

# CIRA



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## REMARKS BY DOUG NAQUIN

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We in CIA, and OSC, are big on metrics these days. They're very important. But there are some things that one can't really capture in metrics. Over the past year, for example, the Open Source Center had its first visit from a Cabinet official (other than the DNI) when Commerce Secretary Gutierrez visited us. Second, this year Open Source officers achieved a first by giving a closed session briefing to members of the Senate Homeland Security Committee. And, third, an Open Source director (me) was invited to speak at a CIRA Luncheon. These are three milestones that, to me, help signify the arrival of Open Source.

I appreciate any opportunity to talk about Open Source. I find it slightly ironic that of all the intelligence disciplines, it may well be the least understood. I think the irony lies in the fact that we are talking about information that does not have to be stolen.

When we get visitors out to the Open Source Center, the conversation at some point turns to resources. "You poor Open Source folks: You never get the resources you need. You're historically under-resourced," et cetera. While I don't argue that we can use more resources, my biggest challenge as director of FBIS and now as director of the Open Source Center has not been resources as much as it's been awareness of what we can do with open sources and how open source exploitation contributes to the intelligence mission. I encounter a lot of unproved assumptions about what open sources can and cannot do.

A lot of my time as director, therefore, is spent on educating people on Open Source and intelligence. So to be able to speak to an audience, particularly people who know the CIA, is a good opportunity for me, and really a pleasure.

Now to update you on what has happened with Open Source:

The 1990s was not a good decade for FBIS. The stars were aligned badly any way you look at it. The Cold War had ended, and there was a general search for the "peace dividend" in terms of intelligence budgets. Then there was the onset of the Internet, the growth in ubiquitous news media, and leadership that was unfamiliar with Open Source. Tough times ensued. Between 1993 and 2002, when I came in as director of FBIS, our staff was reduced almost in half. Also during that time period, we had to reduce a good percentage of our foreign national staff, people who had been with us around the world for 25- to 30-year careers.

There was a silver lining, however. All of a sudden we were positioned to build the Open Source organization we needed to be in the next century. A lot of what happened in and to FBIS in the 1990s was not necessarily FBIS's fault, but rather was history catching up and FBIS not being fully prepared to adapt to environmental changes.

9/11 was a sort of watershed for us. The 9/11 Commission and WMD Commissions both said, "You know what? There are a lot of open sources out there. We should be putting a lot more attention toward exploiting those sources."



It's difficult to argue with that logic. The WMD Commission, in particular, issued three specific recommendations on Open Source. One was to create a center in CIA that would not only exploit open sources but facilitate the exploitation of Open Source throughout the Intelligence Community. As a result of those recommendations, a task force looked at how to respond to those recommendations. I won't go into the gory details, but I'm sure all of you are familiar with how such task forces work.

Then General Hayden, who was at that time the Principal Deputy Director for National Intelligence said there were three things he wanted to accomplish in the first year of the DNI: One was to establish the National Clandestine Service; two was to establish an intelligence unit in the FBI; and three was to establish an Open Source Center. The question of what should happen to FBIS was involved in the third goal. Should it be taken out of CIA? Should it be left in?

I believe General Hayden concluded that the only place he saw a coherent program and focus on Open Source was FBIS, so he decided to build the Open Source Center on FBIS. But he emphasized that it would be a DNI center at – and the preposition “at” was important – CIA. This means we are indeed a CIA organization; we follow CIA regulations and so on. All of our people are CIA employees. However, we are a DNI center and have a responsibility for the entire Intelligence Community.

I'll explain practically what that means, because it can sound confusing as to what it means to be a DNI center at CIA.

The idea is that the DCIA will operate the Open Source Center on behalf of the DNI. The DCIA, therefore, is his designated “executive agent.” In other words, the DCIA is the person responsible to ensure we're doing what we're supposed to be doing. One person described the new center as “FBIS on steroids.” But the steroids really took a year to kick in, in terms of resources. And the resources were pretty much “over-the-counter,” not heavy-duty.

