

Fusion Inc. – a contracted all source solution to reduce uncertainty

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Some components of military force, such as infantry and armour, fall uniquely in the realm of uniformed service. All source analysis is not one of those elements of fighting power.

This paper aims to stimulate discussion regarding the future of all source analysis within the Australian Intelligence Corps (AUSTINT). I will argue that the Australian Army should contract all source analysis in order to enhance decision support for tactical commanders and build efficiency in Army's intelligence architecture. Firstly, I will outline Army's increasing requirement for all source analysis. This capability need is derived from the pressure for greater certainty in military decision-making and increased collection within a world of mass data and information. Secondly, I will consider the structural and personnel shortfalls of Army's existing all source capability. Finally, to remedy this situation, I will recommend the augmentation of Army's intelligence capability with a contracted all source solution.

Army's demand for all source analysis

The utility of all source analysis is founded in the enduring uncertainty of war.¹ Uncertainty is a state of limited or imperfect information. LWD 1 *The Fundamentals of Land Power* accurately outlines that uncertainty can never be fully eliminated from war.² Yet, although war may never be mathematically certain, all aspects of warfare are not absolutely uncertain.³ The degree of certainty in a given problem-set lies on a spectrum of probability. Arguably, one method of reducing uncertainty in war is through intelligence.⁴

By definition, intelligence is the directed acquisition and analysis of information regarding the environment and threat stakeholders.⁵ Critically, great strategists have identified that intelligence is more than simply the collection of information, but instead involves an evaluation of available information from all sources.⁶ This process can be defined as all source analysis.⁷ Indeed, collection of information without analysis contributes to the 'fog of war' and only promotes uncertainty.⁸

The growing demand for all source analysis within the Australian Army is underpinned by three key trends. Firstly, Army's commanders are under increasing pressure to reduce risk in war in order to protect Australian soldiers on operations as well as decrease collateral damage to non-combatants.⁹ To make better decisions, commanders are turning to their intelligence staff to provide answers to the unknown, particularly

¹ Carl von Clausewitz, *On War*, edited and translated by Michael Howard and Peter Paret, Oxford University Press, Oxford, 2007, pp 88-89; Australian Army, *Land Warfare Doctrine 1 - The Fundamentals of Land Power*, 2014, p 14.

² Australian Army, *Land Warfare Doctrine 1 - The Fundamentals of Land Power*, 2014, p 14.

³ Antoine-Henri Jomini, *The Art of War*, translated by G H Mendell and W P Craighill, J B Lipponcott & Co, Philadelphia, 1862, pp 274-276.

⁴ Ismael Rodriguez, 'Uncertain about Uncertainty: Improving the Understanding of Uncertainty in MI doctrine', *Military Intelligence*, Apr-Jun 2011, pp 40-44; Sun Tzu, *The Art of War*, translated by John Minford, Penguin Books, Melbourne, 2009, pp 1-4; Antoine-Henri Jomini, *The Art of War*, translated by G H Mendell and W P Craighill, J B Lipponcott & Co, Philadelphia, 1862, pp 274-276.

⁵ Australian Army, *Land Warfare Doctrine 2-0 - Intelligence*, 28 Oct 2014.

⁶ For example, Jomini espoused that 'by multiplying the means of obtaining information; for, no matter how imperfect or contradictory they may be, the truth may often be sifted from them'. See Antoine-Henri Jomini, *The Art of War*, translated by G H Mendell and W P Craighill, J B Lipponcott & Co, Philadelphia, 1862, p 274. By contrast, Clausewitz was sceptical of intelligence, contending that 'most intelligence is false, and the effect of fear is to multiply lies and inaccuracies.' See Cf Carl von Clausewitz, *On War*, edited and translated by Michael Howard and Peter Paret, Oxford University Press, Oxford, 2007, p 64.

⁷ Bowman Miller, 'Improving All-Source Intelligence Analysis: Elevate Knowledge in the Equation', *International Journal of Intelligence and Counterintelligence*, Vol 21, 2008, pp 337-354.

