

Strategic Intelligence:

Problems and Remedies

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Intelligence is one of the most critical elements of statecraft directed toward the outside world; it permeates the making of all foreign policy that is not regarded as routine and unproblematic; and although it is also relevant and important to estimating international opportunities for cooperation, intelligence has been cultivated most attentively in matters of threat perception because gross misestimates in this area risk the very survival of states. While intelligence is concerned with other than military threats (e.g. economic), the plan of this volume demands concentration on military threats. Both overestimates and underestimates of external threats can produce calamitous consequences. Underestimates can produce disaster and, even if they do not, can make war more probable and costly. Overestimates can lead to excessive military build-up that is economically wasteful and, by causing anxiety, additional military preparations and animosity abroad, can make international conflict and the outbreak of hostilities more probable.

In the following, we will (1) conceptualize the objectives of international threat perception; (2) indicate the historical record of intelligence activities; (3) present a particular case of strategic surprise in order to introduce an analysis of the fundamental problems besetting acts of threat perception; and (4) discuss possible improvements of statecraft in this area of concern.

I

Strategic intelligence attempts to estimate acute and potential threats.^{1/} Acute or actual threats are those that are believed to be probably imminent. Potential threats are attributed to states that have or are developing the capability to proceed to actual threats and attack, and whose peaceful intentions in the future cannot be taken for granted. Although potential threats are regarded as more hypothetical than actual threats, they are not necessarily a matter of the longer run and therefore safely of lesser concern. As many historical examples remind us, a potential threat can turn acute suddenly and unexpectedly. If Weimar Germany was at worst a potential threat to its neighbors in 1930, Hitler's accession to power and rapid military expansion under his rule made this threat acute in a very few years. The split between the Soviet Union and Communist China occurred very quickly and abruptly raised serious security problems in Peking.

The objective of intelligence is not only to estimate whether or not a threat exists, but also to assess its precise nature, e.g. the likely places and modes as well as the timing of attack.^{2/} Since many attacks in the past succeeded quickly because the victor achieved strategic surprise, the prevention of surprise by means of intelligence estimates that give timely and proper warning is a central objective of threat perception. The correct estimate of an actual threat facilitates the design of proper responses, whether by alerting and mobilizing forces of defense and attempting to

^{1/}Essentially the same analysis applies to states intent on the aggressive use of force.

^{2/}Avi Shlaim, "Failures in National Intelligence Estimates: The Case of the Yom Kippur War," World Politics XXVIII, 1976, p. 348.

reinforce deterrence, or by encouraging a course of accommodation. The correct estimate of potential threats is a basis for providing adequate forces for deterrence and defense in the hope that the potential threat will not become acute while, on the other hand, avoiding provocative responses that are apt--by way of self-fulfilling prophecy--to increase the threat. In either case, threat perception is oriented toward the capabilities and intentions of actual or potential opponents. Both can change over time, and this makes conjecture about future developments a part of the estimative process. Indeed, because it takes a great deal of time to bolster forces for deterrence and defense by developing and producing new weapons systems, conjectures about the capabilities of actual or potential opponents, including arms, military budgets and even national economic output, range far into the future. Defense budgets depend on such estimates.

Even good intelligence estimates--clear, timely and valid--cannot, of course, insure good policy; and when estimates are not good in any or all of these terms, it is sometimes difficult to distinguish between failures of threat perception and of policy response.^{3/} But without proper intelligence estimates, states--unless they are lucky--can at best hope to improvise and muddle through in the face of surprise, which is risky and costly, and which only basically very strong and resilient countries can afford. Reasonably accurate threat perception is clearly a precondition of any effective posture for survival in the larger sense and the longer run.

^{3/}For example, the huge losses suffered by the Soviet army in 1941 resulted from both the German achievement of strategic surprise and Stalin's insistence on a linear defense of the Soviet boundary, permitting no strategic withdrawal, even though the Germans had previously executed dashing Blitz Krieg in Poland and France.

II

It is precisely because international threat perception plays so critical a role in international affairs that it would be interesting to assess its quality as a matter of statecraft. Unfortunately, this is difficult to do. Relatively few recent estimates, for the most part American, are in the public domain; and the historical record of threat perception when estimates were made by leaders and governments without elaborate intelligence services has not so far been examined systematically.

Moreover, any useful appraisal of the ex-post facto success of past estimates depends on one's criteria for judgment and a suitable classification of cases. In the area of strategic intelligence, these problems can be illumined by comparing estimates of the capabilities of states with estimates of their intentions in matters touching on peace and war. Capability estimates are usually about continuous things raising questions of more or less (e.g. GNP, military budget, numbers of divisions), and can be more or less right or wrong. On the other hand, estimates regarding critical intentions of governments concern also questions of either/or and then are either right or wrong (although the attribution of degrees of probability mitigates this dichotomous character). Moreover, capabilities that move on a continuum are more conjecturable (that is, more predictable with some degree of confidence) than are estimates of critical intentions and decisions, because many components of capability are observable and countable and not only do not usually change much from year to year, but are incapable of abrupt and substantial change,^{4/} whereas the intentions of governments and their expression in observable behavior can change very abruptly and with great consequence.

^{4/} Certain capability changes that can be sudden and substantial as a result of mobilization and new deployment express sudden change in intentions.

Of course, capability estimates that overestimate or underestimate foreign capabilities considerably and persistently can have great cumulative consequence. The fact that critical government intentions can change abruptly does not mean that they change with great frequency. The intelligence service of country A may estimate year after year that a military attack on its ally X by state Y is highly improbable, prove correct in nine years and incorrect in the tenth. But the consequence of the one failure may be enormous.

Crude success-failure ratios tell us little about the quality of intelligence estimates. While the obstacles to a statistical evaluation of strategic intelligence seem to me insuperable,^{5/} there is an alternative approach to assessing the quality of statecraft in this area. This is to start with very consequential past events and to examine the record of threat perception preceding them case by case. Such study suggests that the quality of intelligence has been extremely and surprisingly poor.^{6/} Although this is not known as a general phenomenon, misperceptions have apparently played a significant, and often crucial, role in the precipitation of wars and during war as well, regardless of period of time or part of the world one turns to. However, this approach naturally tells us a great deal only about underestimates of external threats. It is more difficult to use historical search in the pursuit of overestimates. Nothing dramatic is

^{5/} For an attempt that examined 289 international crises involving the United States from 1946 to 1975 and attributes an element of surprise to about half of them, see Leo Hazlewood, John H. Hayes and James R. Brownell, Jr., "Planning for Problems in Crisis Management," International Studies Quarterly, vol. XXI, March 1977, pp. 75-106.