But a couple of important things changed, for those of you who wonder what happened to FBIS. When we became a center on 1 November 2005 – so almost two years, now – the resources I oversaw as the last

director of FBIS – on Halloween 2005 – were no different than the resources I started with as the first director of the DNI Open Source Center on All Saints' Day 2005. Yet, all of a sudden, my report card changed to include two key areas. The first part was based on how well we exploited open sources, in other words, how well we did collection and Open Source analysis and got it to people who needed to get it: the old FBIS mission, but much broader. The second 50 percent of my report card, and this is where the DNI piece comes in, is based on how well we facilitate or enable the exploitation of Open Source in agencies outside CIA. For example, how well we help FBI; how well we help the Department of Homeland Security; how well we help SOUTHCOM, STRATCOM, CENTCOM, et cetera, develop their own Open Source capabilities.

All of a sudden, our CIA focus broadened to help others. The Open Source Center was created around a slightly different model than other Community centers. Usually when one hears the word “center” one thinks of this monolithic entity. For example, all things related to Open Source have to go to this entity, and then it answers half the questions asked. The reality is that the world of Open Source is too large. Anyone who goes on the Internet must know what I'm talking about. The Open Source universe is really too big for any one organization, no matter how good or how many people it has.

Our whole business model going in was to – and I called it simply the “I'm not proud,” approach – serve as a hub of a larger enterprise. This is what the DNI oversees when one hears the term, “Open Source Enterprise.” We're the hub, which means we will facilitate other organizations in building their Open Source capabilities, export our people, whether it's substantive or management expertise to help them develop Open Source capabilities. All we ask in return is their product. It's akin to building franchises. We ask for the organizations' products and make them available to all of government. We, therefore, serve as an information broker. It's a way for us to get new capability for the enterprise with roughly little investment, and sometimes it's only a person for 6 to 12 months, while bringing other organizations into the enterprise's fold. This includes government agencies outside the traditional Intelligence Community as well, like state and local law enforcement agencies. For example, the Border Patrol is one of our partners.



Even foreign governments are coming forward with intentions of forming partnerships.

The reception from other agencies has been almost universally positive, because our approach is inclusive and nonthreatening. It's a model that, if you envision a molecule or cell with a nucleus, where the Open Source Center is the nucleus and the cells around that nucleus are other organizations' open source information making the overall cell stronger. As I said earlier, 50 percent of my report card as director of the center is how well we build that larger enterprise while still contributing to that daily collection and production we do.

The second thing that changed, in addition to the two prisms through which we are now judged, is that our visibility and responsibility within CIA rose. When the center was established, those who created it said we probably could not act as a community center if we remained an office in a directorate in CIA. From a psychological standpoint and a programmatic standpoint, it just would not work. This was not a criticism of the DS&T, FBIS' host directorate. It was not a criticism of any directorate. General Hayden just believed that the center needed to be separate from any of CIA's directorates to be effective as a DNI center. It took General Hayden's assignment as DCIA to actually make that happen. So almost exactly one year ago we were extracted out of the Directorate of Science and Technology to work directly under the DCIA. Although my lifestyle has changed in that I spend a lot of time on the Dulles Toll Road between Reston and Langley going to various Agency meetings, it's a small price to pay for having a seat at the corporate table.

I won't quite call us a directorate, and I think that would probably discomfort some people if I did call us a directorate. But I believe it's fair to refer to us as a "directorette."

Okay. So what have we actually done over the past few years?

For those of you who remember the old FBIS, one of the things I promised myself when I became director of FBIS was to establish an organization that would never have to face the situation FBIS faced in the 1990s – "seven lean years" marked by downsizing,

serious morale problems, and general lack of appreciation.

We quickly went to work to build an organization around what we wanted our "brand" to be: our identity. For 50–some years, our brand and our self-identity had been, in my opinion, as a translator of foreign media. I believe that restricted us greatly and got us into trouble in terms of limiting our potential. And that was before all these new media such as YouTube, Skype, PalTalk, and blogs. If we continued to focus on translations, we were going to miss opportunities to contribute even greater value.

We have people with multiple languages. These same people also have critical thinking skills. Their value-added was not in the translations, per se, but in the analysis or "So what?" of the material with which they worked. If they applied all their skills, they should be able to tell me something I can't read in the *Washington Post*. In other words, I challenge our folks to tell me something I wouldn't otherwise know from reading the newspapers. Analysis of these open sources has helped move our brand to one of "insight and context," and not just translation, although I do not mean to underestimate the value of a quality and well-selected translation.

