nor do I suggest that the vigorous enforcement of our counterterrorism efforts, even if they have a disproportionate impact on Arab and Muslim communities, should be stopped simply because they may have that different impact. I do think that the face matters; however, I do think that had some of the lawful and even legitimate policies after 9/11 that had a disproportionate impact on the Arab and Muslim communities had been—if the face had been different, if there had been more outreach to Arab and Muslim leaders, the law enforcement experience, FBI agents who could talk to those communities, I think the reaction would have been very different. And the long-term consequences of that, I think, would have been people much more wanting and willing to

enter law enforcement, national security and the intelligence communities. So I raise that in my written testimony.

I have—in the preliminary research, I suggest where I think other recruitment efforts may be focused and where we can try to lure people who already have the skills—of course, they are going to have to go through security clearances—who can be put in and give us the atmospherics of the parts of the world that are presently the greatest threat but probably, hopefully, their greatest opportunity.

Those are my both personal and also sort of sense of what is going on out there and it is important to say—to call it the pink elephant. I think we need to address that. I think we can't dance around the fact that there are 10 million Arab Americans in America whose resources we definitely need, who rightfully or wrongfully feel very alienated from the Federal law enforcement Intelligence Community, and we need to figure out really helpful, constructive, bipartisan ways to lure them in.

The CHAIRMAN. Thank you very much.

[The prepared statement of Ms. Kayyem follows:]

PREPARED STATEMENT OF JULIETTE N. KAYYEM, JOHN F. KENNEDY SCHOOL OF GOVERNMENT, FORMER MEMBER, NATIONAL COMMISSION ON TERRORISM

The subject you are addressing today—Building Capabilities—is a very personal issue for me. I am an Arab-American who works in the national security community, a perspective that is important to this hearing. So, I will begin by relating my personal experience in the national security community as it informs what I believe to be essential aspects of America's intelligence requirements with respect to Intelligence Community personnel.

BACKGROUND

Presently, I am a Senior Fellow at the John F. Kennedy School of Government where my work is focused on terrorism, domestic preparedness and law enforcement. For the last two years, I directed the Executive Session on Domestic Preparedness at the Kennedy School, a research program that addressed the domestic preparedness needs of local, state and federal policymakers with respect to homeland security. My work appears regularly in academic and popular publications and I consult with government and private institutions on America's counterterrorism strategies. I serve as a national security analyst for NBC News. I am also the co-editor of "The First To Arrive: State and Local Responses to Terrorism" (MIT Press, 2003).

My entrée into the world of national security and terrorism, however, was not a straight line. In fact, I began my legal career as a civil rights attorney at the Department of Justice. There, I litigated cases as a trial attorney. Eventually, I became a Special Assistant and then Counsel to the Assistant Attorney General for Civil Rights.

I am an Arab-American and, to be specific, a Lebanese-Christian. My mother was born in Lebanon; my father comes from a small town in the Bekaa Valley. I do not speak Arabic. But, I was raised with a keen respect for my background and an understanding of the Arab world that likely only comes from being raised in that community.

In 1998, then-Attorney General Janet Reno began a series of conversations between the Arab-American community and federal law enforcement agencies. At that time, like today, there was concern in the Arab-American community about the treatment of immigrants and citizens by the INS, FBI and individual U.S. Attorneys Offices. In particular, the Attorney General was concerned about a number of cases, known as the "secret evidence" cases, where individuals were being detained by immigration courts based on evidence that they could not see or contradict.

There were, to be blunt, basically no other Arab-Americans at the Department of Justice who could sit in on those meetings and serve as a bridge for communication. While I had for some time been raising concerns at the Department about these cases and the weight of the secret evidence, it is just as likely that my presence at those meetings had as much to do with my background. I eventually would serve

as an advisor to Attorney General Reno on national security issues related to the conduct of federal law enforcement agencies.

Those meetings marked the beginning of an important dialogue between Arab-American groups and federal law enforcement regarding the relationship between their respective communities. What was clear from the outset was the extent to which federal law enforcement agencies had almost no ties to the Arab community of interest. The FBI and INS are predominantly white and predominantly male.

At about the same time, Congress enacted legislation creating the National Commission on Terrorism that would provide an independent review of America's counterterrorism efforts. It was formed after the African embassy bombings and was chaired by L. Paul Bremer (now the civil administrator in Iraq) and included Congresswoman Jane Harman, General Wayne Downing and former CIA director Jim Woolsey. Suzanne Spaulding served as its Executive Director.

I, too, was appointed to the Commission as there was a growing concern that a commission on international terrorism should be informed by at least one Arab-American. To be honest, while I am proud of the work of the Commission, I do not doubt that my appointment—at the age of 29—had much to do with the fact that there were so few Arab-Americans who had any experience in national security.

The Commission issued its report in June 2000. It was a detailed and exacting critique of our preparation for the growing threat of terrorism. It received some notice, but did not, unfortunately, have tremendous impact until after the terrorist attacks of September 11, 2001. Its recommendations now serve as the foundation for much of the governmental reforms now taking place, and many of its members serve in senior positions in government related to terrorism.

The recommendations include issues that will seem familiar to you today: the need to buttress intelligence capabilities and, more specifically, to buttress quick and reliable translation capabilities. The Commission also urged that America's counterterrorism efforts be fair and equitable and that America serve as an example of hope and justice both for ourselves and for nations struggling towards democracy. My presence at that table, I hope, led to important discussions about ethnicity, counterterrorism efforts affecting particular communities, and the need for greater dialogue and understanding.

THE DEMOGRAPHICS OF OUR NATIONAL SECURITY COMMUNITY

Because of my background and work, I personally believe that the question of the content of our intelligence cannot be disassociated from the question of recruitment and diversity in the intelligence agency's workforce. I believe that they are fundamentally related in three important ways that suggest that America needs to begin a strategic recruitment effort to draw Arabs and Muslims into our intelligence agencies, rather than chasing them away.