^{6/} For an extensive discussion of historical cases, see Klaus Knorr, "Threat Perception," in Klaus Knorr (ed.), Historical Dimensions of National Security Problems, Lawrence, Ka., University Press of Kansas, 1976, pp. 78-119.

apt to happen if a state overestimates a threat and increases its military forces as a result. For example, there is some evidence that the Soviet leaders overestimated threats from the United States and a reconstituted Germany during the late 1940's and early 1950's, but the consequences of this misperception, if it was real, are hard to trace among all the factors that actuated Soviet behavior. Even if, following excessive military preparations in reaction to an overestimate, a notable event, perhaps even war, does ensue, it is historically difficult to attribute it to the failure of the strategic estimate. The subsequent event may then seem to confirm the original estimate even if, by inducing excessive military responses, it contributed to its genesis. The historical approach is even less productive when it comes to identifying cases of correct strategic estimates. If such perceptions lead to an improved posture of deterrence and no actual threat materialized, we do not usually know whether or to what extent this absence of crisis or war was determined by the adequate response to a good estimate or by other factors. It seems to this author nevertheless reasonable to deduce from historical experience that the record of international threat perception in the vital strategic area is disconcertingly poor.

In the following section, we will refer to some cases which contribute to the strong impression that the record of international threat perception is far from good, and which will serve us in analyzing the difficulties encountered in the estimating process. Some of these difficulties are inherent in the nature of the job while others of an aggravating character result from situational conditions that may or may not be present in particular instances. The analysis will concentrate first on estimates of intentions and then, more briefly, on estimates of capabilities.

III

Prior to the Yom Kippur War of 1973, Israeli intelligence--which enjoyed an enviable reputation on account of past efficiency--had given a guarantee to the Government that there would be ample advance warning of any Arab attack, and the Government had accepted this guarantee.^{7/} On this basis, Israel maintained only thin forces along the Suez Canal and on the Golan Heights, planning to mobilize its highly trained reserves only in the event an attack seemed imminent. Yet, on Oct. 6, the Egyptian and Syrian forces struck and achieved strategic surprise, invading territory controlled by Israel. Once the Israel Defense Forces were mobilized, they counter-attacked vigorously. But while they succeeded in throwing the enemy back, they suffered very sizeable casualties in the process. American intelligence, which had kept a close watch on the situation, also had failed to predict an Arab attack.

Although this intelligence failure deeply shocked Israel, it must be emphasized that this kind of error is common in the annals of intelligence. Some recent examples may be cited to support this important point. Strategic surprise was suffered by the Soviet Union when Germany attacked in 1941, by the United States in the same year when the Japanese attacked Pearl Harbor, by this country in 1950 when North Korea invaded South Korea and subsequently when China intervened in the Korean War, by India in 1962 when Chinese forces crossed the boundary between the two states, and by Syria and Egypt when the Israelis attacked in 1967. British leaders had underrated Hitler's threat before World War II. Hitler

^{7/} For a detailed analysis of this case of surprise see Shlaim, op. cit., pp. 348-380. Other similarly instructive and well-researched case studies are Roberta Wohlstetter's book on Pearl Harbor and Barton Whaley's on the German attack on the Soviet Union (see the Appendix for the bibliographic references).

himself was surprised by the British execution of 1941 of their commitment to go to war in the event Germany attacked Poland. Following World War II, the United States was surprised by the outbreak of several severe crises precipitated by the Soviet Union (over Berlin in 1948, 1958-59, 1961, and over the Cuban missiles in 1962). It was also surprised by the landing of Turkish troops on Cyprus in 1974, and by the Cuban intervention in the Angolan civil war in 1975. While we know little about recent Soviet intelligence errors, it is plausible that the Soviet government was surprised by the strong American reaction to the emplacement of nuclear missiles on Cuba in 1972. Gross underestimates of the opponent's strength have also occurred often. Thus, the Soviet Union was surprised by the staunch Finnish resistance in the Winter War of 1939-40, the United States erred repeatedly in underestimating the strength of North Vietnam when it had intervened in support of the Saigon regime, and the Indians grossly underrated Chinese military strength in the Himalayas before 1962. Although European governments were alert to the possibility of war in 1914, they had been advised by experts that, as a result of advanced international economic interdependence, a war between industrial nations could not be sustained for more than a few weeks or months, and therefore acted with extremely unrealistic expectations about the requirements and destructiveness of war.

The surprise experienced by Israel in 1973 was evidently not exceptional. How can we account for it and many other cases? Which factors make threat perception apparently so difficult a task? Unfortunately, the available empirical and analytical literature is quite small, and much of it of very recent origin, published only after 1973.^{8/} There is even now only the beginning of

^{8/} See the Appendix for a selective listing of the literature.

a useful theory of intelligence that can enlighten us about the inherent impediments to the making of good estimates. Fortunately, some of the few studies that have been made are very helpful and permit us to identify the essential problems.

If an estimate is made at all, it is, in principle, either lack of information or its misinterpretation that accounts for faulty threat perception. Intelligence officers often do attribute failure to lack of information. A lag between foreign events and the supply of relevant information can be a serious handicap even in this age of rapid communications. It is also trivially true that foreign governments do not supply all the information that intelligence officers like to have. Indeed, they often try to maintain secrecy and to issue disinformation. But, then, threat perception is a matter of "estimates" that would not be needed if all the pertinent information were unambiguously on hand. One estimates when one does not know. For this purpose one needs only enough information that, if correctly interpreted, permits a good estimate to be made.

Misperception and surprise do not usually result from lack of relevant information. It was all there to be used in the Israeli case and, in fact, a subordinate Israeli intelligence officer put it together correctly and predicted an impending Arab attack on Oct. 1 and again on Oct. 3. But his superiors rejected his estimate and, as late as Oct. 5, held that the chance of an Arab attack was of "low probability" or "even lower than low."

In every other case I have studied, it is easy to see in retrospect that the relevant information for making a correct estimate was available. But as Roberta Wohlstetter^{9/} put it, these "facts"--which she calls "signals"--are embedded in a great deal of "noise," that is, irrelevant information. Moreover, as Barton Whaley

^{9/} Roberta Wohlstetter, Pearl Harbor: Warning and Decision (Stanford, Stanford University Press, 1962)

has emphasized,¹⁰ there often is also "disinformation," that is, misleading information introduced by the opponent for purposes of deception. The Egyptians resorted to this in 1973, for example by spreading rumors about the unreddiness of their forces. Hitler used deception in 1941 in order to confuse the Soviets. The problem of separating the correct information from the rest--which is so easy in retrospect, with the benefit of hindsight--is inherent in the fundamental ambiguity of the total information that is being received. "Facts" do not speak for themselves. All that can be derived from ambiguous information are inferences, and no one inference can ever be compelling because any ambiguous behavior can be explained by more than one motivational pattern. The Israeli and American intelligence services were, of course, aware in 1973 of the massive deployment of Egyptian and Syrian troops. But both decided that the deployments indicated no more than elaborate military maneuvers. That inference did fit the "facts." The Arab countries had staged such maneuvers before and touched off an Israeli reaction that, in retrospect, was deemed unnecessary because no attack ensued. As Hitler amassed German troops on the Soviet boundary in 1941, five different hypotheses were entertained by knowledgeable European officials, and Stalin's conclusion that the Germans would not attack fitted the information as well as any other inference.¹¹ After all, a military threat can be a bluff and military movements that look menacing can be preparatory to making demands rather than starting hostilities.