⁸ Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 124; Nicholas Barber, 'A Warning from the Crimea: hybrid warfare and the challenge for the ADF', *Australian Defence Force Journal*, Iss 198, Nov-Dec 2015, pp 11-22.

⁹ David Barno and Nora Bensahel, 'Six Ways to Fix Army's Culture', *War on the Rocks*, 06 Sep 2016; Arthur Rizer, 'Lawyering Wars: Failing Leadership, Risk Aversion, and Lawyer Creep – Should we expect more lone survivors?', *Indiana Law Journal*, Vol 90, Iss 3, Summer 2015, pp 935-974; James Brown, 'Fifty Shades of Grey: Officer Culture in the Australian Army', *Australian Army Journal*, Vol 10, Iss 3, 2013, pp 244-254.

following exposure to some excellent examples of tactical intelligence fusion on operations in Central Asia and the Middle East in recent years.¹⁰

Secondly, recent operations have highlighted the need for Army intelligence to be active in peacetime, building situational awareness of possible land operating environments to avoid 'cold-starts' when conflict erupts.¹¹ Intelligence will not adequately reduce uncertainty if collection and analysis only commences when soldiers embark for foreign soil. Consequently, Army Headquarters has espoused an 'always on' mentality and an enterprise approach to intelligence to provide timely and accurate support to Army's decision makers.¹²

Finally, sustained operations since 1999 have brought a wide range of new sensors into the ADF that are all collecting data on the threat and the environment.¹³ Combined with exponential advances in technology and a more interconnected information environment, senior AUSTINT officials recently proclaimed, 'the Australian Army is now capable of gathering more information, faster, than at any other time in its history.'¹⁴ Yet, as was discussed above, enhanced collection without a commensurate increase in analytical capability arguably contributes to the 'fog of war'. With these trends in mind, Army has recently embarked on a journey to answer the demand for all source analysis.

Challenges to AUSTINT all source analysis

Although 'all source' is a principle of all intelligence,¹⁵ not all intelligence cells can conduct all source analysis. The ability to truly analyse information from all sources and provide fused intelligence requires access to time and resources that is often beyond the scope of overworked unit and formation combat intelligence cells. Consequently, Army assembled analysts into standing dedicated All Source Cells within the 3rd Company (3 Coy), 1st Intelligence Battalion, postured to reinforce other analytical teams and provide greater certainty to commanders.¹⁶

Yet, 3 Coy is not rightly situated within Army's intelligence architecture to reduce uncertainty where it is most pervasive. Although the requirement to minimise risk is most apparent to commanders in theatres of war or preparing for contingency operations, Army's all source analysis capability is held under Forces Command, an organisation that is charged with the mission to 'raise, train and sustain' the Army.

It is acknowledged that Army's all source support to Forces Command has benefits. Most importantly, it allows intelligence analysts to train with Army's unit and formation commanders, and develop relationships and processes to enhance decision-support on future deployments.¹⁷ But this outcome does not meet Army's immediate need for all source analysis to reduce uncertainty as outlined in the previous section.

However, the solution is not to simply transfer 3 Coy to an operational command. Combat units and formations in Forces Command are the foundation of Army's warfighting capability and routine interaction provides the basis for instituting a culture

¹⁰ Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 128.

¹¹ Nicholas Barber, 'Harnessing Army's intelligence capacity for contingency', *Land Power Forum*, 01 Oct 2015

¹² Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 130.

¹³ Mark Mandeles, *The Future of War: Organisations as Weapons*, Potomac Books, Washington DC, 2005, p 122; Isaac Porche III et al, *Data flood: helping the Navy address the rising tide of sensor information*; National Defense Research Institute, Santa Monica, 2014.

¹⁴ Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 126.

¹⁵ Australian Army, *Land Warfare Doctrine 2-0 - Intelligence*, 28 Oct 2014.

¹⁶ According to Australian Army, *Land Warfare Doctrine 2-0 - Intelligence*, 2014: The All Source Cell is designed to focus collection and production in support of decision makers, and the size and scope of the All Source Cell is determined by the task. Details regarding 3 Company can be found at Australian Army, *Australian Army - Aide Memoire*, Apr 2014, pp 11-12; Ned Robinson, 'Intelligent Preparation', *Australian Army Newspaper*, 09 Apr 2015, p 11; Royal Australian Survey Corps Association, *Bulletin*, Christmas Ed, No 61, Dec 2015, p 5.

