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► **To cite this version:**

Philippe Baumard. National Intelligence Communities: Consolidation vs Renewal?. In J.E. Prescott & P.T. Gibbons (Eds.). Global Perspectives on Competitive Intelligence, VA: SCIP, 1993. hal-03230965

**HAL Id: hal-03230965**

**<https://hal.science/hal-03230965>**

Submitted on 20 May 2021

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# National Intelligence Communities : Consolidation vs Renewal ?

Philippe Baumard

Paru dans l'ouvrage *Global Perspectives on Competitive Intelligence*  
John E. Prescottt (Ed.), University of Pittsburgh (USA): S.C.I.P., Nov. 1991.

## INTRODUCTION

If, as Porter [1] and Ohmae [2] lead us to believe, national competitive advantages depend on a greater ability to control the complexity of a global environment, there can be no doubt that generating information on a national scale will become a key factor in its success. Even though it is not talked about or circulated around, generating information means, above all, an increasing tendency to keep one's ear turned to any changes in the existing environment. In one word, what has been imprecisely called during years and years "information gathering"...

Instead of "information", we will use the term "intelligence" which in its most widely used sense is defined as the ability of a system be it human, social or artificial to adapt itself in an appropriate way to environmental changes [3]. Generally speaking, social systems, be they firms, the state or even the nation, exercise an intelligence function which corresponds to such a definition. This function comprises in large part the transformation of environmental information into operational decisions. Indeed, the acquisition of information which will become strategic by its use, supplies the social system with the potential to develop itself with intelligence.

The aim of this chapter is therefore to present considerations and operational proposals for the development and consolidation of intelligence communities... and communities' intelligence. But what is the meaning of an "intelligence community" ? It has first be defined, during the cold war, as the social group characterised by a shared expertise and specialists' knowledge of "classified information" and its generation [4]. Though such a definition has suffered from the evolution of nations and the democratization of knowledge. In today's world, the right definition would imply a community of all national actors, from education, science, military, government, whose shared task and knowledge is intelligence gathering, social intelligence and security. It therefore comprises state bodies and committees from political systems, from industry and science, from research and academic institutions.

The following proposals are aimed at alternating two predominating concerns :

□ to federate the many disciplines that make up business and social intelligence with the objective to generate a better understanding of national processes for information formulation.

“National intelligence communities..” in J. Prescott (1992), *Global perspectives on competitive intelligence*

□ to create competitive and cooperative national infrastructures of strategic surveillance, based on the involvement and consultation of the intelligence communities, both public and private ones.

#### **RE-LEARNING HOW TO CREATE AND MANAGE AN INTELLIGENCE COMMUNITY**

In order to serve firms properly, intelligence requires an in-depth knowledge of management, finance and strategy; just as to keep science running along, it needs a shared scientific culture and an ability to interpret innumerable random and mixed-up signals. Governing, as well, requires a high-level of constantly renewed competence that can only be drawn from the heart of a community which serves a nation only, itself representative, as already has been described as an "intelligence community".

And therefore belonging to a community implies a voluntary and assiduous approach which reflects the aspiration of "being and doing together". The precise mission of such a community is a long-term project carried out by a group of individuals who have deliberately chosen the same "habitat": their nation. The community thus becomes through reflexion and action the creator of national solidarity and competitiveness.

One of the main aims of such a community is also to cope with the situation to which nations are presently confronted : the loss of control of the expansion of their intelligence knowledge. As Alvin Toffler noticed in *Power Shift* , [5] the increasing independence and evasion of knowledge leads the nations to reconsider their relation with their environment. In such a perspective, the main operational areas for the development and consolidation of the intelligence communities of these nations are the following :

□ To re-learn how to create and manage more cooperative intelligence communities, in the context of an ever-evolving environment. And this is in the dual vision of establishing their present intelligence capabilities while increasing their continuous re-deployment in the economic and social interlinked areas.