Providing correct estimates in such situations is complicated further by the possibility that the "opponent" is undecided on further steps while making

¹⁰ Barton Whaley, Codeword Barbarossa (Cambridge, Mass., MIT Press, 1973), p. 244

¹¹ Ibid., p. 223

threatening moves. He may also be acting on the basis of multiple options and proceed to attack only on certain contingencies, such as that the other side fails to take proper counter-measures. Thus, when the Japanese fleet was steaming toward Hawaii in 1941, its admiral was under contingency orders to attack only if the U.S. fleet was at anchor in Pearl Harbor and if he could achieve surprise.^{12/} The fact that the opponent's intentions are unsettled or contingent must be taken into account by intelligence officers but does not preclude an estimate that issues appropriate warning. The intentions of foreign actors are necessarily estimated in terms of probabilities. Yet the ambiguity of observed behavior constitutes a profound problem inherent in threat perception.

In drawing inferences from available information that is usually fragmentary and ambiguous, intelligence officers use certain assumptions about the behavioral pattern of the potential enemy. These assumptions or preconceptions guide them in distinguishing between signals and noise and in arriving at a conclusion. Intelligence bureaucracies formulate these assumptions, usually with care, on the basis of his past behavior; and individual leaders are similarly guided by preconceptions or images about what the potential opponent "is like."^{13/} Stalin's error in 1941 resulted from the observation that, in every past case, Hitler's

^{12/} Thomas G. Belden, "Indications, Warning, and Crisis Operations," International Studies Quarterly, vol. XXI, March 1977, pp. 185-186.

^{13/} A classic example of the sophisticated development of underlying assumptions--indeed two alternative hypotheses regarding the German threat to the United Kingdom are carefully delineated--is Sir Eyre Crowe's "Memorandum on the Present State of British Relations with France and Germany" of Jan. 1, 1907. This essay in threat perception is very much worth rereading both for its analytical perspicacity and the presence of some preconceptions that come easily to the representative of a premier power and are questionable in retrospect. There is also the larger but surely unanswerable question of whether this influential document, by affecting British policy, contributed to the outbreak of World War I. The main parts of the memorandum have been reprinted in Kenneth Bourne, The Foreign Policy of Victorian England, 1830-1902 (Oxford, Clarendon Press, 1970), pp. 481-493.

aggression was preceded by a period of intense crisis during which he made inordinate demands. This had not happened in 1941 and it was therefore assumed that no real threat of war existed. Stalin also assumed that the warnings about an imminent German attack he received from the governments of Britain and the United States were faked because he believed that these governments were trying to bring about war between Germany and the Soviet Union. The chief assumption of the Israelis in 1973 was that Arab leaders, because they knew that their forces were inferior to those of Israel, would not go to war, unless they expected Israel to launch a strike; and since Israel was maintaining only very small forces on their perimeter, the Arab governments were given no cause for fearing a surprise attack by Israel. A subsidiary Israeli assumption, based on past experience, was that the Arab countries were incapable of planning a joint attack without these plans leaking to Israeli intelligence. In 1941, American leaders did not believe that the Japanese would commence war against the United States because they assumed that their Japanese counterparts must have known that this country had a military potential vastly superior to that of Japan. On the other hand, Japanese leaders decided to attack the United States because they assumed that a war in the Pacific with the United States was sooner or later inevitable and preferred to fight at a time and under circumstances of their own choosing. In 1962, the CIA disbelieved, despite much evidence to the contrary, that the Soviets were installing nuclear missiles in Cuba because past Soviet military behavior had been doctrinally disinclined toward embarking on adventurist courses of action and because it was assumed that Soviet leaders would perceive any missile deployment threatening targets in the United States as an adventurist move. United States intelligence was surprised by the Turkish military intervention in the civil strife on Cyprus because the Turks had threatened to do so, and assembled forces in nearby ports, on the occasion of previous crises over

Cyprus, but had never executed the threat. It was therefore assumed that the Turks were bluffing once again.

It is inevitable that conceptions or assumptions structure international threat perception because all human perception can approach reality only selectively. They are indispensable to defining situations. It must also be understood that the assumptions that guide expectations are usually not stupid. They are often carefully reasoned. What is clearly wrong, however, in view of the many times that they have led perception astray, is the degree of trust they commonly command. The simple fact is that human actors can produce unexpected behavior for any number of reasons. Hitler wanted to achieve strategic surprise by means of deception and hence broke the behavioral pattern he had preferred in the past. The Japanese leaders thought that they had no choice because they had assumed that war with the United States was inevitable and that they had a better chance to win now than in the future. The Arab leaders resorted to war mainly in order to set the diplomatic world in motion, and especially to induce the great powers to exert themselves, toward breaking the impasse vis-à-vis Israel. For that purpose they did not need to win the war they started; a reasonably good military showing would suffice. In Turkey, competitive domestic politics in 1974 made it difficult for the government not to act with great determination in solving the Cyprus problem. In short, actors can and not seldom choose to do the unexpected because their objectives have changed as a result of new domestic pressure, changes in relative capabilities, the individual influence of personalities, failures of intelligence on their part, deviations from rationality, and other variable conditions including the possibility that, in the life of governments as elsewhere, things happen by accident as well as design. It is even

riskier to base prediction not on the careful study of a particular actor's past behavior but on general "lessons of history" that tie the behavior of kinds of actors to kinds of stimuli, the lesson, for example, that appeasement encourages aggression. There are no easy and reliable lessons to be learned from history.^{14/}

Although the future, within some framework of particulars, can be estimated, it cannot be known. To estimate is to guess in order to reduce uncertainty dictated by lack of knowledge. The assumptions and preconceptions about reality that structure the guesswork can be more or less rigorously deduced from past behavior. But--as the historical record discloses and for the reasons we mentioned--even the most sophisticated assumptions can lead threat perception astray. To depend on any one preconception or set of assumptions is to court surprise. This risk is magnified by the tendency that the selection of an assumption about the real world is an act of cognitive closure that easily leads the perceiver to be close-minded and to ignore or explain away discrepant information. It must therefore be accepted that although good estimates can reduce uncertainty about the future, even the best cannot be depended on to remove it.