We have also evolved and developed our analysis to the point we're starting to move some of it overseas. Remember those people that I said had 25–30 years of experience? They possess unique cultural knowledge as well as unmatched knowledge of media in their countries. They know if the North Koreans use a certain word in a certain context it means something totally different than when that word is used in another context. So we are getting this 25–30 years of knowledge out of their heads and, increasingly, into our analysis.

One of the benefits of having been in the DS&T for 30 years is the affinity with technology we developed and, especially, the discipline and understanding to manage technology. As a result, I believe we are ahead of many in the Intelligence Community in terms of applying technology to enhance our mission. If someone gives a speech on TV or on a web video, we can get the video up on our website within two hours, with subtitles we translated into English. We're able to do video analysis



using technology we couldn't have done just a couple years ago.

If we had continued to focus on translations, we would not have developed a capability that gives anyone with Internet access the ability to access video and other multimedia we collect from anywhere in the world. In fact, our website just won an award for Government Standard of Excellence. And we just migrated our site to the classified side on 1 October.

So in our collection, analysis/dissemination role, we've made a lot of progress. In our other role, supporting the community, we have, for example, centralized Open Source skills training. This training includes everything from media analysis to advanced Internet exploitation, way beyond Googling. And we're making these courses available to the entire government. In fact, half the people we trained in FY07 were from outside CIA. That should make our DNI stakeholders happy, because that's what their investment is buying.

We also buy commercial databases like Jane's, Lexis-Nexis, and Stratfor and make them available to the entire community. So we relieve other agencies of that overhead. We negotiate with vendors and make their databases available on our website. Other agencies can then cancel their contracts, save money, and put it back into their missions.

Finally, we have a community effort to do what I call "large-scale internet exploitation": Ingesting large pieces of the Internet and looking at how we can use large volumes to discern patterns from link analysis and machine translation or otherwise find nuggets others might not find.

With that image of, "Tell me what I can't read in the *Washington Post*," if I see a piece of analysis in the my first question is, "Why didn't we do that first?" And second, "Where can we take this beyond what they've done?" So FBIS has evolved significantly in the past few years. I loved FBIS: I grew up and spent most of my career there. But our environment and continuous assessment of how we can have the most impact have turned us into an entirely different organization.

Looking to the future, I was thinking on my way here as to points that might be of interest.

I find the level of discussion around Open Source exploitation still not where I'd like it to be. When one starts thinking about a legacy, and despite everything that's happened and all the good things around open source, I'd like to leave a legacy of having raised the level of discussion around Open Source exploitation and intelligence. I'd like that discussion to be a little bit more sophisticated than I find it today. I'll explain what I mean. Even for those who say they are fans of Open Source, I'm not sure many really understand why they're proponents, at least beyond "Well, there are a lot of open sources out there, so we should put more resources against them."

For those of you who saw the movie, *Animal House*, at the beginning of the movie there's a statue of the college founder, and the inscription on the statue says, "Knowledge is Good." And everybody in the theater laughs. Well, sometimes I feel that's as far as the discussions about Open Source have gone. It's "Open Source is Good." But I find very few people really understand why it is good, at least in an intelligence context. On the one hand, we have what I call the Open Source zealots. I don't mean that pejoratively, because it's nice to have cheerleaders. But they are at one end of the spectrum, where Open Sources can solve all our problems — if only we put more resources in, and so on. I can tell you that, based on my experience, open sources can't solve all our problems.

Also, I sometimes perceive that too many people believe they know how to manage open source without having actual experience in using it in an intelligence context. It's as if they say, "Well, I got an 'A' on a term paper once in college, so I know how you guys can run Open Source better." Or "I wrote a magazine article that was published, so I can tell you guys how to run Open Source." I've seen a lot of that over the last two decades. I can't imagine anybody who hasn't actually been in the clandestine service telling the director of NCS, "You know you guys really need to do is this or that." That would be laughable. Yet in the Open Source business, somehow that's fair game, because I believe there isn't really a deep understanding of how Open Source relates to intelligence, unless one has actually been involved in working with open sources in an intelligence context.

At the other end of the spectrum, we work in an environment that favors secrets. All of us have heard



the statement by leaders at one time or another that “Our business is stealing secrets.” Or “Our business is espionage.” While I deeply respect that, and I understand where that’s coming from, from my Open Source perspective, I’m thinking that’s like a football coach saying, “Our mission is to pass the ball.” Or “Our mission is to run the ball.” Well, not exactly. It’s to win football games.