¹⁷ Other identifiable reasons include valuable opportunities to improve skills and processes amongst all source analysts, and the ability of all source analytical teams to provide decision support to a wide array of Forces Command customers who may not have dedicated intelligence staff.

of intelligence-led operations across Army.¹⁸ Even if 3 Coy was assigned to an operational command, continuity of analysis would remain disrupted by other Army personnel considerations, including individual and collective readiness, exercises, deployments, career courses and posting cycles.¹⁹ A lack of continuity makes an 'always on' mentality difficult to achieve.

It is also unfeasible to simply dedicate additional AUSTINT personnel to all source analysis in support of training as well as reducing uncertainty for operations and contingency planning. Even despite an increase in AUSTINT recruiting to rectify 'hollowness',²⁰ AUSTINT numbers remain inadequate for Army's needs. Armour and aviation units are without organic intelligence staff, and the prevalence of dedicated Combat Team S2s is diminishing.²¹ Retention of qualified and experienced staff within AUSTINT is also proving challenging. In short, AUSTINT has no extra capacity within its ranks to dedicate more people to all source analysis.

The result is that 3 Coy is torn between national intelligence efforts in support of operations on one hand and training within Forces Command on the other. Interestingly, despite force generating dedicated All Source Cells, Army has not deployed a formed All Source Cell from 3 Coy; instead, preferring to design bespoke intelligence cells for each new operating environment. Force assignment across chains of command remains difficult and constant changes of intelligence focus prevent all source analysts from deeply understanding the complexity of a problem set. Ultimately, neither operations nor training probably receive the support 3 Coy is capable of providing, and the pressures to reduce uncertainty within Army remain.

In re-examining methods of answering Army's demand for all source analysis, there is an opportunity for AUSTINT to consider augmenting uniformed personnel with a contracted all source solution.

Contracting an all source solution

A contracted all source solution would suit Army's requirement to reduce uncertainty.²² In this context, I consider a contracted solution more than simply individual civilians employed within a military intelligence cell. Rather, I define a contracted solution as contractor all source teams/agencies within a competitive free market seeking to answer specific intelligence requirements determined by Army leadership and managed by J2 Headquarters 1st Division.²³ A contracted solution would most likely be employed in reachback,²⁴ allowing AUSTINT to prioritise uniformed personnel to combat units and formations for support to training and deployments.²⁵ Such a construct will offer Army some unique benefits.

Firstly and most importantly, a contracted all source solution forces intelligence to be command-driven.²⁶ By doctrine, commanders use Priority Intelligence Requirements

¹⁸ Brad Wellsandt, 'The State of the Intelligence Warfighting Function in the US Army Brigade Combat Team', *The Tactical Leader*, (Website) available at: <https://www.thetacticalleader.com/blog/the-state-of-the-intelligence-warfighting-function-in-the-us-army-bct>, 06 Jun 2017, Adam Sparkes, 'The Ready Acorn', *The Bridges Review*, 2015, pp 78-81.

¹⁹ Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 130.

²⁰ Arran Hassell, 'Our Corps', *The Bridges Review*, 2015, pp 46-48.

²¹ Russell Gadenne, 'Optimising Intelligence Support to Combat Commanders', *The Bridges Review*, 2013, p 68; some discussion of Combat Team S2 positions can be found in James Morrison, 'Fixing the AUSTINT Training Continuum', *The Bridges Review*, 2015, pp 39-40.

²² Harry Dies, 'Guide to the proper use of civilian intelligence contractors in the War on Terrorism', *Military Intelligence Professional Bulletin*, Vol 33, Iss 3, Jul-Sep 2007; Glenn Voelz, 'Commercial Augmentation for Intelligence Operations', *Defense Acquisition Review Journal*, 2015, pp 418-433.