□ To identify within these nations the foundation stones of such a community, to be elaborated on, by creating a research body dedicated to this end.

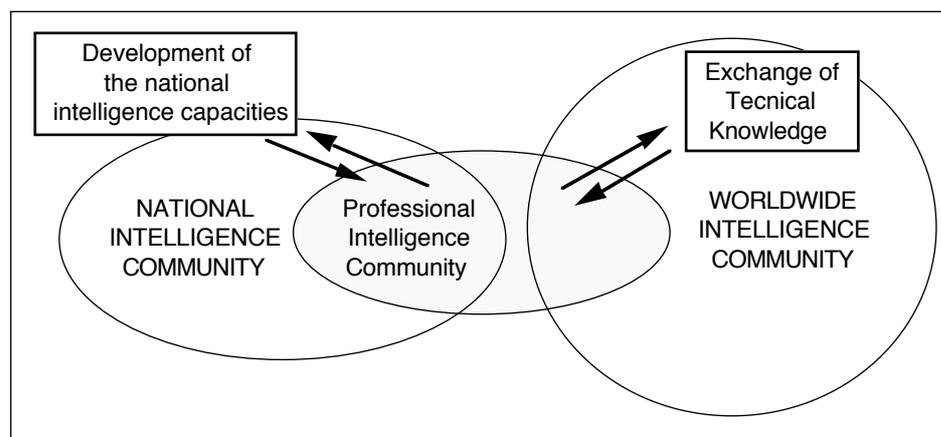
□ To establish an operational programme which assures the cohesion and consultative characteristics of such communities on perennial basis.

By spreading out in areas such as culture and education, intelligence has adapted itself to its new social habitat which is one of "elitist egalitarians" [6], of a world-wide shared knowledge and communication. So too does naturally the economic and social environment by selecting the types of intelligences which are most suited to it. The old fashioned methods of intelligence gathering are less and less efficient in the new social

and cultural context. In a fast-moving environment, where secrecy and transparency interact in hybrid forms, intelligence requires selected management inputs which are not only flexible but also perennial. First of all, intelligence management is no more of sum of techniques, but a global culture of information and its tactical uses. It means that the only criterion of professionalism, or technical ability, is no longer adapted for the creation of an intelligence community. On the contrary, creativity and ability to "read" the environment with the help of different cultural matrix and metaphors are likely to be the new criteria. Two notions, however, need to be distinguished in our understanding of intelligence communities :

- 1) A professional community whose operating base is an exchange of strictly technical knowledge, methodologies, articles, reading advice, discussion on concepts and approaches.
- 2) A strictly national community whose will to share knowledge is carried out in the aim of helping the nation (by macro-economic information generation, awareness and intelligence training reserved exclusively for national companies, which are the coherent defensive and offensive bodies of firms and administrations' classified research capabilities).

These two kinds of community correspond to two exchange graduations. The national internal community, through its cohesion and co-operation, therefore has to be adept at canalising its exchanges according to two criteria : *technical* interest or *national* interest. On the one hand, it has the characteristics of a closed organization which develop under-cover the deployment of knowledge strategies regarding the nation. On the other hand, it is an open organisation which as a mean of self-development in increased knowledge and research, gives importance to a deliberate and constructed alignment with the world intelligence community.