The inherently difficult problems of international threat perception we have so far discussed are not the only obstacles to the formulation of realistic

^{14/}The temptation is to conclude from some memorable past experience that X will follow if A or A and B happen, e.g. that aggression will be encouraged by appeasement. But close inspection is apt to reveal that the earlier causal pattern was complicated by the operation of other variable conditions and, therefore, that the accepted lesson is a simplification likely to cause erroneous expectations when projected into the future. It is the very complexity of unfolding events that, after all, accounts for the conflicting explanations of historians and the endless rewriting of history. For an interesting study of the problem, see Ernest R. May, "Lessons" of the Past, The Use and Misuse of History in American Foreign Policy (New York, Oxford University Press, 1973).

estimates. There is an entire further dimension of factors that tend to cause mistakes. It is apparent from many historical instances that the perceiver, far from being unbiased, often approaches his task under the influence, usually unwittingly, of predispositions that affect his choice of assumptions and his receptivity of incoming information, and thus are apt to distort his estimates. Several kinds of intervening predispositions have been observed to operate.

First, emotions can condition the act of threat perception. For instance, it is easy to overestimate potential threats from an actor who is hated. Racial animosity expressed in such slogans as "The Yellow Peril" were a factor in American threat perceptions vis-à-vis Japan after the Russo-Japanese War. Complacency and basic anxiety are attitudes that can impinge on threat perception. Complacency was a factor in Israel following her brilliant victory over the Arabs in 1967. It tends to encourage underestimates of external threats. Anxiety tends to do the opposite.

Second, misperceptions can be generated by strong ideological commitments because rigid general beliefs about the nature of the outside world are likely to govern the selection of guiding assumptions. These are then based less, or not at all, on objective empirical analysis than automatically deduced from prior beliefs. An adherent to Leninist ideology will readily assume that capitalist countries constitute the mortal enemy of communist societies. When the Cold War posture had become rigid in the United States, it was not hard for Americans to overestimate the threat emanating from monolithic world communism even after Yugoslavia and Albania had separated themselves from Moscow's tutelage and control and the Soviet-Chinese split had deepened.

Third, bureaucratic behavior, including bureaucratic politics, in intelligence agencies, foreign offices and among the military can act as a distorting

predisposition. In addition to the factor to be taken up shortly, it tends to be functional in such organizations to protect assumptions once they have been accepted. Powerful incentives induce individual members to conform and not to challenge such guiding preconceptions. Bureaucratic inertia thus perpetuates expectations about foreign actors that fitted the real world earlier on but have ceased to do so because of relevant changes in the environment.

Fourth, there is wishfulness which historical study suggests to be the predisposition most frequently at work. Psychologists tell us that to predict what one wants to happen is an insistent human tendency. On the one hand, people who wish to cut defense expenditure because they want to reduce taxes or increase welfare outlays come easily to the belief that external threats are low even when these estimates are not based on any qualifications for engaging in threat perception. On the other hand, people who profit one way or another from rising defense spending, including the military, tend to overestimate foreign threats. I am not speaking here of the deliberate misrepresentation of threats but of sub-conscious leanings. The British appeasers of Germany in the 1930's inclined toward underestimating the Hitler menace in part because they found the prospect of a major war abominable. They wanted peace. In disbelieving all intelligence information foretelling a German attack, and there was plenty of it, Stalin may have been influenced by his recognition that the Soviet Union needed time for strengthening its armed forces, greatly weakened by the preceding purge of the officer corps, before taking on the German army. Of particular importance is that leaders and foreign-policy officials tend to like intelligence estimates that permit them to pursue favorite policies. Once a particular foreign policy is found desirable on other grounds, it becomes painful to accept evidence of foreign threats in conflict with that policy.

It is then more rewarding to ignore unwelcome signals or to interpret them in ways that allow them to be assimilated to governing assumptions. This predilection is so ubiquitous according to historical experience that it has led to the belief that intelligence production must be separated from the formulation of policy.

Two reasons account for the frequency with which these intervening dispositions operate, and for the remarkable staying power they display. One results from the purely intellectual problems of threat perception, in particular the fact that relevant information is usually ambiguous and hence capable to multiple explanations. No one inference can be proved in advance to be correct. The implied choice of interpretation gives intervening predispositions great ease of entry. The other reason is precisely that the actor is unaware of their intervention.

Foreign threats can obviously also be misrepresented deliberately. Historical cases are not rare in which a ruler or ruling group tried to bolster waning domestic authority by diverting public attention to external threats and profiting from the sense of solidarity that is often triggered in the face of a foreign menace. More generally, individuals and groups that expect to gain from national response to a threatening environment may assert the presence of such threats not as a result of sub-conscious urges but as a deliberate act of exaggeration. For the same sort of reason, threat perception can be manipulated also in the opposite direction. In this area, however, we are in the realm of supposition because firm evidence of deliberate misrepresentation is naturally hard to find. But few will deny the plausibility of the hypothesis.

In addition to these structural problems of international threat perception, there can also be situational conditions that may aggravate the difficulty of the

operation. As is generally observed in the literature, this aggravation tends to occur at times of profound and fast-moving international crises when time constraints and stress can reduce analytical effort and distort perceptions. Yet it needs to be asked whether crises cannot also produce positive effects by facilitating the correction of preceding perceptions. To the extent that a serious international crisis comes as a surprise or moves in surprising ways, it discredits intelligence estimates previously made and casts doubt on the conceptual assumptions on which these estimates were premised. At the same time, the conduct of other governments in the crisis supplies new information about their possible intentions. As a result, crises offer an opportunity for learning and this is an advantage even if the learning may have to be done very quickly. Indeed, the need for speed often means that top leaders rather than intelligence bureaucracies will do the learning in the first place. Whether the harmful or helpful effects of crisis prevail is evidently an empirical question.

IV

Estimates of the capabilities of states are an integral part of international threat perception. Whenever the presently peaceful conduct of countries cannot be regarded as permanent, the estimate of potential military threats rests on the estimate of capabilities. When a state is regarded as presenting an actual threat, capability estimates attempt to assess the precise dimensions of the threat.

One sometimes hears it said that--because it is difficult to estimate the intentions of foreign governments, and risky to rely on such estimates--prudence is served best by an estimate of capabilities and the assumption that foreign actors are apt to do the worst to us they are capable of doing. Critics of this prescription point out that worst-case assumptions automatically overestimate external

threats and that action based on them provokes foreign insecurity, arms races and confrontations, and thus ends up by making the world more threatening and dangerous.