²³ Headquarters 1st Division prepares Army Force Elements to meet specific operational and contingency requirements as well as forms the ADF's Deployable Joint Force Headquarters. See Australian Army, *Aide-Memoire*, Apr 2014.

²⁴ Phillip Radzikowski, 'Reach-back' – A New Approach to Asymmetrical Warfare Intelligence', *Army*, Dec 2008, pp 24-26.

²⁵ Support to Battlegroup and Brigade intelligence cells has previously been argued as a priority for both exercises and deployments. See Russell Gadenne, 'Optimising Intelligence Support to Combat Commanders', *The Bridges Review*, 2013, pp 67-69.

²⁶ Mark Gilchrist, 'Why intelligence surveillance and reconnaissance fails', *Land Power Forum*, 08 Jul 2014

(PIR) to direct the intelligence effort.²⁷ Although PIRs focus intelligence assets, the relative worth of PIRs for command decision-making is often unknown. Commanders are more likely to consider the significance of PIRs if they can purchase intelligence support on contractual terms because the financial commitment forces one to quantify the value of reduced uncertainty. Contracting compels a commander to question: firstly, 'What do I need to know?' and secondly, 'How important is answering this requirement?'

Secondly, a contracted intelligence solution promotes greater flexibility in answering intelligence requirements.²⁸ LWD 2-0 *Intelligence* outlines that an All Source Cell should be determined by the size and scope of the task,²⁹ but 3 Coy is not task organised. Instead, 3 Coy is a set of analytical capability bricks whose personnel, resources and information flow are defined by Army's cultural and technical constraints and restrictions.³⁰ A contracted solution removes the requirement for standing All Source Cells from Army and instead allows a senior intelligence officer, such as J2 Headquarters 1st Division, to design and manage the contract based on analytical output.³¹ The 'how' of intelligence production, including structure, number of analysts and training/resources, becomes a risk for the market, not Army.

Thirdly, a contracted intelligence solution provides Army with greater intelligence continuity. Without the requirement to attend exercises, courses or postings, a contractor can develop a greater depth of understanding on a topic or theme and finally allow Army to achieve a persistent stare to intelligence areas of interest. Stability for contractors and their families is arguably superior, particularly if employed in a desirable reachback intelligence construct.

Finally, a contracted intelligence solution can produce more accurate intelligence outcomes for Army commanders. In a competitive free market, commanders have the option to choose intelligence support from competing companies – whose cost and performance provide the basis for their ability to secure the contract. Driven by performance-based criteria, intelligence analysis is driven to efficiency. Moreover, the breadth of available intellectual talent is enhanced due to the absence of strict military entry and readiness requirements. Collectively, these conditions promote greater personnel diversity,³² and increased scope for selective employment and management of gifted analysts to support Army's requirements.

Defending a contracted solution

Opponents to a contracted intelligence solution likely base their case on several features. Firstly, some suggest there are fundamental ethical, and possibly legal, questions regarding the employment of contractors in providing intelligence support to military operations.³³ While the legal challenges are beyond the scope of this paper, the ethical concerns are probably not insurmountable. Although not identical, there are certainly similar ethical considerations between purchasing intelligence and purchasing weapons from private companies if such actions can be considered for the public good.

²⁷ Australian Army, *Land Warfare Doctrine 2-0 - Intelligence*, 28 Oct 2014, p 28.

²⁸ Morten Hansen, 'Intelligence Contracting: On the Motivations, Interests, and Capabilities of Core Personnel Contractors in the US Intelligence Community', *Intelligence and National Security*, Vol 29, No 1, 2012, pp 76-77.

²⁹ Australian Army, *Land Warfare Doctrine 2-0 - Intelligence*, 28 Oct 2014, p 90.

³⁰ For example, Army's hierarchical organisational structure or specialisations/disciplines can prevent information from reaching the decision maker in a timely manner. See Scott Gills et al., 'Improvements and Challenges for Army's ISR Enterprise', *On Ops*, University of New South Wales Press, Sydney, 2016, p 129.

³¹ See for example the benefits of unclassified commercial imagery discussed in David Cave, 'Intelligence for sale: Commercial Space Sensors and their use', *Land Power Forum*, 19 Apr 2015.