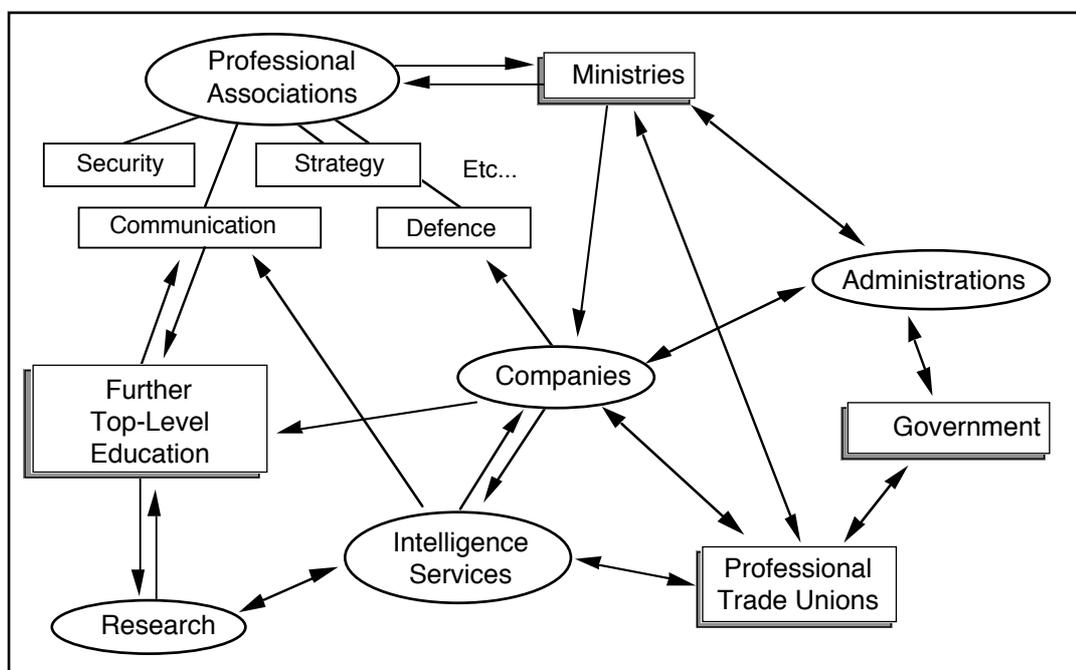


National intelligence communities serve therefore their own nations, but national and intelligence communities have to be able to act as one at any time when global games required to do so. Thus, every aware citizen, educated to an intelligence level, to which he

subscribes finding it legitimate, is capable of becoming an occasional actor in this intelligence breakthrough.

In this context, the intelligence community, in its historical meaning, remains the cluster of technical and human know-how which ensures the cohesion and perenniality of intelligence inside the nation. As Williamson described it, such a community creates an "atmosphere" [7] which helps people to be more familiar with the concepts, and therefore which produces a reduction of transaction costs between the members of the community. In order to reach such an objective, the intelligence community must be of manageable size, which enables small groups to start up their own dynamics without isolating themselves from the community. The history of intelligence failures clearly show that global intelligence capacity is more a question of the strength of a few links than a question of quantity of information available. The strength of these links is obtained while the intelligence community develops and affirms itself through :

- ❑ The realisation of shared works between the different actors who are the firms, the universities and the administrations of the States.
- ❑ A statutory and public acknowledgement, granted to a neutral organisation whose principal role is to solidify each link the national intelligence community has built between its actors.
- ❑ Industrial recognition obtained as a direct result of the quality of work output that the community is able to produce through co-operation with industry (the which is a part of itself).



**THE IDENTIFICATION OF THE BASES  
OF SUCH A COMMUNITY**

## **IN A NATION**

Nation intelligence is a notion that has already been the subject of numerous applications and research works. In 1982, Lipman associated as interdependent the notion of "organised intelligence" with national development [8]. Simon [9], Ackoff [10], Mintzberg [11] and Foucault [12], among others, described in detail the "intelligence function" of social systems under numerous different names. Jones [13] and Wilensky [14] were among those who devoted almost the totality of their works to the improvement of the thought of governmental intelligence. All these authors, directly or indirectly, discussed throughout their works the sticking points in the nations intelligence development :

- ❑ A lack of communication, interaction and co-ordination between all levels of under-systems which make up national intelligence bodies.
- ❑ Repeated and continued isolation between intelligence gathering, transformation analysis and strategic utilisation of information within the nations.
- ❑ Limited recruitment of sources, a lack of national training and awareness not only on an executive and academic level but also on the part of administrative levels.
- ❑ Media misunderstandings about intelligence and its implications leading nations to an emerging management of their intelligence capacities.
- ❑ Mismanagement of secrecy, and sometimes a complete unawareness of its presence, especially in western nations.
- ❑ Disordered management of information concerning nations cultural patrimonies.
- ❑ A disorientation to use and to value information which is immediately available in the short term (which reflects the need for a micro-economic "revival" by firms).