It may well be that military services (but not necessarily military intelligence) routinely design contingency war plans on the basis of worst-case assumptions; and, in the light of our preceding analysis, such practice is not necessarily unsound. However, this analysis and the historical case studies on which it rests also suggest that the prescription is not widely followed in national intelligence efforts. We are unable to say whether underestimates of threats have been more or less common than overestimates. But the large number of recorded cases of strategic surprise indicates that worst-case assumptions were often not considered seriously enough. In some instances, e.g. Stalin's in 1941, best-case assumptions seem to have prevailed. To consider worst outcomes, or for that matter best ones, is not of course the same as fashioning policy solely on estimates based on either extreme assumption.

To think that foreign capabilities are estimated easily is an illusion, and the claim that capability estimates are substantially more reliable than estimates of foreign intentions is highly debatable. To be sure, there are items in capability analysis that can be directly observed, and counted or measured within narrow limits, such as changes in defense budgets, number of armored divisions, fighter aircraft, and certain weapons characteristics. However, while these sorts of things are important, they represent only a fraction of overall capabilities. Capability estimates are ultimately needed in order to decide what, if anything, can and should be done in order to deter external threats when the need for deterrence cannot be ruled out, and to defend if deterrence was needed but failed. In the final analysis, therefore, capability estimates refer to the test of war which is the only true test of capabilities.

As the history of warfare demonstrates abundantly, the outcome of war depends not only on quantitative things known beforehand but on a host of qualitative factors, such as troop training and morale, military leadership, strategy and tactics, military intelligence and communications, the performance of arms under wartime conditions, the behavior of allies, the ability of belligerent governments and publics to absorb casualties, and so forth. And these qualitative things are difficult to estimate. Moreover, all the elements that determine the military capability of a potential opponent in wartime are significant only relative to the capabilities of one's own side. The implied requirement to estimate one's own capabilities, including the many qualitative components, opens another dimension on which realistic estimates are hard to achieve. Is there not a strong inclination, reflecting fairly obvious reasons, to overestimate the capabilities of one's own side, and especially the qualitative aspects for which evidence is ambiguous? 15/

We conclude, then, that--taking the entire range of ingredients into account--the estimate of military and related capabilities is necessarily based on information that, as a whole, is fragmentary, obsolescent and, above all, ambiguous. The properties of this information are not very different from those that are relevant to the estimate of foreign intentions, and the problems of threat perception discussed in the preceding analysis apply also to capability estimates. Again, how the information is interpreted depends crucially on assumptions and preconceptions, as is made clear by the following four examples of mistaken capability estimates.

15/ Military planners not rarely overestimate certain components of foreign forces (e.g. numbers of men, numbers and types of arms) in order to appeal for more funds from their governments. They are less likely to say that their troops suffer from bad training and morale, and that their leadership, strategy and tactics are inept.

The concept of the famous French Maginot Line of fortification (including the missing link to the sea in the northwest) originated in strategic studies undertaken in the early 1920's. The concept--on which French planning for deterring and defeating German aggression came to rest increasingly--assumed that military technology continued to favor the defense over the offense, as it had during World War I. This assumption was not revised when improved tanks and aircraft, and tactical uses that capitalized on these improvements, made it doubtful in the 1930's. German capabilities were grossly underrated as a result. In 1940, the Germans achieved surprise and, though using fewer troops and tanks than the French, quickly crushed resistance by making an end run around the Line.^{16/} Even though some French officers (including Charles de Gaulle) had themselves been thinking about the Blitzkrieg tactics developed by the German army, and even though these tactics had been used against Poland in 1939, the official French strategy could be defended on the grounds that the superiority of Blitzkrieg against staunch defenses was doubtful or improbable. New information was ambiguous enough in its implications to protect old assumptions that led to defective estimates of foreign capability.

During World War II, the Americans and the British adopted strategies of air bombardment that were based on serious overestimates of German vulnerability.^{17/} The American bombing offensive, which emphasized precision-bombing of key capital structures in the war economy, was prompted by the mistaken assumption that the

^{16/} Paul Bracken, Unintended Consequences of Strategic Gaming, Hudson Institute Paper, May 2, 1977.

^{17/} Harold L. Wilensky, Organizational Intelligence (New York, Basic Books, 1967, pp. 24-3 .

German economy was stretched to capacity. That Germany's productive capacity should be overtaxed after several years of destructive warfare was no doubt a reasonable hypothesis. But it turned out that the German economy actually had plenty of slack. The British air offensive against German cities was guided by mistaken expectations about the brittleness of German civilian morale. This underestimate of German capability, in turn, was derived from assumptions, later shown to be unrealistic, about what German bombers would do to British civilian morale. And this overestimate was derived by British planners from dubiously selected information relating civilian casualties to the weight of bombs dropped on London by German zeppelins in World War I. These estimates, incidentally, affected the behavior of the British government toward Germany during the late 1930's.^{18/}

The Soviet economy and Soviet defense spending have been important subjects of American estimates. In 1976, the CIA suddenly revised its previous estimates for 1970-1975 that apparently had underestimated the Soviet defense budget by half and the growth of that budget by about two-thirds. The underestimates had resulted from assumptions about the content and structure of the Soviet defense budget that were suddenly recognized as incorrect.^{19/} It was not new information but a conceptual challenge that caused a long-employed assumption to be reviewed. As Albert Wohlstetter has demonstrated in a number of studies, American intelligence consistently overestimated Soviet deployment of inter-continental bombers and ICBM's from the 1950's to 1961, only to underestimate Soviet ICBM deployment after 1961

^{18/} Bracken, op. cit., pp. 28ff.

^{19/} William T. Lee, Understanding the Soviet Military Threat, National Strategy Information Center, Agenda Paper No. 6, New York, 1977, pp. 7-22.

with equal consistence. The faulty estimates in both periods ultimately rested on the expectation that Soviet strategic thinking was like American strategic thought.^{20/} Assumptions that reflect such mirror-imaging are a frequent source of misperception.

Subconscious predispositions intervene in the choice and use of guiding assumptions as readily in estimates of capabilities as they do in the perception of foreign intentions. To refer to the examples of capability estimates just presented, the change in American estimates of Soviet strategic nuclear forces suggests the familiar learning process that overreacts to past error. It has also been intimated that the later underestimates resulted in part from an institutional desire to live down a reputation for producing overestimates.^{21/} The data from which British overestimates of air bombardment were derived would not have remained unchallenged for as long as they did if they had not been kept highly classified.

Wishfulness, which is probably the chief culprit in distorting international threat perception, was evidently at work in producing and protecting the estimates of the German threat that justified the Maginot idea of deterrence and defense. In the future, the French wanted to avoid the frightful losses of manpower suffered in World War II. They hoped that, unable to break through the defenses of its opponent, Germany would be beaten through economic strangulation.^{22/} This hope to win without a long grinding war on land also inspired American and British planners whose estimates exaggerated Germany's vulnerability to attack from the air.

^{20/} Ibid., pp. 24-32. See also the papers by Wohlstetter listed in the Appendix.