First, strategically, our law enforcement and intelligence communities are woefully inadequate in Arabic translation skills, and are often forced to contract out these vital duties. Today, much of the human intelligence that our agents go to such extraordinary lengths to gather is left unused, simply because it is left untranslated. A larger pool of people to choose from for translation services would mean that the intelligence we are gathering would actually be utilized.

It would also mean that we would never have to employ people who may pose a security threat. Clearly, I say this in the context of the present controversy on Guantanamo Bay. Lately, there has been increased discussion of the risks associated with hiring Arab- and Muslim-Americans or immigrants in America's counterterrorism efforts. Specifically, the recent allegations of potential sabotage by U.S. personnel on Guantanamo Bay—as many as 10 people who worked on Guantanamo Bay are under scrutiny for espionage—have raised concerns about the sentiments and allegiances of those we hire. It appears that all the men under scrutiny are either Islamic or of Arab descent. I do not know the cases specifically, nor do I personally agree with the longterm detentions of persons on Guantanamo Bay. But, we do seem particularly desperate for translators when public court documents disclose that Syrian-born airman Ahmad al-Halabi was under some sort of surveillance before he was ever on Guantanamo Bay. Obviously, he should never have been given access to the island, let alone prisoners, if he was already under suspicion. Yet we are forced to cut important corners because we simply do not have a big enough pool of people.

Second, as was recognized in the 1960s after the race riots in America in relation to urban police departments, diversifying our national security communities will go far in creating effective bridges of communication between Arabs and Muslims and the federal government. That relationship today is not a very good one; some of the government's efforts are viewed as draconian and unforgiving. We now recognize

that a community policing strategy—in which local police broaden the nature and number of police functions so as to relate better to their neighborhoods and the citizenry—coupled with a very strategic minority recruitment program has changed the nature of the relationship of the cops to the citizenry in many urban jurisdictions. We need to change the nature of the relationship between the citizenry and our national security community as well. In the end, the effectiveness of the policies we adopt will be influenced by those who work within government.

Third, our strategic and cultural understanding of the Arab and Muslim world could be enhanced by better integration of all of our national security related agencies. It is often said that we need to bridge relationships with the Arab and Muslim communities so as to greater understand the potential threat of terrorism here in America. I find this claim to be without much merit. Indeed, the nineteen 9/11 hijackers were not at all integrated into local Arab or Muslim communities. Instead, a more integrated national security workforce would likely provide two important benefits.

Firstly, it would make our federal intelligence and law enforcement communities a more desirable place to work for Arabs and Muslims. Presently, there is a palpable tension between Arab and Muslim communities and the U.S. government because of detentions, interrogations, and strict immigrations policies. For young Arab and Muslim Americans, the prospect of serving their country in counterterrorism efforts is likely attractive, but also complicated. It is not entirely clear that they are wanted, as their relationship with our national security agencies tends to be one of suspect and interrogator.

Secondly, the U.S. government is often forced to contract out or rely on people with their own potential agendas in order to better understand the Arab and Muslim worlds. For example, a recent non-partisan report suggested that the information the U.S. government was receiving from Iraqi dissidents about what post-war Iraq would be like was outdated and sometimes ill-informed. This is not necessarily to say that our pre-war intelligence would have been more accurate if our agencies were better diversified; it is to say, however, that we would not have been so dependent on this one source of intelligence.

THE PROBLEM OF SECURITY CLEARANCES

From the government's perspective, there are significant concerns about the security background of recent immigrants or those with ties to countries in the Arab region. Once again, my case is illustrative. My mother was born in Lebanon, as were 5 of her 9 siblings. Two of her sisters were born in Cuba. My security clearance was complicated and long. There were few records kept, for example, of their immigration to America.

This fact, however, only suggests that more efforts may need to be made to grant those clearances early, not that the effort shouldn't be expended. Presently, there is a tremendous backlog of clearance needs, a backlog that has been addressed by Congress and will continue to be addressed by our security agencies. But to argue, as some have, that it is simply too hard to get security clearances for Arab and Muslims nationals or citizens is too gross a generalization. There will be hard cases, of course, but there will be easy ones as well, people who seek to serve their country in a unique and important way.

A STRATEGIC RECRUITMENT EFFORT

I am in the beginning stages of a research project at the Kennedy School related to the question of diversity and national security. It seeks to determine the experience of Arab and Muslim Americans in the intelligence and law enforcement communities. As yet, I have not been able to determine the demographics or representation of Arabs and Muslims in our national security agencies. The number is likely to be low. For the project, I am also exploring anecdotal evidence that Arabs and Muslims hired by the U.S government are finding their unique skills underutilized and sometimes facing hostile work environments.

Though I have only just begun this research, the basic outlines of a recruitment strategy for Arab and Muslim Americans are clear. Initially, a recruitment effort would need to include the following aspects:

- Partnering with Arab and Muslim American leaders to attract qualified applicants;
- Providing career development opportunities related to the individual's unique skills;
- Ensuring a non-hostile workforce;

- Providing opportunities for greater dialogue between law enforcement agencies and the communities of interest to promote greater trust and less antagonism;
- Recognizing that some counterterrorism efforts will be viewed as antagonistic to certain communities, and taking steps to either end or reduce the potential harm.

Recently, the Council on Foreign Relations issued a report entitled "Finding America's Voice: A Strategy for Reinvigorating U.S. Public Diplomacy." The bipartisan report argues that the United States needs to spend more time and resources on public diplomacy in the Arab and Muslim worlds so that we can change the overwhelming negative perception about America. It is in America's security interest to do so. That assessment seems accurate, but surely part of that effort must be to engage those very communities here in America. A government recruitment plan that would make our national security agencies better reflect areas of the world that are not only a threat, but also an opportunity, should be part of that mission.