A number of approaches have been put forward with the aim of replying to these essential problems which underlie intelligence capabilities. However, few researchers worked on these key questions through getting to the really heart of the matter which is the legitimated existence of an intelligence community. On the one hand, the meeting requirements of the various participants of this community are a strong and directed commitment to their nations, and the understanding of intelligence concepts. And to go further that classical definitions of intelligence community, the 1990's requirements are creativity and desire to share and to divulge knowledge, what one may simply call "pedagogy". And the mean of development of such a community are, above all, cross-consultation and cohesion. It concerns :

- ❑ the national companies at board and strategic level, as well every other ones.
- ❑ the professional and employers trade union bodies.
- ❑ the media, education and research
- ❑ the economic and industrial administrations, research and technological institutions, and ministries such as foreign affairs, interior, technology, and even culture.

One of the key success factor for the development of a long-term intelligence community

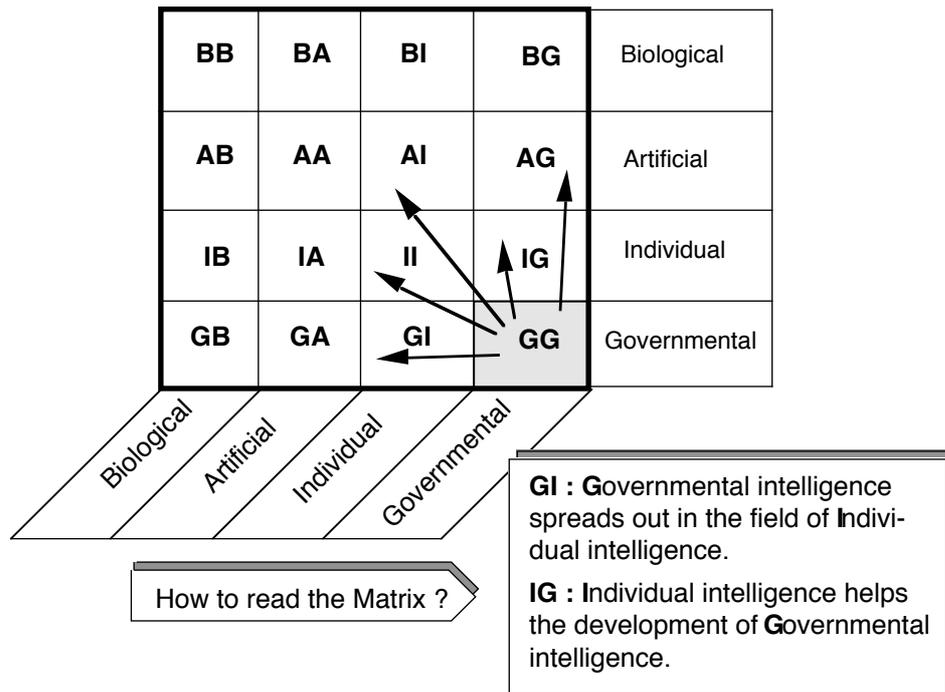
is the availability of academic research capabilities in the field of social and business intelligence. In Japan, for example, it is estimated that around 800 students become specialised, directly or indirectly, in what is known as "business intelligence" in western nations, but simply called "trade information" other there. In Sweden, at the University of Lund, intelligence research capabilities have been started up at the latter end of the 1960's. As from 1976, Swedish students have been able to take "social intelligence" as an option for their degree. That proves, if necessary, that all countries have at their disposal the means to establish business and social intelligence and counter-intelligence capacities. Whilst guarding the "information-wealth" of each nation, that is to say its non-shared knowledge, each nation, through specific education, has then the ability to :