^{21/} Lee, op. cit.²⁷ Approved For Release 2005/01/10 : CIA-RDP86B00985R000200130016-0

^{22/} Bracken, op. cit., p. 7.

V

We are now ready to turn to the question of how statecraft dealing with international threat perception should be organized in order to cope with the problems we have described. It is not surprising that the literature on remedies is as yet only in its infancy. The severity of the problems had not been realized until quite recently. We have been at pains to demonstrate that bad intelligence performance--one is almost inclined to say unlucky intelligence performance--does not usually result from stupidity or lack of effort. Indeed, it seems facile to blame intelligence services for having done a poor job of prediction in particular cases. They probably did the best they could in want of a trustworthy crystal ball. Nor do the intrinsic difficulties encourage hopes of radical improvement. What can be expected at best is a moderate improvement of average performance. Relevant statecraft, therefore, concerns not only the production of intelligence but also the question of what can be prudently expected from it, the matter of intelligence consumption and, ultimately, adaptation to the fact that the intelligence product can never rise securely above suspicion.

Two conclusions that are sometimes drawn from the recognition that the obstacles to perfect threat perception are insuperable, should be firmly rejected. First, to eliminate or seriously downgrade formal intelligence efforts could make matters only worse, for no policies can be designed without some sort of assumptions about the future. To do away with professional intelligence officers would be replacing them by amateurs who are up against the same problems with less awareness and aptitude. Second, it would be wrong to conclude that, predicting the intentions of foreign actors being hopeless, one better focus entirely on estimating their capabilities and assume that their intentions will be the worst

imaginable. To imagine the worst is by no means easy and surprises could not be avoided if one tried. As demonstrated above, to estimate capabilities is not all that easier than estimating intentions. And to act on worst-case assumptions about foreign intentions might well increase rather than reduce national insecurity.

Measures to insure the improvement of intelligence production can be institutional and doctrinal. Institutional remedies are essentially not a matter of organizational structure but of practices which, if adopted, will entail certain administrative requirements. The key problem in threat perception is clearly the quality of the assumptions that are brought to the information and guide the selective perceptions of intelligence officers. Several remedial practices seem worth considering. (1) It is obviously important that these assumptions be made explicit and that they be continuously reviewed in the light of new information. The danger is that, if these things are done, they will be done routinely and without keen alertness to the likely obsolescence of all preconceptions.

(2) As a further check on the fitness of preconceptions, it would seem useful that an explicit attempt be made to identify and evaluate various motivational patterns that could explain the observed behavior of foreign actors, and various assumptions that, when applied to information about foreign capabilities, would produce different estimative conclusions. Because no estimate can do more than reduce uncertainty and every estimate can be wrong and, if believed in, cause subsequent surprise, it would seem sound practice to present every probabilistic estimate on matters of great consequence within the framework of accompanying worst case and best case interpretation of the same information. Again, the danger is that the two limiting interpretations would be made unappealing and turned into caricatures.

(3) To achieve something of the same purpose, it has also been suggested that intelligence services practice multiple advocacy by appointing a devil's advocate within their organizations. But it is doubtful that such a person or group can be given enough autonomy of operation, and bureaucratic incentives and influence, to do the job effectively.^{23/}

(4) Another approach to this problem--and one already practiced--is not to set up one bureaucracy that enjoys a monopoly of intelligence production. A degree of competition is some safeguard against the hardening of assumptions. One danger of this particular solution is that the desire of separate bureaucracies for what economists call product differentiation--a normal organizational proclivity--encourages dissenting estimates for the wrong reasons. Dissent for the wrong reason can also result when different intelligence groups have different institutional customers with competing vested interests. A third danger is that the different groups seek to limit competition by negotiating informally about the degree and nature of estimative disagreement. Remedies (2), (3) and (4) mean that the consumer will not receive a single clear-cut estimate. In principle, this result is to be welcomed because the consumer should understand the limited reliability of all estimates, and should not be allowed to escape facing up to uncertainty. Indeed, he should recognize that prediction is not only the most risky but also the least important function of intelligence.²⁴

^{23/} According to newspaper reports, the CIA experimented recently with appointing an outside team for estimating Soviet intentions as a check on its own "in-house" estimate. The outside team was rumored to have been one of "hard-liners" and in any case came to the conclusion that the Soviet threat to the United States was greater than the one presented by the regular CIA team. The value of this practice would seem to depend on who picks the teams, on which criteria of selection. For a description of this experiment, see Lee, op. cit., Appendix B.

^{24/} Wilensky, op. cit., p. 64.

There is the danger, however, that the supply of alternative estimates will let the consumer follow his predispositions and simply pick the one he likes best because it permits him to do what he wants to do anyhow.

(5) To evaluate intelligence predictions after the event would seem to be critical to organizational learning. But to make sure that postmortems are done thoroughly and without prejudice, they would have to be undertaken by an independent group, and making estimating staffs react to the reviews in detail would be necessary in order to assure that feedback generates learning. The review process should include estimates that turn out to have been correct because they may have done so for the wrong reasons, and therefore have just been lucky.

(6) Intelligence services become sometimes reluctant to alert governments to disruptive events they think might occur because the same warnings have been expressed repeatedly before when nothing of the kind ensued. The "cry-wolf" syndrome is obviously dangerous when the events in question are of grave consequence, and intelligence officials should not be deterred from reissuing such warnings with a considered indication of probabilities. If the warning problem is properly understood, intelligence consumers in the government will accept the necessity of repeated estimates that, expressed in probability terms, warn of events that do not later take place (possibly because of a state of alertness produced by the warning).

(7) Because the behavior of other countries commonly depends on the policies pursued by one's own government, it seems advisable that intelligence estimates take such policies into account. This may not be easy to arrange and even be frowned upon when the policies are still secret and the intelligence service is institutionally separated from policy-making.

(8) The development of new techniques and equipment for processing and analyzing information (especially computers), though worthwhile for some special tasks, are not nearly as helpful as might be assumed. They often supply a flood of information that is more than an individual or small group can digest, and hence leads to greater specialization. The resulting compartmentalization impedes the reintegration of informational inputs. Given the difficulties of using ambiguous information in matters of threat perception, computers are useless for the larger analytical tasks. How do we program them for the simulated enactment of real-life sequences? How do we program computers for processing ambiguous information? To hope for the discovery of indicators that remove ambiguity seems extremely far-fetched at this stage of knowledge. No doubt, computers are and will be useful in accomplishing clear-cut subsidiary functions. But the central problems in international threat perception are not susceptible to technological solutions.

None of the remedial practices we have listed are without problems of their own. It is possible that some will be counterproductive in the real bureaucratic world. At this point, therefore, the question is one of experimenting with various remedial procedures in order to discover their cost-effectiveness.