There is tremendous discussion today about putting an Arab face on our postwar reconstruction efforts in Iraq. The argument goes that such a change would provide legitimacy to the occupation in Iraq. I do not know whether that is true or not, but I can understand the sentiment as it relates to our efforts here at home. A more diversified national security community makes sense not merely because of each employee's own perspective and the sensitivities that they may bring to the table. It may also bolster arguments that those enforcement policies we are pursuing are not aimed at any particular religious or ethnic group, but rather at identifiable threats and individuals.

Last year, the Supreme Court addressed the difficult issue of diversity in the law school admissions process at Michigan Law School. I do not intend to discuss the merits of one particular recruitment plan over another. What is important is that we have, as a nation, seemed to reach a core consensus on the benefits of diversity in all aspects of our life. The majority opinion by Justice O'Connor notes favorably a brief filed by high-ranking retired officers and civilian leaders of the United States military wherein they wrote "[b]ased on [their] decades of experience (a) highly qualified, racially diverse officer corps . . . is essential to the military's ability to fulfill its principal mission to provide national security." *Grutter* v. *Bollinger*, et al. (2002) at 18. Given the nature of the threat of international terrorism from particular areas of the world, it is important to remember, in the words of Justice O'Connor, that "participation by members of all racial and ethnic groups in the civic life of our Nation is essential if the dream of one Nation, indivisible, is to be realized." Id. at 19–20. Our national security, in the end, will be better served by a focused effort to attract a more diverse intelligence workforce. It is in our very strategic interest to do so.

The CHAIRMAN. Mr. Diaz.

STATEMENT OF MIGUEL DIAZ

Mr. DIAZ. Mr. Chairman, members of the committee, thank you for this opportunity to testify this morning on the need for greater diversity in the Intelligence Community. The case of diversity is clear. Let me lay out some of the basic arguments in support of it.

First, we should encourage diversity within the Intelligence Community because it is the right thing to do. The U.S. Intelligence Community, like the government as a whole, should reflect America. The Intelligence Community's personnel should reflect all the variations, cultural diversity, and coloration that have made our country great. It demeans us as a Nation to have such a wide discrepancy between the proportion of the population who are minority and the representation in the Intelligence Community. Closing that gap should be a national goal.

Inclusion is a political imperative. Minorities have earned their seat at the table where foreign policy is made. We have been on the front lines, literally, in carrying out policy in Korea, Vietnam, Afghanistan and, more recently, in Iraq. And we have too much at stake to remain marginalized within the decisionmaking process. I am glad to see that our minority leadership in Congress is paying

attention to the subject of foreign policy and I encourage them to persevere.

Second and perhaps more importantly, we should pursue diversity within the intelligence services because it is the smart thing to do. In order for the foreign policy establishment, and the Intelligence Community in particular, to have the support of the American people, it must look like the American people. Historically that has not been the case both in the upper echelons of policymaking and in the bureaucracies. There is no denying that substantial progress has been made with the appointments of Colin Powell and Condoleezza Rice as Secretary of State and National Security Adviser, but down in the ranks of the State Department and the CIA, there is still a long way to go before we can say that these institutions truly reflect America.

We need to take advantage of the fact that in this country we have a globalized society, unlike any other country in the world, to beef up our intelligence capability. Minorities have much to offer in the way of language capabilities, social skills, and cultural sensitivities that have been sorely lacking in the past. Because of the variety of our national origins, we look like the rest of the world, an important attribute in the intelligence business. It is a fallacy to say that diversity has to come at the expense of merit. Intelligence agencies must demand excellence and require all employees meet the highest standards of performance. Our Nation can afford nothing less.

But while doing that, we can and must give minorities a better environment in which to compete and succeed. In some circumstances, this may require a proactive affirmative step. While the need to include more minorities may be self-evident, how to go about recruiting them in the intelligence service, retaining them and promoting them is less clear. There has been some progress in all three areas, but the fact that you are holding this hearing suggests there is more to do. Retention and promotion of minorities seems particularly exigent.

Based on my 3 years working as an analyst in the Directorate of Intelligence nearly a decade ago, I can offer some reflections on the subject and I hope they prove relevant to the task at hand.

On the subject of recruitment, I see multiple challenges. One is the need to overcome the reservations potential recruits may feel about working for the intelligence services. Many minorities hail from parts of the world where the CIA has, to put it bluntly, a bad name. First generation Hispanics like myself had to contend with the negative legacy the CIA had in Latin America. I suspect the same applies to Arab Americans, Asian Americans and others who have come from the developing world. Accusations surfaced a few years ago in some quarters that the CIA was complicit in bringing drugs into the country. The fact that such absurd accusations resonated with some minority groups tests the inevitable resistance the agency confronts in recruitment.

Another challenge that the Intelligence Community faces is knowing where to recruit. Historically the agency had a reputation for recruiting only from the ivy leagues. There are indeed minorities at Harvard, Columbia and Yale, but the odds are greater of recruiting qualified minorities, Hispanics, at least in schools such as

the University of Miami, University of Texas, or University of Southern California. I could also suggest there are publications better capable of putting recruitment ads in front of minority leaders.

I also wonder whether the Intelligence Community can make better use of the minority personnel it already has to reach out to the minority community. In my case, I did not come across a single minority person during my entire recruiting and interview process. I will contend that there is no more powerful way to court a minority than being engaged by somebody who looks like you, talks like you, or comes from a part of the world that you come from.

Let me now move ahead to the question of retention, where my own experience at the agency may be relevant. Joining the agency is daunting to everyone coming in, although I suspect it may be more so for minorities. At the agency, we are even more of a minority than we are on the outside world. The culture of secrecy further exacerbates this isolation. Some have to contend with those who saw us as tokens. I confess that at times I also felt distrusted, as if I was not American enough to be there. When you don't fit the bill of what a CIA man or woman looks like, this treatment can be very disconcerting.