- ❑ Form and unify their intelligence infrastructures by joint research programmes, plans of action and shared knowledge,
- ❑ Develop intelligence concepts and methods whilst guaranteeing their immediate transfer to all concerned firms and administrations,
- ❑ Carry out a long-term prospective study of available issues so as to formulate in medium term plan of development for intelligence capabilities be they private or state-run.
- ❑ Survey improvements in international cross-consultation by creating research programmes designed to this end, either in the strict serve of bilateral communication or openly on subjects of supranational interest, and in co-operation with foreign intelligence communities.

#### **DEVELOPING A NATION'S INTELLIGENCE**

The operational mode of this international intelligence community is that of co-ordination and permanent dynamism. Cooperation and competition are the two realities that such a community has to manage while developing competitive intelligence capacities. Recluse on itself, that is to say strictly institutionalised with any input from academic and economic research bodies, intelligence capacities develop themselves under the form G.G. (Government initiative for Government). It is, on the matrix for intelligence development which has been adapted from Professor Dedijer's matrix of intelligence sciences [15], the first step of development : the lowest place on the right. While developing, the intelligence capacity, on this matrix, is moving from the right to left, and bottom-up.

*"National intelligence communities.." in J. Prescott (1992), Global perspectives on competitive intelligence*



	<b>Biological</b>	<b>Artificial</b>	<b>Individual</b>	<b>Governmental</b>
<b>Biological</b>  <u>Key words:</u> Brain Memory Learning	<p><b>BB</b></p> <p>Development of human intelligence by research on the brain, on memory, on perception and learning.</p>	<p><b>BA</b></p> <p>Application of biological models on artificial intelligence and in the development in networks sciences</p>	<p><b>BI</b></p> <p>Research on the brain and learning processes in order to develop individual intelligence</p>	<p><b>BG</b></p> <p>Study of administrative organisations as a metaphor of the biological system (neuronal management of complexity).</p>
<b>Artificial</b>  <u>Key words:</u> Knowledge Expert systems Computer	<p><b>AB</b></p> <p>"Programs in the head": analysis of acquired or innate individual mental structures (agression, reflexes, self-deception, misperception)</p>	<p><b>AA</b></p> <p>Development of Artificial Intelligence applications in the field of information management and generation (expert systems).</p>	<p><b>AI</b></p> <p>Utilisation of artificial intelligence so as to develop individual intelligence: computer aided creativity and knowledge.</p>	<p><b>AG</b></p> <p>Control and application of information generation for government or nation (national strategic information systems).</p>
<b>Individual</b>  <u>Key words:</u> Awareness Training Education	<p><b>IB</b></p> <p>Individual intelligence awareness in the biological interest of human knowledge.</p>	<p><b>IA</b></p> <p>Protection and proliferation of rare individual expertises by basing them on knowledge systems (databases).</p>	<p><b>II</b></p> <p>Improvement of individual intelligence by education, training and awareness.</p>	<p><b>IG</b></p> <p>Support of the national intelligence community (consultation of individual intelligences) so as to strengthen governmental intelligence.</p>
<b>Gouvernemental</b>  <u>Key words:</u> Consultation Community Research Nation	<p><b>GB</b></p> <p>Governmental projects of determination of the role of biological intelligence in global national intelligence development.</p>	<p><b>GA</b></p> <p>Governmental Programme looking at applications of artificial intelligence in the fields of intelligence gathering.</p>	<p><b>GI</b></p> <p>Actions aimed at national interest consciousness and in the legitimacy of intelligence for each individual.</p>	<p><b>GG</b></p> <p>Strengthening of a nation's intelligence capacities by the development of strictly institutional capacities.</p>