³² Department of Defence, *Defence Diversity and Inclusion Strategy 2012-2017*, Jun 2014.

³³ Glenn Voelz, 'Contractors and Intelligence: The Private Sector in the Intelligence Community', *International Journal of Intelligence and Counterintelligence*, Vol 22, Iss 4, 2009, pp 606-607; Siobhan Martin, 'Spying in a Transparent World: Ethics and Intelligence in the 21st Century', *Geneva Papers*, 19/16 Research Series, 2016.

Secondly, critics highlight the danger that contractors are self-interested;³⁴ arguing that contractors simply produce intelligence analysis that is favoured by the contracting officer. While contractors certainly have financial motivations, US studies suggest there is no evidential basis to suggest that contractors are any less devoted to national security than military members.³⁵ Regardless, even if it is conceded that contractors are self-interested, contracted intelligence is likely to be assessed on its accuracy in a results-based approach. Drawing on the concepts espoused by economist and philosopher Adam Smith, self-interest can ultimately benefit the public good in a competitive environment.³⁶

Thirdly, opponents contend that contracted intelligence lacks the tactical grounding provided by uniformed personnel and is too difficult to quality control. However, this argument fails for several reasons. First, it does not recognise that many contracted intelligence analysts are likely to be former military members. Second, there is no quantitative basis to an assertion that non-military members cannot learn tactics. The Ab Initio program underlines the fact that effective military intelligence analysts can be generated without military experience.³⁷ But most importantly, the only measure of quality control in intelligence is the ability to reduce uncertainty. For contracted solutions, the market provides the best means for quality control – those that provide effective intelligence will survive, those that fail to meet decision-making requirements will not.

Finally, critics will argue that contracting will not be cost-effective. Further, they attest that a contract would not be flexible enough to respond to an evolving mission or problem set in a timely manner. The financial argument is superficially attractive – but fails to recognise that the ability to purchase expert knowledge and experience probably outweighs the re-focussing of multiple standard military analysts who take time to build subject matter knowledge on a given topic from a cost-benefit evaluation.³⁸ It is agreed that contracts will be inflexible and wasteful unless there is careful wording of the contract award and appropriate contract management.³⁹ Yet, this is not an argument against contracting; but rather, a timely reminder for those that draft the contract.

Conclusion

The Army is faced with a conundrum. On one hand, Army commanders are demanding greater certainty from intelligence to decrease risk in war. On the other hand, the battlespace remains complex and increasing levels of information requiring analysis are only further complicating efforts to reduce uncertainty. Army's response to this analytical need, largely centred on 3 Coy, is challenged by structural and personnel issues. A contracted solution presents some unique benefits. More flexibility, better intelligence outcomes and improved continuity are foreseeable results of this approach. War will still be dangerous, fraught with friction and subject to chance – but the collective effect of these attributes will aid in the reduction of uncertainty and support Army in achieving decisive results against its future adversaries.

³⁴ Tim Shorrock, *Spies for Hire*, Simon and Schuster, New York, 2008.

³⁵ Morten Hansen, 'Intelligence Contracting: On the Motivations, Interests, and Capabilities of Core Personnel Contractors in the US Intelligence Community', *Intelligence and National Security*, Vol 29, No 1, 2012, pp 65-75.

³⁶ Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, Strahan and Cadell, London, 1776.

³⁷ The Ab Initio program is a direct entry AUSTINT recruiting scheme. See Jesse Pitstick, 'Direct Recruiting: Experience of an Ab Initio', *The Bridges Review*, 2013, p 36; Arran Hassell, 'Our Corps', *The Bridges Review*, 2015, pp 46-48.

³⁸ Morten Hansen, 'Intelligence Contracting: On the Motivations, Interests, and Capabilities of Core Personnel Contractors in the US Intelligence Community', *Intelligence and National Security*, Vol 29, No 1, 2012, pp 75-76.

³⁹ Glenn Voelz, 'Commercial Augmentation for Intelligence Operations', *Defense Acquisition Review Journal*, pp 418-433.