So on the other hand, I have an education issue even within my agency, in terms of updating my colleagues on what open sources can do. We aren’t just the people who read newspapers and do translations. We are the people who can really help you solve some big problems. And this is not my customers’ or colleagues’ problem. This is my challenge.

So this is where we are. We’ve made tremendous progress. We’ve got a DCIA who is a champion of Open Source and has lifted us up in terms of status, and certainly takes his executive agent role very seriously. But we still have an education problem on both ends, both with the folks who are proponents of open source but perhaps don’t know exactly why, and folks internally who are still wondering why I am sitting at the same table they are.

So how are we doing this? First, we have a big education program. We’ve had a lot of visitors to the Center, including high-level visitors. And there’s not one visitor who leaves without saying a variation of, “I had no idea you guys were doing X.” Or, “I had no idea you guys could do X. We need to do more together.” So that is part of our plan. I know we have a good story to tell. Getting out and telling that story is part of what we need to do.

Yet we also need to do more than just tell our story. We are continuously trying to increase that “So what?” value. We want to be sitting at the table doing more of the congressional briefings, although I know that’s a mixed blessing. We want to brief the Director more. We want to go downtown arm-in-arm with our colleagues in NCS and DI, telling stories to the first customer. And to do that, we’re going to be continuously looking at where we can provide that unique and extra value.

We also have to stay ahead of the media: where it’s going. As I said, our all-source colleagues have all

sources to deal with. But we’re going to be the first to identify some new trends. And we have, in some cases. A couple years back we identified Iranian blogs as a phenomenon worthy of more attention, about six months ahead of anybody else.

We’re looking now at YouTube, which carries some unique and honest-to-goodness intelligence. There are methodologies involved. We’re looking at chat rooms and things that didn’t even exist five years ago, and trying to stay ahead. We have groups looking at what they call, “Citizens Media”: people taking pictures with their cell phones and posting them on the Internet. Then there’s Social Media, phenomena like MySpace and blogs. And then there’s what we call Mobile Media. In Africa, they skipped a whole generation of communications. People carry photo albums on their cell phones and share the photos. Their cell phones are big parts of their lives. All these phenomena affect not only the content of Open Source, but how people interact.

And by staying ahead of the media curve is how we’re trying to add that value. So 100 years from now, people will depend on the Open Source folks even more than they do today. In that vein, we are also trying to work much more closely with our colleagues inside the community. Rather than sit in our cubicles in Reston and doing our Open Source analysis, we’re getting out overseas and into customer and partner spaces. Or we’re going to wherever there’s an activity against an issue and saying, “We’ve got some specialized skill. We can help.” By putting our people to work on a team in those activities, embedded in an integrated mission, our people have reachback to the Open Source Center “mothership.” This helps us become more focused and actually make ourselves more relevant to larger problems. It’s the integration with other areas that’s key. It’s a long process for us, but is very exciting. I joke that, based on the type of folks we’re hiring now, that I couldn’t get hired today. However, I shouldn’t make that too public. There’s excitement, enthusiasm and belief in the mission—particularly when our people see themselves working with other colleagues from other directorates. It makes us confident we’re going in the right direction.

Then finally we have this community responsibility. For the first time, we have somebody that feels, as somebody put it to me, that we’re morally responsible



for every piece of Open Source information out there. And we have to make that available to people throughout government. If it's somebody in the San Diego police department that needs to see it or somebody in the Border Patrol in El Paso that needs to see it, we will make sure they get it.

So in 25 minutes, that's kind of a tour d'horizon on what's happened to FBIS. Hopefully, you can see it's alive and well in its new guise. It's all the folks who went before us who really got us sold on the value we can have exploiting openly available information. It's up to us, though, to figure out how to adapt to the 21st Century. That's what we're in the process of doing now, and we're very optimistic about the next century. With that, I'll be quiet and open it up to any questions you might have.

Q: What is the role of the print media? At one point, 90 percent of valuable information was in the printed press."