TOWARDS A GLOBAL INTELLIGENCE OF NATIONS

TOWARDS A GLOBAL INTELLIGENCE OF NATIONS

### Development Matrix of Nations' Intelligence

When government makes individuals aware (G.I.), or when national individualities spontaneously participate in the intelligent development of their nation (I.G.), on condition that their culture and education make them develop their intelligence together (I.I.), an intelligence community can be federalised, and it is the second step of this matrix development. This consultative capacity will help it to improve shared control of information generation, thanks to software and artificial intelligence. And the ultimate stage in the development of a nation's intelligence is the control of human (II, IG...), governing (GG, GI...), artificial (AA, AI, AG...) and biological intelligences (BB, BA, BI, BG...). In this objective, a range of actions can be prepared by the intelligence community. The graph, on the following page, details for each form of intelligence the actions that could be made to encourage the intelligent development of nation. The arrows indicates the progression of the community towards greater information co-ordination, be it individual, governmental, artificial, or biological. The G.G. form has been the dominant paradigm of intelligence, under a form nearer from espionage than information management, during centuries. It is interesting to therefore note that it is very possible to regard oneself as productive in the type G.G., that is to say from a strictly governmental point of view, without really dealing with the deep-seated problems of a concerted attempt to build nation intelligence.

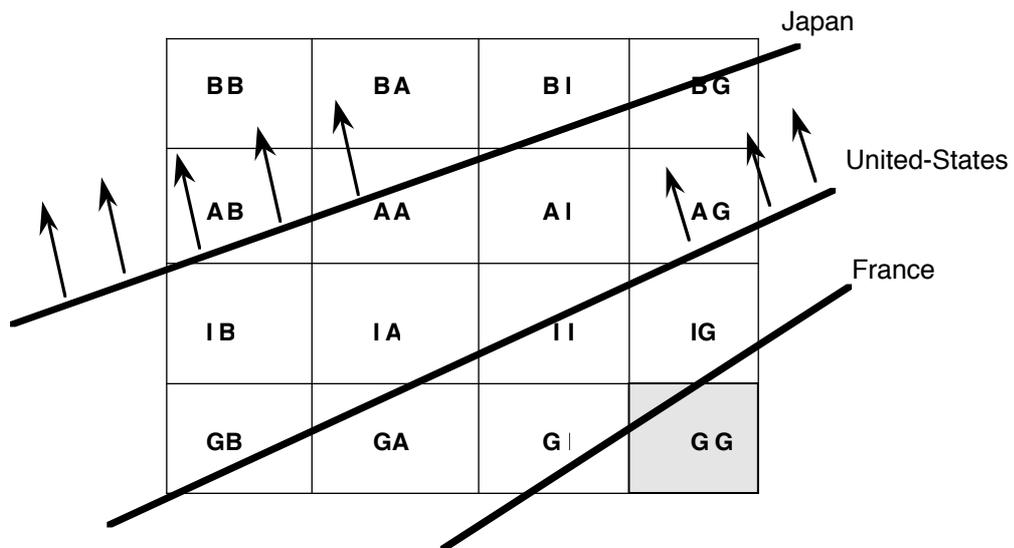
The second phase of this research has been to make a comparison, based upon articles, books and documents, between some nations' intelligence steps of intelligence development. It has been elaborated through the analysis of articles and books on the subject of intelligence. The selected Business Intelligence and Security bibliography written by the Professor Dedijer [16] from the University of Lund made a first corpus of 1500 books, articles and documents for this analysis. Some recent french, Japanese and American books and articles were added to the initial corpus. For example, "Techniques offensives et guerre economique", a french book on economic war and intelligence strategies written by Christian Harbulot in 1990, was therefore added to the list. On the total corpus of the bibliography, only 50 were finally selected for France, 50 for Japan and 200 for the United-States. As the objective was to obtain a "photography" of business and social intelligence perspectives of each country, criteria for this selection were the following :

- the books, articles or documents are written between the end of the cold war (1970's) and today.
- the purpose of the book, article or document can clearly be identified as business intelligence and security. Documents about espionage, except novels and fictions, are selected only if they clearly contribute to a reflexion to the subject.
- the analysis is only led on documents written by authors from the three following nationalities : Japanese, French, American.