Undeniably, there was great pressure on the few of us to blend in. It seems to me that the time has come in America that we can rejoice in our differences. The reaction of many of us was to try to bend over backwards to prove that we belonged, that we were American and worthy of trust as everybody else. At times, some of us fell to the temptation of overcompensating, and, in the course of doing so, lost our sense of perspective, a dangerous mistake when your very business is making sound judgments. The pressure to blend in was not only cultural but also applied to how you carried out your work. Based on my experiences, the following are suggestions you might consider:

Make more of an effort to make the minorities who join the agency feel more welcome. I believe that message of welcome should be delivered by none other than the CIA Director, both in private and in the public manner. The agency could also encourage the creation of a network of minority support groups to receive and mentor minority newcomers at the very starts of their career there. At the very least, new recruits should have new opportunity to take advantage of such a support network. This support may not be available—may be available, but it was not when I was there 10 years ago.

I would also urge that the agency better treasure the few minorities it has been able to attract by entrusting them to seasoned managers, managers who have a track record of successfully developing minority professionals. The institution could be patient and open-minded in handling our adaptation to the ways of the agency. A little bit more time and guidance could be provided to overcome the historical difficulties minorities have had in adopting the DI writing style, a major stumbling block for minorities in the past. Bear in mind that many of us come from bilingual backgrounds and have a wider communications gap that we need to bridge than recruits for whom English is a first language.

Finally, my thoughts on why there might be a dearth of minorities in the upper ranks in the Intelligence Community and what

could be done to rectify the situation. One obvious explanation comes to mind. There is not a big enough pool of minorities to promote. Not many minorities will be promoted.

Suspecting that politics may be more of a factor in competition for more coveted jobs, I would also recommend that more effective monitoring be marshaled to ensure that no discrimination takes place. A commission of CIA minority alumni can be called upon to play this role.

Let me conclude by making a particular case for Hispanic inclusion in the intelligence service. I believe Latin America will pose a greater intelligence challenge in the years to come. Terrorism is no stranger to the region. Our economic interests have also never been more intertwined. Undoubtedly, having a cadre of Latino intelligence analysts who speak the language and have a special sensitivity to the region would be very valuable.

I salute you in this initiative to raise the profile of the issue of minority inclusion in intelligence, and I hope my remarks have proven a value in thinking through on how to make further progress in this front. I look forward to answer any questions you may have.

The CHAIRMAN. Thank you very much, Mr. Diaz.

[The prepared statement of Mr. Diaz follows:]

PREPARED STATEMENT OF MIGUEL DIAZ, DIRECTOR OF SOUTH AMERICA PROJECT, THE CENTER FOR STRATEGIC AND INTERNATIONAL STUDIES

Mr. Chairman, members of the committee, thank you for this opportunity to testify this morning on the need for greater diversity in the intelligence community. The case for diversity is clear. Let me lay out some basic arguments in support of it.

First, we should encourage diversity within the intelligence community because it is the right thing to do. The U.S. intelligence community, like the government as a whole, should reflect America. The intelligence community's personnel should reflect all the variations, cultural diversity, and coloration that have made our country great. It demeans us as a nation to have such a wide discrepancy between the proportion of the population who are minority and their representation in the intelligence community. Closing that gap should be a national goal.

Inclusion is a political imperative. Minorities have earned their seat at the table where foreign policy is made. We have been on the front lines—literally—in carrying out policy in Korea, Vietnam, Afghanistan, and more recently Iraq and we have too much at stake to remain marginalized within the decision making process. I am glad to see that our minority leadership in Congress is paying attention to the subject of foreign policy, and I encourage them to persevere.

Second, and perhaps most importantly, we should pursue diversity within the intelligence services because it is the smart thing to do. In order for the foreign policy establishment, and the intelligence community in particular, to have the support of the American people, it must look like the American people. Historically, that has not been the case, both in the upper echelons of policymaking and in the bureaucracies. There is no denying that substantial progress has been made with the appointments of Colin Powell and Condoleezza Rice as Secretary of State and National Security Advisor. But down in the ranks of the State Department and the CIA, there is still a long way to go before we can say that these institutions truly reflect America.

We need to take advantage of the fact that in this country we have a globalized society, unlike any other country in the world, to beef up our intelligence capability. Minorities have much to offer in the way of language capability, social skills, and cultural sensibilities that have been sorely lacking in the past. Because of the variety of our national origins we look like the rest of the world, an important attribute in the intelligence business.

It is a fallacy to say that diversity has to come at the expense of merit Intelligence agencies must demand excellence and require that all employees meet the highest standards of performance. Our nation can afford nothing less. But while doing that,

we can and we must give minorities a better environment in which to compete and succeed. In some circumstances, this may require proactive affirmative steps.

Why we need to include more minorities may be self-evident, how to go about recruiting more minorities into the intelligence service, retaining them, and promoting them is less clear. I understand that there has been some progress in all three areas, but the fact that you are holding this hearing suggests there is much more to do. Retention and promotion of minorities seems particularly exigent.

Based on my three years working as an analyst in the Directorate of Intelligence nearly a decade ago, I can offer some reflections on the subject. I hope that they prove relevant to the task at hand.

On the subject of recruitment, I see multiple challenges. One is the need to overcome the reservations potential recruits may feel about working for the intelligence services. Many minorities hail from parts of the world where the CIA has—to put it bluntly—a bad name. First generation Hispanics, like myself, had to contend with the negative legacy the CIA had in Latin America, for example. I suspect the same applies to Arab Americans, Asian Americans, and others who have come from the developing world. Accusations surfaced a few years back in some quarters that the CIA was complicit in bringing drugs into the country. The fact that such absurd accusations resonated with some minority groups attests to the inevitable resistance the agency confronts in recruitment.

Another challenge that the intelligence community faces is knowing where to recruit. Historically, the agency had a reputation for recruiting only from the Ivy leagues. There are indeed minorities at Harvard, Columbia, and Yale, but the odds are greater of recruiting qualified minorities (Hispanics at least) in schools such as the University of Miami, University of Texas, or University of Southern California. I could also suggest there are publications better capable of putting recruitment ads in front of minority readers than the Economist or the New York Times.

