

CRISIS AND INTELLIGENCE: TWO CASE STUDIES *

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An international crisis can take on different forms and result from various developments—a surprise attack, the outbreak of war, a coup, the collapse of a government, increasing growth of an insurgency, rampant demonstrations and riots, assassination of an important political leader, massive economic failure, downing of aircraft, sinking or seizure of a ship, and so forth. A crisis can develop suddenly with little or no warning, it can gradually develop over time and then suddenly blow, or it can be a heightening of or sudden development within a crisis already in progress.

The role of intelligence prior to a crisis is to eliminate surprise by alerting and warning of an impending development. Once the crisis is taking place, the role of intelligence is to keep the policymakers and crisis managers informed of what is going on and what to expect. There are a wide variety of ways prior to and during a crisis in which intelligence is fed into the policymaking and management machinery. Written products primarily include the Central Intelligence Agency's (CIA) *National Intelligence Daily*, the Department of State's (Bureau of Intelligence and Research, INR) *Morning Summary*, and the Defense Intelligence Agency's (DIA) *Daily Intelligence Summary*. These are intelligence community priority publications, read daily at the White House and by others at the top in the foreign affairs and defense establishment. Other written products include Special National Intelligence Estimates (SNIEs), briefing memoranda, and warning memoranda. The Vice President, Secretary of State, Secretary of Defense, and other top advisers also receive special briefing materials provided daily to the President.

A fast-breaking situation causes a great surge of incoming material—cables, intelligence reports, news items—and produces an acute need on the part of the policymakers to know quickly what is happening and what may be about to take place. In addition to the regular daily intelligence publications, situation reports are particularly useful in meeting this urgent need for information and analysis. In addition to the situation reports and other special memoranda, there would be—depending on the type of crisis—oral briefings using maps, photographs, and charts.

The timely production of objective analysis and its proper use by the policymakers is critical to the handling of a crisis. There are unfortunately a number of obstacles and barriers which often lead to intelligence and policy failures. Richard Betts of the Brookings Institute, in an article entitled "Analysis, War, and Decision: Why Intelligence Failures are Inevitable," commented that "most crucial mistakes have seldom been made by collectors of raw information, occasionally by professionals who produce finished analyses, but most often by the decision makers who consume the product of

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intelligence services. Policy premises constrict perception, and administrative workloads constrain reflection. Intelligence failure is political and psychological more often than organizational.”

Betts and others have over the years observed various reasons for failure or near failure. In terms of the cases I will be discussing, the most significant factors are:

- Policymakers tend to disregard analysis which runs counter to preconceptions; that is, the mindset. In addition, some at the policy level tend to place more weight on raw intelligence than on analysis in finished intelligence. This is particularly the case in a crisis situation where both data flow and policy formulation outpace analysis; the policymakers and crisis managers develop, as former INR Director Thomas Hughes put it, “the succulent taste for the hot poop.” Some policymakers have a bias against intelligence analysts; they may insist on being their own intelligence officer. Policymakers also tend at times not to share vital information with the intelligence community. This impedes accurate analysis.
- Intelligence analysts tend to be guilty of mindset—to be overly cautious and unwilling to challenge effectively conventional wisdom, to be ambivalent and waffle. In such a situation the analyst serves little purpose in assisting the policymakers by objectively informing her/him of what is going on and why, and what to expect and why.
- There is a tendency in the joint preparation of estimates, such as SNIEs, to resolve through consensus substantive differences to the point that the product may make ambivalent or ambiguous judgments.
- The presence in a crisis of an excess of information, much of it fragmentary and conflicting, makes it very difficult for an analyst to sort out what is real and unreal in order to be able to make clear judgments as to what is happening and what it all means.
- Operational agencies tend to justify their own performance by issuing overly optimistic assessments and reports.
- Policymakers tend to be preoccupied by other often equally significant policy matters, or to be suddenly distracted by another crisis somewhere else in the world or right smack in the middle of the one already at hand. This kind of situation also affects the intelligence community.

Case Study: Tet Offensive in Vietnam, 1968

On 30 January 1968, during Tet, the lunar New Year, nearly 70,000 communist soldiers launched a surprise offensive of incredible scope. These forces attacked more than a hundred South Vietnamese cities and towns, including Saigon, thus shifting the war for the first time from the rural setting to the seemingly secure urban areas.

After some days of fierce combat, the enemy was cleared from most cities and towns. While the communists may have concluded that they suffered a political defeat because their more ambitious objectives were not reached—to

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liberate key urban areas long enough to organize the population and lead a genuine rebellion against the Saigon regime—the offensive dealt the US and its allies a severe setback by demonstrating the communists' great capacity to launch major attacks and to inflict severe punishment. The demonstration of urban vulnerability also had a major adverse effect on allied confidence in ultimate victory, and it had a decisive effect on American public opinion. Tet set into motion the eventual changes in US policy on Vietnam.

The investigations and other post-mortems which took place in the aftermath of Tet found that the scope, intensity, coordination, and timing of the attacks were not fully anticipated; that the nature of the attacks—against urban and not rural area targets—had not been predicted; that a major unexpected element had been the communists' ability to hit so many targets simultaneously; and that civilian and military leaders had been lulled into a false sense of security—based on a belief fed by illusory reports on communist strength, casualties, infiltration, recruitment, and morale—that the communists' overall position had deteriorated.