A: A couple of points. What we're seeing is actuality is a decline, a relatively rapid decline, in the impact of the printed press – traditional media. If you just look at newspaper circulations around the US, you'll see rapid reductions in even newspapers like the *New York Times* and the *Washington Post*. Some would say they're struggling. You'll even see advertisements taking up more space. Generally, people are gradually, and again, I don't want to exaggerate, people are getting their information more and more online. Plus, you have a generation coming up – the digital natives or Generation Y – who don't like to read as much. For example, I cannot get my younger daughter to read, and she's a relatively intelligent human being. But that's not how she processes or gets her information. This is, I think, being reflected in declining circulation. A lot more is digital, and a lot more is online. It's also a lot more social. Interaction is a much bigger part of media and news than it used to be.

But I have to admit it's different in different parts of the world. It's not one-size-fits-all. In many parts of Africa, the most popular way people get information is still FM or shortwave radio. In most parts of the world, in the Middle East and in China, it's TV. So one of the things we do, in terms of when we have to triage choices of what sources to go after, is to look at what media are most used in a particular part of the world.

What are people in those populations actually listening to or aware of? What do opinion leaders use to get their message out? I would say, generally speaking, that traditional press is declining, however.

Now on the other hand, we have what we call gray information: pamphlets, leaflets, and white papers that are produced locally. This information is actually growing in importance, in terms of our knowledge about certain areas like weapons or science and technology. Whatever drop you might see in traditional press is more than compensated for by this very localized press. This has forced us not to depend too much on the Internet and to even expand some of our efforts overseas to make sure we have the access we need. So the whole question of media is something we have to follow constantly. Not just in terms of the content, but 'Who uses what?' What does it matter if something's on the Internet if only two percent of the people in County X have access to the Internet? They may get their information somewhere else.

Q: Regarding blogs, I know there are private sector organizations that look at blogs. Is this something the Open Source Center does, or is it done somewhere else in the Agency?

A: Again, without over generalizing, I'd say from my experience, that we – the Open Source Center – have the lead on monitoring foreign blogs in the Agency. Regarding the private sector, we do in fact have partnerships with certain private sector organizations. We have to check them out, because not all of them have ties with which we are comfortable. But we have one person, for example, who've we actually hired to blog on terrorist Internet messaging.

Private sector partnerships are important to us. Part of what we have to do, however, is understand the background, or pedigree, of each company and to make sure that it's not representing a certain political view. So we're very careful to caveat what we get and what we put in our products.

I believe the DI, at least what I'm seeing so far, is depending on us to cover that particular niche on blogs. An example would be in Russia. I'm told that over the last six months, blog activity in Russia has gone up 75 percent. This is a prelude to the elections in Russia. A lot of political parties who can't get airtime



or press coverage are using blogs. So we're looking at those blogs to understand what's being said and what kind of impact the blogs are having. We also look at trends over time. We're working in coordination with the DI on this.

Q: Inaudible.

A: No. Actually, there are two levels to that. One is that on every piece that we do, we do a source description. Once in a blue moon, we'll come up with a scoop, but 99 percent of the time, it's tabloid. We'll treat it just like any source of unknown reliability, or known reliability, and it's not good. Sometimes that reliability will prevent us from translating it in the first place. If it's got a bad track record, we don't want to lead anybody to make unintended mistakes. So we'll do that. Second, different analysts will then put it into whatever context of a piece that they're doing. So a DIA analyst may be different than a DI analyst than an INR analyst. Since we have to serve the whole community, we are as careful as possible to outline the pedigree of the source. Knowledge of sources outside OSC varies, particularly when you get into nontraditional media like blogs and YouTube. The last thing we'd want to do is perpetuate a video as a fact, when in fact it's been doctored. One of our key values, I think, is source analysis and source assessment.

Q: Are you covering Al-Jazeera?

A: Oh, yes. I'd say we are covering that very closely, that and a couple of other PanArab TVs. They get close to 24/7 attention from us.

Q: Are you working more closely with the DI and NCS?

A: Yes. One of the things General Hayden has instituted since he's been DCIA is what he calls Performance Review Boards. These boards look at particular topics. He wants one CIA perspective on a topic or challenge. In the past, as you might imagine, the DI would say, "Here's what we're doing." And NCS would say, "Well, here's what we're doing." And OSC would say, "Here's what we're doing." Quickly, our feedback was, "We don't want that. We want one CIA response." The next PRB found everybody working together much more closely and in much more

integrated fashion. We started finding how we could complement one another.

Okay. Well, I greatly appreciate your attention, your questions and your time. It's great to see you all. Thank you very much.