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Likely Pick for Intelligence Chief Would Face Task of Corralling Fractious Agencies

By MARK MAZZETTI

President-elect Barack Obama’s expected appointment of Dennis C. Blair as director of national intelligence would put Mr. Blair, a retired admiral, in the position of riding herd over 16 often-fractious intelligence agencies and streamlining an office many in Congress have criticized for bureaucratic bloat.

As the nation’s spymaster, Mr. Blair would on some days be the first person to greet Mr. Obama in the morning with a dossier of the threats facing the country.

Mr. Obama still has not settled on a candidate to take over the Central Intelligence Agency, members of his transition team said Saturday. That selection has been a particular headache as the president-elect has sought to find a C.I.A. director steeped in terrorism and counterproliferation issues but not closely linked to controversial Bush administration policies like the C.I.A.’s detention and interrogation program and the National Security Agency’s domestic wiretapping program.

Transition aides said that Mr. Blair would help select a C.I.A. director, which could give him an upper hand in the turf battles that still plague the spy community.

In recent months, Mike McConnell, the director of national intelligence, has clashed with the C.I.A. director, Michael V. Hayden, on personnel matters, particularly over Mr. McConnell’s insistence on filling top jobs in overseas stations with officers from across the intelligence community, not just the C.I.A.

The agency since its founding has been in control of the foreign stations. Mr. Hayden has argued that the C.I.A.’s responsibilities for gathering intelligence using undercover officers makes it the agency best suited to run the overseas posts and work with foreign spy services.

Obama aides said the official announcement of Mr. Blair’s selection as intelligence director, a post created in 2005 as part of intelligence reforms in the wake of the Sept. 11, 2001, attacks, was not expected until next month, after the president-elect returns from a vacation in Hawaii. They said that Mr. Obama would most likely reveal his C.I.A. choice at the same time.

Mr. Blair has a reputation for quickly digesting complex and often conflicting information, although his Navy background raised concerns from some members of Congress about the “militarization” of intelligence at a time when the Pentagon still controls a significant part of the intelligence budget.

Mr. McConnell is also a retired admiral. Mr. Hayden is a retired Air Force general.

A native of Maine descended from generations of Navy veterans, Mr. Blair graduated from Annapolis in the
same year as Adm. Mike Mullen, the chairman of the Joint Chiefs of Staff; Senator Jim Webb, Democrat of Virginia; and Oliver L. North, a former Marine colonel who became embroiled in the Iran-contra scandal.

Mr. Blair earned a master’s degree at Oxford University, where he was a Rhodes scholar, and speaks Russian.

While at the helm of the United States Pacific Command from 1999 to 2002, he won praise for counterterrorism operations he ran against the Abu Sayyaf group in the Philippines, where Navy Seals and C.I.A. operatives worked with the Philippine army to capture or kill the members of the network in remote parts of the country.

But he also clashed with lawmakers and State Department officials over his efforts to strengthen ties to Indonesia’s military, which he saw as an important moderating force in the Muslim nation. Some officials in Washington objected to the Pentagon’s dealing with a military with a long track record of human rights abuses.

In 2001, Mr. Blair was one of the brightest stars in the military firmament: an admiral with a platinum résumé whom many considered a lock to become the next Joint Chiefs chairman.

But the new defense secretary, Donald H. Rumsfeld, considered him to be too outspoken and independent, and thought that he was out of step with parts of President Bush’s foreign policy agenda, particularly about the military threat posed by China. Moreover, he was a longtime friend of the Clintons, having studied at Oxford with former President Bill Clinton.

Mr. Blair was passed over for the job, and eventually retired.

In civilian life, Mr. Blair ran the Institute for Defense Analyses, a nonprofit group in Northern Virginia that does extensive work for the Pentagon.

But he had to step down from the post in 2006 amid concerns that his positions on the boards of several defense contractors constituted a conflict of interest.

The Pentagon’s inspector general later concluded that Mr. Blair had violated the institute’s standards by serving on the board of a contractor working on the Air Force F-22 jet at the same time that the institute was evaluating the program for the Pentagon. But the inspector general also concluded that Mr. Blair had not influenced the group’s conclusions about the jet program.

*Jeff Zeleny contributed reporting.*