Yet, in any case, the introduction of such practices that promise improvement is unlikely to yield good results, and might not even take place, in the absence of proper professional doctrines among intelligence producers and consumers alike. Professional self-indoctrination among producers would encompass a sense of responsibilities that is realistic in terms of all the grave difficulties that beset international threat perception. The preceding discussion of practices indicates the specific issues which doctrine should engage.

However, there is, in my opinion, one pre-condition that must be met squarely before sound doctrine can develop. This is a full understanding of the historical record of statecraft concerned with international threat perception--a record that now exists only in fragments and demands more analysis as well as completion. Only historical knowledge and analytical penetration can give intelligence officers a realistic conception of the daunting difficulties they must professionally face, the pitfalls to be avoided as much as possible and the approaches to be cultivated.

If knowledge about the problems of intelligence production has only begun to develop, even more needs to be done about understanding the problems of intelligence consumption and of bridging the gap between output and consumption by means of proper guidance. The following suggestions are therefore necessarily sketchy.

For reasons we have spelled out, trouble is inevitable if the main production of intelligence is closely integrated with the design of foreign policy. The temptation to tailor intelligence estimates to the desires of the policymaker is then exceedingly hard to resist. Separation, however, also creates problems. One is that intelligence production may not be properly directed toward the issues that are important to policy making. The intelligence people therefore need guidance to make their work sensitive to consumption needs. This does not mean that intelligence should be dominated by policy. All that is needed is sufficient coordination. Even if this separation of functions is adopted, the policy maker and especially top leaders should not rely exclusively on the output of the main intelligence organ because, as we have shown, even the most carefully made estimates can turn out to be seriously misleading. Consumers, therefore, should also have access to smaller intelligence units

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in the government structure as a monopoly.

In the United States, for instance, intelligence groups in the Department of States and Defense Department, and -- closer to the White House -- attached to the Security Council, are available in addition to the CIA. Such pluralism also entails drawbacks. If conflicting estimates are produced, consumers have a choice and may well pick the one that fits their own predispositions. Yet the disadvantage of relying on one single source seems to be even greater. In addition, top consumers should insist on estimates (concerning questions of great consequence) in which the one favored by the producer is bracketed by competing interpretations of the available information that are rejected. If it is objected that this would overburden the consumer, the answer surely is that to accept any lesser burden--a short and single that is supposedly reliable estimate--is to have surrendered to illusion.

Such practices will not be instituted unless intelligence consumers are properly indoctrinated in the uses of estimates. Consumers also require considerable education in the problems that are inherent in international threat perception. Once they have internalized this knowledge, they will be less likely to substitute their own estimates for intelligence products that frustrate their expectations, will tolerate the fact that no one estimate is sure to be correct and will appreciate and yet not abuse the presentation of diverging products. In the light of past performance and of analysis, there can be no excusable expectation of perfect intelligence and no justification for expecting the resolution of uncertainty about the future.

The acceptance of unavoidable uncertainty greatly complicates the conduct of foreign policy, but need not paralyze it. If we understand that all forecasts have a substantial chance of proving faulty, we have accepted the real possibility of surprise and we are free to make provision for minimizing the ill consequences

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of surprise. Such provision may be costly in terms of resources, as insurance always is, and even in terms of downgrading or abandoning policy options that look too risky. But to make such provision would seem to be prudent and conducive to national interest in an insecure world.

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Appendix
Selective List of Literature
(with Selective Annotations)

Belden, Thomas G., "Indications, Warnings, and Crisis Operations," International Studies Quarterly, XXI, March 1977, pp. 181-198.

--A thoughtful analysis of the problem of indicators to be used in the warning process.

Commission on the Organization of the Government for the Conduct of Foreign Policy, Appendices, Vol. VII, Washington, D.C., Government Printing Office, June 1975.

--Several papers of interest on many problems of foreign intelligence, but mainly on organization matters.

George, Alexander L. and Richard Smoke, Deterrence in American Foreign Policy: Theory and Practice, New York, Columbia University Press, 1974.

--The case studies on deterrence failure are also case studies on inadequate threat perception. The theoretical part researches especially attitudinal barriers to correct threat perception.

Hilsman, Roger, Strategic Intelligence and National Decisions, Glencoe, Ill., Free Press, 1956.

--A formulation of intelligence doctrines based on interviews with intelligence operators.

Jervis, Robert, Perception and Misperception in International Politics, Princeton, Princeton University Press, 1976.

--The most systematic analysis of problems of international perception.

Kent, Sherman, Strategic Intelligence for American World Policy, Princeton, N.J., Princeton University Press, 1949.

--One of the earliest American introductions to the subject, written by an academic historian who subsequently became a high-ranking intelligence officer.

Knorr, Klaus, "Failures in National Intelligence Estimates: The Case of the Cuban Missiles," World Politics, XVI, 1964, pp. 455-467.

--The influence of preconceptions and assumptions on intelligence production is examined in this case study.

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Knorr, Klaus, Foreign Intelligence and the Social Sciences, Research Monograph No. 17, Center of International Studies, Princeton University, June 1964.

--In addition to discussing the relevance of social science knowledge to intelligence work, this paper emphasized the need for a descriptive and normative theory of intelligence.

-----, "Threat Perception" in Klaus Knorr (ed.), Historical Dimensions of National Security Problems, Lawrence, Ka., Kansas University Press, 1976, pp. 78-119.

--A historical assessment of the record of threat perception and an analysis of its problems, including predispositional factors.

Lee, William T., Understanding the Soviet Military Threat (National Strategy Information Center, Agenda Paper No. 6, New York, 1977).

--An examination of faulty CIA estimates on the Soviet defense budget.

Leites, Nathan C., The Operational Code of the Politburo, New York, McGraw Hill, 1956.

--A fascinating attempt at identifying systematically the doctrines that govern foreign policy-making in a major country.

Morgenstern, Oskar, Klaus Knorr and Klaus Heiss, Long-Term Projections of Power: Political, Economic, and Military Forecasting, Cambridge, Mass., Ballinger, 1973.

--A critique of several techniques of forecasting.

Shlaim, Avi, "Failures in National Intelligence Estimates: The Case of the Yom Kippur War," World Politics, XXVIII, 1976, pp. 348-380.

--An excellent case study placed within a conceptual framework and illustrating several key hypotheses. Also good on remedies.

Whaley, Barton, Codeword Barbarossa, Cambridge, Mass., MIT Press, 1973.

--A detailed case study of Stalin's failure to foresee the German attack in 1941. It adds to the study of Roberta Wohlstetter by emphasizing the factor of deception.

Wilensky, Harold L., Organizational Intelligence (New York, Basic Books, 1967).

--Fine analysis by a sociologist of the intelligence function in all organizations.