I also wonder whether the intelligence community can make better use of the minority personnel it already has to reach out to the minority community. In my case, I did not come across a single minority person during my entire recruiting and interview process. I would contend that there is no more powerful way to court a minority than being engaged by somebody who looks like you, talks like you, or comes from a part of the world that you come from.

Let me now move ahead to the question of retention, where my own experience at the agency is relevant. Joining the agency is daunting to everyone coming in, although I suspect it may be more so for minorities. At the agency, we are even more of a minority than we are in the outside world. The culture of secrecy, further exacerbates this isolation. Some have to contend with those who saw us as "tokens." I confess that at times I felt distrusted, as if I was not "American" enough to be there. When you don't fit the bill of what a CIA man or woman looks like, this treatment could be very disconcerting.

Undeniably, there was great pressure on the few of us to blend in. It seems to me the time has come in America that we can rejoice in our differences. The reaction of many of us was to try to bend over backwards to prove that we belonged: that we were as American and worthy of trust as everyone else. At times, some of us fell to the temptation of overcompensating, and in the course of doing so, lost our sense of perspective, a dangerous mistake when your very "business" is making sound judgments. The pressure to blend in was not only cultural, but also applied to how you carried out your work. Based on my experiences, the following are some suggestions you might consider.

1. Make more of an effort to make the minorities who join the agency feel more welcome. I believe that message of welcome should be delivered by none other than the CIA Director, both in a private and public manner. The agency could also encourage the creation of a network of minority support groups to receive and mentor minority newcomers from the very start of their careers there. At the very least new recruits should have the opportunity to take advantage of such a support network. This support may now be available, but was not when I was there ten years ago.

2. I would also urge that the agency better treasure the few minorities it has been able to attract by entrusting them to seasoned managers, managers who have a track record of successfully developing minority professionals.

3. The institution could also be patient and open-minded in handling our adaptation to the ways of the agency. A little bit more time and guidance could be provided to overcome the historical difficulties minorities have had in adopting the DI writing style, a major stumbling block for minorities in the past. Bear in mind, that many of us come from bilingual backgrounds and have a wider communications gap that we need to bridge than recruits for whom English is the first language.

Finally, let me share my thoughts on why there may be a dearth of minorities in the upper ranks of the intelligence community and what can be done to rectify

the situation. One obvious explanation comes to mind. If there is not a big enough pool of minorities to promote, not many minorities will be promoted. Suspecting the politics may be more of a factor in competition for more coveted jobs, I would also recommend that more effective monitoring be marshaled to assure that no discrimination takes place. A commission of CIA minority alumni can be called upon to play this role.

Let me conclude by making a particular case for Hispanic inclusion in the intelligence services. I believe that Latin America will pose a greater intelligence challenge in the years to come. Terrorism is no stranger to the region and its spread is easier now than ever before. Our economic interests have also never been more intertwined. Undoubtedly, having a cadre of Latino intelligence analysts who speak the language and have a special sensitivity to the region could be very valuable.

Again, I salute you in this initiative to raise the profile of the issue of minority inclusion in intelligence and I hope my remarks have proven of value in thinking through how to make further progress on this front. I look forward to trying to answer any questions you may have. Thank you.

The CHAIRMAN. We are going to start the questioning with Mr. Ruppersberger.

Mr. RUPPERSBERGER. It is a shame that the first panel didn't hear you all because I think they would have learned a lot. And I am very impressed with the testimony. I think today's testimony shows that we do need diversity within the Intelligence Community, and it is not just to be politically correct or meet certain goals. The bottom line, that is the future of the Intelligence Community and world peace as far as we are concerned.

So let us talk about recommendations or how we get to where we need to be. We have identified that problem. Number one, Mr. Bush, you seem to have an effective program, and you are in business and we all know Northrop Grumman. Give me your opinion why you think you are doing the job and our Intelligence Community is not. And I know you have a lot of contracts and we will protect you from that.

Mr. BUSH. From a broad perspective, we have some flexibility that perhaps our government counterparts do not enjoy. Part of our flexibility is a bit more internal discretion. We are able to go out and financially support, based on our own view of what needs to be done, development programs, K through 12. Some years ago we figured out—it wasn't that students got to college before making decisions about what they were going to be, it was long before that. We have taken proactive measures to address the K through 12 elementary system and high school system throughout our area, and we do it across the country as well with a focus of creating a broader pool of people. In aggregate, we are collectively failing at that because the enrollment in math and science continues to decline. But nevertheless, my point is we have some flexibility that those on the government side don't have necessarily.

Mr. RUPPERSBERGER. Let me ask anyone on the panel, do you think the civil service issues have a big deterrent, especially what you talked about, General, about bringing people in mid-level or higher level? Unless we do something about that—I mean, intelligence is our security. And it is national security. Do you all have comments on the panel of how our civil service laws now reflect on what is going on as far as intelligence and diversity?

General HARDING. I would like to say to some degree not just the civil service system, but the military system has processes of moving up a ladder and structure that goes back to the flexibility that we have that neither the civil service nor the military system may

provide. An example is over the last couple of months it was very easy for me to find a linguist who wanted to not be deployed. It is also easy to find linguists who only wanted to be deployed. The Nation needs both. When either one gets stuck in a system that forces them to do something they don't want to do, they tend to want to leave and look to us to provide them the flexibility, to say that "The Nation needs folks like you back here to do documentation exploitation, because we have a contract and we can keep you here and provide you stability. You always want to deploy, and I can move you to a number of locations."

We have that flexibility. While I was in the military, I am not sure that they had that.

Mr. RUPPERSBERGER. You feel that we need to change our existing laws as it relates to civil service, as it relates to the Intelligence Community? Anyone have a comment?

General HARDING. I would say to the extent—we are all thinking this issue very seriously—and to that extent, I would say it should be reviewed with a bias toward changing.

Mr. BUSH. I have an opinion on that as well. The ability or flexibility of the Intelligence Community—and I think we see it in other parts of government—to compete, not only capturing talent but also retaining talent is critical and is impaired by some of the restrictions in the civil service structure.