<p>J. Villain L'entreprise aux aguets Espionnage et Contre- espionnage au service de la compétitivité Paris : Masson, 1990</p> <table border="1"> <tr><td></td><td></td><td></td><td></td><td>B</td></tr> <tr><td></td><td></td><td></td><td></td><td>A</td></tr> <tr><td></td><td></td><td>8</td><td>8</td><td>I</td></tr> <tr><td></td><td></td><td></td><td>8</td><td>G</td></tr> <tr><td>B</td><td>A</td><td>I</td><td>G</td><td></td></tr> </table>					B					A			8	8	I				8	G	B	A	I	G		<p>B. Gilad, T. Gilad The Business Intelligence System, A New Tool for Competitive Advantage N-York: Amacom, 1988</p> <table border="1"> <tr><td></td><td></td><td></td><td></td><td>B</td></tr> <tr><td></td><td></td><td>8</td><td></td><td>A</td></tr> <tr><td></td><td>8</td><td>8</td><td>8</td><td>I</td></tr> <tr><td></td><td></td><td>8</td><td>8</td><td>G</td></tr> <tr><td>B</td><td>A</td><td>I</td><td>G</td><td></td></tr> </table>					B			8		A		8	8	8	I			8	8	G	B	A	I	G		<p>K. Kobayashi Computer, Communication and Man: The Integration of Comp. and Comm. as Man as an Axis Computer Networks, 1981.</p> <table border="1"> <tr><td></td><td>8</td><td>8</td><td></td><td>B</td></tr> <tr><td>8</td><td>8</td><td>8</td><td></td><td>A</td></tr> <tr><td>8</td><td>8</td><td>8</td><td></td><td>I</td></tr> <tr><td></td><td></td><td></td><td></td><td>G</td></tr> <tr><td>B</td><td>A</td><td>I</td><td>G</td><td></td></tr> </table>		8	8		B	8	8	8		A	8	8	8		I					G	B	A	I	G	
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Three examples of items analysed from the bibliography

The following diagram illustrates the relevant positions between Japan, the United States and France in the respective development of their nations intelligence according to the criteria as defined above.



Kobayashi's latest works [17] consider intelligence development and communication systems with man acting as an axis. This fits perfectly on an intelligence level, as shown above, developed on a national scale, from governmental initiatives to individual and group ones. Obviously, the semantics and the perception of intelligence are different between the nations. And here again, the innovators seem to be the Japanese.

## **CONCLUSION**

Encouraging intelligence communities aids the development of nations' intelligence capabilities. In order to develop an international intelligence community, which is in a same time a part and the whole of all other communities, a cross-consultative attitude and a respect of rules is the way forward. Its objectives are the following :

- ❑ The improvement of community knowledge in business and social intelligence, by communal work with the main actors in this international intelligence community.
- ❑ Inside each nation, and whilst safeguarding their strategic orientations, training men is necessary so as to create a non-porous body of national intelligence within firms, administrations and further education bodies.
- ❑ The study of intelligence communities of foreign communities on a group level in strategic national surveillance.

This chapter has shown, with the hope to see it realized, the birth and the development of an intelligence community which has changed of habitat and habits. Strategy without secrecy, even in an open world as ours seems to become, will ever be a non-sense. Therefore, as secrecy without intelligence is itself a non-sense, strategy without intelligence is proved to be also one. How many economists and managers do trust in such a demonstration ? As Keynes used to say, "the difficulty lies not in new ideas, but in escaping the old ones"...

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*“National intelligence communities..” in J. Prescott (1992), Global perspectives on competitive intelligence*