Wohlstetter, Roberta, Pearl Harbor: Warning and Decision, Stanford, Stanford University Press, 1962.
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Highlights from Klaus Knorr, "Strategic Intelligence:
Problems and Remedies"

1. ". . . the record of international threat perception in the vital strategic area is disconcertingly poor." (6)

2. "Misperception and surprise do not usually result from lack of information." (9) In the Israeli, October 1973, case an intelligence officer made the correct estimate, predicting attack on Oct. 1 and again on Oct. 3. But his superiors rejected his judgment. "In every other case I have studied, it is easy to see in retrospect that the relevant information for making a correct estimate was available." The problem is to separate the correct information from the rest in a situation that is essentially ambiguous and may be further confused by deliberate "disinformation." "All that can be derived from ambiguous information are inferences, and no one inference can ever be compelling because any ambiguous behavior can be explained by more than one motivational pattern." (10) Correct estimates are further complicated by the fact that the other side is itself undecided or "acting on the basis of multiple options" -- as was the case in the attack on Pearl Harbor (the Japanese admiral was to attack only if the U.S. fleet was at anchor and he was able to achieve surprise). (10-11)

3. "In drawing inferences from available information that is usually fragmentary and ambiguous, Intelligence officers use certain assumptions about the behavioral pattern of the potential enemy." (12) These assumptions are not stupid usually; what is wrong about them is "the degree of trust they commonly command. . . . human actors can produce unexpected behavior for any number of reasons." (13) Thus the patterns may be changed deliberately, for purposes of deception, but they are also likely to be changed for other reasons, such as "new domestic pressure, changes in relative capabilities, the individual influence of personalities, failures of intelligence on their part, deviations from rationality, and other variable conditions including the possibility that, in the life of governments as elsewhere, things happen by accident as well as design." (13) Reliance on "the lessons of history" (e.g. that "appeasement encourages aggression") can be even riskier. (14). In sum: "although good estimates can reduce uncertainty about the future, even the best cannot be depended on to remove it." (14)

4. "There is an entire further dimension of factors that tend to cause mistakes. . . . the perceiver, far from being unbiased, often approaches his task under the influence, usually unwittingly, of predispositions that affect his choice of assumptions and his receptivity of incoming information. . ." (15) The sources of these predispositions may be emotions, ideological commitments, bureaucratic politics, or simple wishful thinking ("the predisposition most frequently at work"). (16-17)

5. "Approved For Release 2005/01/10 : CIA-RDP86B00985R000200130016-0" easily is an illusion, and the claim that capability estimates are substantially more reliable than estimates of foreign intentions is highly debatable (19) Further, as to estimate enemy capabilities requires an estimate of one's own, another dimension is opened on which "realistic estimates are hard to achieve." (20)

6. "We have been at pains to demonstrate that bad intelligence performance -- one is almost inclined to say unlucky intelligence performance -- does not usually result from stupidity or lack of effort. . . . Nor do the intrinsic difficulties encourage hopes of radical improvement. What can be expected at best is a moderate improvement of average performance. Relevant statecraft, therefore, concerns not only the production of intelligence but also the question of what can be prudently expected from it, the matter of intelligence consumption and, ultimately, adaptation to the fact that the intelligence product can never rise securely above suspicion." (24)

7. ". . . to eliminate or seriously downgrade formal intelligence efforts could make matters only worse, for no policies can be designed without some sort of assumptions about the future. To do away with professional intelligence officers would be replacing them by amateurs who are up against the same problems with less awareness and aptitude!" (24)

8. Institutional remedies. "[These] are essentially not a matter of organizational structure but of practices which, if adopted, will entail certain administrative requirements." (1) Assumptions should be made explicit and "continuously reviewed in the light of new information." (2) In every case "an attempt should be made to identify and evaluate various motivational patterns. . . and assumptions that. . . would produce different estimative conclusions." Meanwhile avoiding the fallacy of presenting the sole acceptable estimate between unappealing extremes must be achieved. (25) (3) Employment of "a devil's advocate" within the intelligence institution is a doubtful recourse. (4) It is useful to avoid setting up "one bureaucracy that enjoys a monopoly of intelligence production." (26) If the consumer receives competing estimates, "this result is to be welcomed because the consumer should understand the limited reliability of all estimates, and should not be allowed to escape facing up to uncertainty. Indeed, he should recognize that prediction is not only the most risky but also the least important function of intelligence." (26) There is a danger, though, that multiple estimates may encourage the consumer to "follow his predispositions and simply pick the one he likes best." (5) Independent postmortems are a useful exercise. (6) Intelligence officials should not be deterred (by the "cry-wolf syndrome") from reissuing warnings with a considered indication of probabilities. (7) ". . . it seems advisable that intelligence estimates take . . . policies into account (even though it may not be easy and may be frowned upon while the policies are still secret). (27) (8) "The development of new techniques and equipment for processing and analyzing information (especially computers), though worthwhile for some special tasks, are not nearly as helpful as might be assumed."

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9. The institutional remedies are unlikely to be effective without "proper procedures for the production of intelligence by producers and consumers alike." "There is, in my opinion, one pre-condition that must be met squarely before sound doctrine can develop. This is a full understanding of the historical record of statecraft concerned with international threat perception -- a record that now exists only in fragments and demands more analysis as well as completion." (28,29)

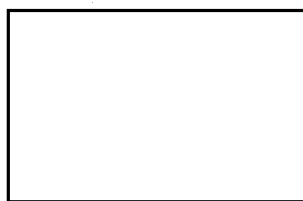
10. ". . . the policy maker and especially top leaders should not rely exclusively on the output of the main intelligence organ because, as we have shown, even the most carefully made estimates can turn out to be seriously misleading. Consumers, therefore, should also have access to smaller intelligence units in the government structure as a check on the dangers of intelligence monopoly." (30) "In addition, top consumers should insist on estimates (concerning questions of great consequence) in which the one favored by the producer is bracketed by competing interpretations of the available information that are rejected. . . . to accept any lesser burden - a short and single that is supposedly reliable estimate -- is to have surrendered to illusion." (30)

11. "In the light of past performance and of analysis, there can be no excusable expectation of perfect intelligence and no justification for expecting the resolution of uncertainty about the future." (3)

12. "The acceptance of unavoidable uncertainty greatly complicates the conduct of foreign policy, but need not paralyze it. If we understand that all forecasts have a substantial chance of proving faulty, we have accepted the real possibility of surprise and are free to make provision for minimizing the ill consequences of surprise." (31)

COMMENT: Klaus seems to me to have hit all the high spots without exhausting the subject. His argument is, of course, fully illustrated from historical cases. It would be fascinating to me, and I suspect to the DCI as well, to hear him debate with [redacted] the subject: "Strategic Intelligence and Policy Decisions."

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