Mr. RUPPERSBERGER. You have some of those issues, and NSA is an example as it relates to technology and the new generation that is much more competent in that area. So there is a lot of competition, too.

Ms. Kayyem, your comments—and I think you were the first to bring it up today—but the Arab Muslim relationships and how important it is that we as Americans and the Muslim community not perceive that we are at war with Muslims. That was my biggest concern, more than anything about going to war with Iraq, that that would be perceived. And I think with the help of a lot of Muslims in the United States a lot of that was deterred, but it is still out there. And you have to learn a lot more about who you are dealing with, and why people react; and now that we are in Iraq, it is not just that we are there and maybe their life is better because of what happened with Saddam Hussein. But if we are going to help that country move to the next level we have to understand what they want, not necessarily what we want, as far as their everyday life is concerned.

I was a county executive during 9/11 in Baltimore County, Maryland, and we had a mosque of about a thousand Muslims, and they had a school. And as soon as 9/11, I sent a couple of police cars over to protect them. By doing that I have been extremely close to the Muslim community. That was an act they couldn't believe that it was done. And we have tried to develop relationships. Now, as a result of those relationships, there are a lot of concerns about the PATRIOT Act and things of that nature. But what recommendations would you have as far as dealing with the Muslim community and as it relates really to recruitment of what we need in the area of intelligence?

Ms. KAYYEM. Well, a couple of them I mentioned. And let me pick up on one point you just said about sending the police cars on

9/11. I have to say little gestures like that—and I don't mean to belittle you—but gestures like that go an incredibly long way for a community. You have to remember that the Arab Muslim community that left the Middle East for a reason, totalitarian government—you know, no hope for a future—adore America because it provided them significant opportunity. And so things like that go a long way.

I think one thing is we can't wait until the next terrorist attack to do this. We have known about this problem for 10 years, the diversity in the Intelligence Community. And at that stage, and even now, there is no question. There is a lot of discussion about the mosques and whether they are recruitments for terrorist fund-raising. There are legitimate lawful mosques with legitimate leaders who have people who are young professionals, speak the languages, who would—who need to be approached, who need to be talked to by law enforcement agencies, the Intelligence Community to get it out there.

Whatever recruitment—as I said before, whatever recruitment effort that was discussed by the first panel, it is just not being heard, it is not being heard by the community. The message they are hearing is unfortunately the PATRIOT Act or sort of the questioning things like that, so I think the counter important message needs to get heard a lot probably needs to be more focused.

I also mentioned something in talking about the structure. The issue of security clearances is obviously an issue that is much bigger than this discussion and how long it takes. The people who are doing security clearances I think need to be a little bit more sensitive about talking to other people about peoples' background, where they come from, where their families come from. For example, documentation of the proof that my mother and seven siblings were born in Lebanon is very difficult for the 1940s and 1950s. Another two were born in Cuba. You can imagine from the FBI agents' perspective that list, seven people from Beirut and two from Cuba, didn't look too promising, but I am okay.

I think discussions like—and I know people are trying to attract the Muslim and Arab community. I am very optimistic about this just based on both my professional research and just being out there in this world. I think that if we can tap into an enthusiasm for patriotism and enthusiasm for working in this world in the Intelligence Community and law enforcement communities and if we can just harness it more specifically, I think we can cure maybe some of these problems, and in the end, you know, maybe actually change some of the policies adopted by government, which may not—whichever administration—may be a good thing.

Mr. RUPPERSBERGER. The issue of security clearance is an issue that we all have to look at. Congressman Goss and Congresswoman Harman have discussed that before, how it is antiquated, if when we are trying to go out and recruit diversity in individuals. Right now in the Arab or Hispanic community, the different areas and hot spots in the world, a lot of people aren't going to wait for a long period of time. Because we did it one way, we have to really evaluate it. And there are ways to make sure and there are checks and balances.

And I only raise this because it is something after this hearing, the more that I have been on this committee, that this whole security clearance has to be looked at. We will be sitting in a room with 15 people, even for CIA, you ask one question and half the room has to go out. That is ridiculous. And the need to know is fine. And if there is a breach, then we are going to deal with it. That is part of the network that has to be changed. Do you agree?

Ms. KAYYEM. If you are talking about people right out of universities who, based on my experience and I am sure others', it is not like you have a job and are waiting to get the next job. You talk about the financial issues involved especially with immigrant communities; it may not be as financially sound as others. It is a burden they just can't wait for as compared to if you were presently employed.

Mr. RUPPERSBERGER. I meant no disrespect to Ms. Harman about ivy league schools, but I agree with you that they may need to recruit—there are a lot of good people that are out there that you need to identify them. If you are trying to get 4.Os from the ivy league schools, you will get a lot of intellectual individuals, but you may not get the best. It is important we look at not only in diversity in color and culture, but look at diversity in education and backgrounds and things of that nature, too.

The CHAIRMAN. Thank you, Ms. Harman.

Ms. HARMAN. Thank you, Mr. Chairman. I do agree with that remark. I think my friend, Ms. Kayyem, also went to Harvard Law School.

Ms. KAYYEM. I am married to one of the professors.

Ms. HARMAN. I would like to extend a warm welcome to this panel. I think the testimony is excellent. Juliette Kayyem and I served on the National Commission on Terrorism, also known as the Bremer Commission. Jerry Bremer was the Chair and did valuable work, along with Suzanne Spalding who is the executive director. And Wes Bush heads a very critical part of Northrop Grumman, aided adeptly by Dan McLean behind him. And that part used to be called TRW in large part.

And I just want to tell a tiny story about TRW, which is that 5 or 6 years ago the then-Israeli Minister of Defense came to the South Bay of Los Angeles because he wanted to visit TRW, because he wanted to thank the TRW workforce for its work on a program called THEL, the Theater High Energy Laser program, which is now quite well along and is a program that will use a laser mounted on a mobile platform to shoot down Kayusha rockets to be launched against Israel's northern border or against any war theater by anyone. This is not just a program that has application in Israel.

At any rate, we went to Redondo Beach where TRW is headquartered, and now part of Northrop Grumman, as I said, and the program manager of the THEL program explained the program to the Israeli Minister of Defense. And her name is Joanne Maguire. And it was enormously impressive to have this very well-qualified woman in charge of this very successful program explaining it to a high-level foreign official. She has moved to an another aerospace company but she still is enormously talented.

And it is to the great credit of some of the aerospace firms that they are not just growing but promoting and rewarding women and minorities in senior positions. So thank you.

I just want to ask you one question, and it is the same question I asked the prior panel. Let us see what your answers are. That question is about perceptions and cultural awareness. I was recently at the CIA with Ms. Spalding and others, getting a briefing by the highest-level folks who wrote the 2002 national intelligence estimate on Iraq, and all of the white males that did that were facing me. My question to all of you is, if we had more diversity at the top levels of our Intelligence Community, would the cultural awareness that they—that this diverse workforce brought to the effort to write good analytical products and other things perhaps make those products different? And in the case of understanding Saddam Hussein and his intentions with respect to WMD, do you think we might have had more accurate information?

Ms. KAYYEM. Short answer, yes. I mean as I discuss in my written testimony, I don't know if it would have led us to different policy conclusions. I think we may have headed that way anyway, but I certainly think that at least some of the perceptions that we have of Saddam Hussein's conduct and his relationship to Syria, Iran, Jordan, Lebanon and his—for want of a better word Arab, machismo attitude that he really held on to may have been part of the discussion, you know, how—what could be animating him besides the fact that he potentially had the weapons? I think more—as importantly, the perception, the understanding of the Arab street would have been vitally changed if that table—the table had looked very different, because I think people who have sort of current ties to the Arab street or Muslim street in the sense of family or visits or that sort of dinner table analogy that I use probably would have been clear about the potential reaction, which is where we are right now.

Ms. HARMAN. Any other comments?

General HARDING. I absolutely agree with the comments you made.

Mr. DIAZ. I found a lot of institutional pressure at the agency to basically not rock the boat. And especially as a minority person, you really didn't want to stick your head out too far. I spent 10 years as a Wall Street economist and strategist for an investment bank. And the pressure there, interesting enough, was be counterintuitive, basically come up with something that nobody else had. And that is where the rewards were. I think—my experience, I think it led to better analysis and better work.

Mr. BUSH. I might offer a perspective, and I think Secretary Teets said it very well, that diversity always changes your thoughts. It changes the outcomes in any decisionmaking process. We value that within our corporation, and we have a diverse leadership team. I go in personally into those conversations thinking we might have one outcome, and very often come out with a very different outcome because of the diversity of thoughts and perspectives. So it always adds value, and I think we would all agree on that.

Ms. HARMAN. I appreciate that.

I don't have any further questions, Mr. Chairman. But I just would note that you and I met with some representatives of the 9/11 victims a couple of weeks ago, and one of their comments—in fact, their strongest comment—was that we don't do enough in public in this committee and in our Senate counterpart committee. I hope they are tuning in today. I see cameras in the room.

This hearing and the testimony we have received and the comments by the members on a bipartisan basis I think is a high mark for this committee, and I am very proud of playing a small role in it. And I would like to thank all of our colleagues and staff for the role that they have played, and our witnesses, putting out there to the public something we all feel, I think to a person, is critically important.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you, Ms. Harman. I know the time is running.

Gentlemen, do you have pressing questions you need to get in?

Mr. HASTINGS. Mr. Chairman, I wish, if I could, to make one suggestion; and that is that the testimonies of our witnesses, that have been outstanding and scintillating, be prepared and be sent forward to the bureaucrats who, because of time constraints, had to leave, with the thought in mind that they would be encouraged to learn from many of the things that, in my view, were accurate reflections of the state that we are in.

Secondly, I think it would be helpful if the committee were to look at all of the testimony with an eye toward potential legislation that might remedy some of the problems or model ourselves after some of the things that have been done, for example, at Northrop Grumman to give the Intelligence Community a great deal more flexibility in terms of going after certain students.

And picking up on Ms. Kayyem's point, one of the things that needs to be understood is, today's young people grew up in a culture where they want to be rich quick. And that's all of them; it doesn't matter where they come from. And wanting to do that allows that we are going to have to have monetary incentives of major proportions in order to be able to recruit the skills mix that is needed.

Mr. Diaz points out something that I think is vital with regard to the pressures, and I think Ms. Kayyem would have said the same thing with respect to Arabs. General Harding has known it himself personally, as well, in growing up; the Agency would be wise to hire all these people as consultants to give them some better understanding about how to get around some of the attorneys and civil service and all of those kinds of things.

One hundred percent of the new senior-level people in the Intelligence Community are white males. Now, I don't have anything against white males, and I ain't Howard Dean either, but the fact of the matter is, the last six hires I made—one Haitian, two Hispanics, two females, and one person of the Jewish faith, and I am looking for an Arab. And the reason I am doing that is because I want that diversity in my office. And if we want it on this staff, if we want it at Northrop Grumman, if we want it at the CIA, we can make it happen.

Thank you, Mr. Chairman, and thank you all.

The CHAIRMAN. Mr. Reyes.

Mr. REYES. Thank you, Mr. Chairman. And, again, I thank you and the ranking member for holding this very important hearing. And I should also point out that the compelling testimony that we have heard from all the panelists on this panel, in particular Mr. Diaz, we would have had similar insight from Mr. Fourquet, although he was pulled off the panel by the administration, and that was because he was going to be frank and honest, as a lot of you have been.

And so one question I would have, Mr. Chairman, is it possible to have a closed hearing for on this issue? Because it is my understanding that Mr. Fourquet has been given the flexibility to testify before the committee if it is a closed hearing. Would it be possible?

The CHAIRMAN. I suspect it is definitely possible. I could advise you that I had asked, as I promised at the beginning, that we would try to have further explanation. I am told that that is being faxed as we speak. In fact, saying right now, members will have five legislative days to submit extraneous material for the record so they will be assured his thoughts will not be excluded, and that the opportunity for him to share with us his views will be available in the future.

However, the problem was whether he was speaking for himself or whether he is speaking for the government. As you pointed out, or as I pointed out, there is some legal action going on that the government is very interested in maintaining a consistent statement on, since they are in court on some of these matters.

Mr. REYES. And I certainly understand that. But I think—as we have seen here this morning by the testimony of both panels, I think it is a lot like the guy that refuses to go to AA because he knows he doesn't have a problem.

The first panel, everything is great. When Mr. Hastings made mention that we talked among ourselves after hearing the testimony of the first panel, we might as well go home because there isn't any problem here, and the reality is, we have got to send a clear message to the Intelligence Community that they have a huge problem.

The first step may be having them accept the fact that they have a problem and that we cannot go, as the Department of Defense is trying to go, with giving them the flexibility to provide a work force that has like minds with like opinions that lead to a yes-yes environment, in large part because it is going to get us into a serious, serious dilemma and possibly very quickly.

There are several concerns that I have that I want to put into the record here. The first one is that since I have been on this committee and working the issue of diversity, there are some minority employees of the Intelligence Community that have complained that there is a tendency, because the Intelligence Community operates in the black, to pit one minority versus another. That is a very real issue, a very real problem that has been confirmed by a number of individuals that would make that testimony available.

The other one is that when we talk about talent, that which is represented particularly on this panel, the Fourquets, the Diazes, the Kayyems, all would make a significant and extraordinary contribution to the Intelligence Community if given an opportunity.

We have heard the testimony from the first panel that apparently there is no problem, so there is no plan to provide opportunities to people like Mr. Diaz, Ms. Kayyem, and perhaps General Harding to come in at a level where they can make a difference.

One of the statistics that I didn't get to read to the first panel was that all the minorities in the Intelligence Community seem to be concentrated in the GS–3 to GS–6 level. Well, it is not too hard to figure out that they are not going to have any kind of input in the direction of the recruitment, of the diversification of the Community, and all of those things that are so important. These panelists would have; they get it. They ought to be given an opportunity to get in to the Intelligence Community to make a meaningful contribution and a difference in an area that is vital and critical to our national security.

The last point I would like to make, and with apologies to the panelists because the time crunch has caught up with us—because I have a ton of things that I would have liked for each one of you to have commented on based on this; and that is why I am kind of summarizing it. The last thing I would ask, Mr. Chairman, is there a possibility, or what is the process, the procedure, for our committee, the Intelligence Committee, to put together a commission or a working group or an advisory panel comprised of individuals like this that are willing to come in and take a look at what we are doing, take a look at the things that have been done and the things that haven't been done? And not in a vacuum, because we have the experience there; we have a well-grounded, multitype experience.

If the Intelligence Community looked exactly as this panel does, we would have no problem. But it doesn't, and we need to get there.

So is there a process where this committee could possibly put together or entertain putting together a commission to help us in this violation area?

The CHAIRMAN. That would be a committee decision and certainly something the committee can undertake, if you wish to pursue it.

Mr. REYES. And, again, thank you so very much, Mr. Chairman. I know at times we are kind of pains in the butt about specific issues. But I really think this is a vital and important and worthwhile issue to pursue.

And, again, thank you so very much for your candid testimony. We definitely appreciate your contribution to this great country of ours. Thanks.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Reyes.

One of the reasons we had this hearing—as we have done this in the past, and we will continue to do it in the future would be my hope—is to emphasize the fact that it is a matter of interest to the committee; and we take oversight in this area very responsibly. And if there are constructive ways to help with the issue as the legislative branch, we should pursue them. I think that is all fair game for us.

I would like to conclude with thanks also. I have actually had a good deal of conversation on the subject of diversity in the past couple of years. My perspective comes a little different.

I happen to be one of those white males, so my view has been to look at it more from the perspective of what is it that the Intelligence Community needs to do its job in the best possible way. And I firmly believe that we need an extraordinary broad and deep commitment to the entirety of the richness of our Nation's background to do that.

I start with loyal Americans. And when I hyphenate Americans, I always put American first. And I think if we do that, we sometimes have an easier task explaining what we are about.

I was making an address yesterday to some former intelligence people, and I made the point that one of the new dimensions that I think we have in front of us in the Intelligence Community is to make sure we get away from what some might call an old shibboleth, some might call an old truth—it depends on your perspective. Again, in my time in the Agency, there was a tendency to recruit in your own image. I think if we limited the potential of the Intelligence Community to just Ivy Leaguers recruiting Ivy Leaguers, we would get Ivy League results.

Now, I have a lot of confidence in the Ivy League, and I think it has served our Nation and the world very well, but it is not the whole thing. Now, I think that it is a great launch pad, and I certainly feel proud to have been an Ivy Leaguer, but I have learned there is much more. So I think getting away from recruiting in your own image, and setting some of the goals that I have heard Mr. Reyes and Mr. Hastings and Ms. Harman espouse here today, is pretty much saying the same thing, but just coming at it from different ends of the spectrum.

I think this hearing has been good. I did want to point out, lest I get reminded later by some angry ladies, that there is somebody called Joan Dempsey, who is now, in fact, the Executive Director of the President's Foreign Intelligence Advisory Board; and then there is a lady who considers herself part of the national security program named Condoleezza Rice, who might take umbrage at the fact that she is not the highest ranking member in the Intelligence Community.

So I don't know whether that is a debate we want to have or not; I just need to know, we are thankful for all of those people, and we probably should end saying that that proves the point that we are richer for being observant about the question of diversity.

I thank you all. We will adjourn this meeting.

[Whereupon, at 12:13 p.m., the committee was adjourned.]

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