With regard to the timing of the communists' offensive, most of the intelligence analysts concluded that the offensive likely would occur immediately prior to or following the Tet holiday period which extended from 27 January to 3 February. Some analysts and commanders, including General Westmoreland, included in their estimates the possibility that the attacks might take place during the holidays and shifted some troops just in case. Throughout the fall and into the winter of 1967-68, there was a considerable amount of fragmentary evidence that the communists were planning a major offensive around Tet. That fall the communists had taken the offensive in a series of assaults against allied border positions and then began the siege at Khe Sanh on 21 January. Throughout that period reports were coming in that communist units were being upgraded with greater, more modern firepower, and were developing an improved command and control capability that would allow them to coordinate operations between regular and guerrilla forces, as well as between headquarters (including between Hanoi and COSVN) and widely separated operational areas. The allies were caught off guard not because they did not anticipate the usual attacks in and around Tet, but probably because they were distracted or maybe even deceived by what was happening at Khe Sanh and elsewhere during this period. At the time the military believed that the communists were closing in on Khe Sanh as part of a broad strategy designed to seize and hold South Vietnam's northernmost provinces prior to negotiations.

In the intelligence available in the pre-Tet period, there were indications that the communists were preparing for a series of coordinated attacks on a larger scale than previously attempted and the intelligence even mentioned as possible targets many of the places actually attacked. The intelligence did not suggest that the attacks might concentrate on urban targets to the virtual exclusion of the rural areas, nor did the analysts predict the extent of the attacks which actually occurred or the communists' ability to attack simultaneously to the degree that they did. Moreover, Washington and Saigon had dismissed the possibility that the communists might make a go-for-broke general offensive, thus risking not only their regular troops and their best guerrilla forces but their political cadres, local militia, and underground

administrative infrastructure as well. The judgment made in January 1968 was that the offensive would be more intensive but follow traditional lines—attacks against military bases, airfields, command posts, outposts, pacified hamlets, and that most of the effort would be aimed at the northernmost provinces (again the trend which many thought was being set by the Khe Sanh siege). In the case of a situation like Vietnam where some policymakers and leaders have been deeply involved in it for some time, the task of intelligence in attempting to get them to recognize new courses becomes even more difficult.

One problem which contributed to underestimating the communists' capabilities was the controversy beginning in 1967 over the strength of the communist forces. CIA, DIA, and INR concluded that the communists had an insurgency base—regulars and militia—of about 600,000, a number which then suggested to the analysts that the war of attrition was not as successful as previously thought, and that the communists were able to recruit, something else which had become almost unthinkable. The US Embassy and military in Saigon, however, supported a figure of 300,000, the difference being that Saigon did not accept the development of a militia from which new cadre and regulars could be drawn. In addition, those in Saigon could not accept the fact that the communists were able to recruit. Despite efforts by the intelligence community, especially in Washington, to resolve the differences, the matter remained unresolved and thus contributed to a serious misreading of the situation on the ground.

The enormous amount of raw intelligence being received on Vietnam, much of it fragmentary, had a significant effect on the ability of the intelligence apparatus—in Washington and in Vietnam—to sort out, analyze, and respond in a timely fashion. In addition, the clutter of conflicting and confusing reports served to dull the warnings. Many senior officials in Washington and Saigon faced with the necessity of having to make prompt decisions often were unable to wait for processed intelligence and instead frequently relied on raw intelligence reports. Thus they were in a situation which exceeded their capability to absorb or scrutinize the high volume of material judiciously.

The final element which contributed to the policymakers' failure to give sufficient focus to the impending situation on the ground in Vietnam was Washington's preoccupation with the *Pueblo* crisis at the same time. The seizure by North Korea of the *Pueblo*, a US intelligence ship, a week before Tet immediately plunged most of the foreign affairs and defense establishment into a crisis which raised the spectre of war on the Korean peninsula and worries over the security of Japan. In addition, Washington was at the time also deeply concerned with growing tensions in the Middle East.

Case Study: The Iranian Situation, 1977-1979

The Iranian crisis culminated in the departure of the Shah, the coming to power of the Ayatollah Khomeini, the taking of the US hostages, the serious setback for US interests, and the further heightening of tension in Southwest Asia and the Middle East. My comments on this crisis and the role intelligence played in it generally will cover the period from late 1977 to the Shah's departure on 16 January 1979, and Khomeini's return to Iran on 1 February 1979.

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During preparation of a National Intelligence Estimate (NIE) on Iran in 1975, the intelligence community concluded that the Shah's regime was inherently vulnerable because it was not only rigid but also highly fragile—there were no independent institutions to support it, no legitimate succession procedure to select viable survivors, and no mechanism to diffuse and reconcentrate power and authority as the pressures of various situations might require. The community in essence concluded that should the regime receive a shock or come under sustained pressure, it would probably collapse. But no one in the group that prepared the NIE, and members of the academic community who were consulted, could honestly claim later that he or she could have foreseen the events that would later transpire. The missing element was the breadth and depth of anti-Shah sentiment—the hidden apathy, ambivalence, and hatred.

Although no one could predict what ultimately happened, there was a warning failure. Violent demonstrations and hostilities erupted in 1977 and more so in 1978, placing the regime in jeopardy and with it the substantial US interest in Iran's stability. Still, the attention of top policymakers was not brought sufficiently to bear on Iran until October 1978. By then, the rapid pace of events and the degree of dissidence made orderly transition away from the Shah's rule nearly impossible and policy options which might have existed earlier no longer held promise.

In 1979 the House Subcommittee on Evaluation of the Permanent Select Committee on Intelligence concluded that rather than being simply an intelligence failure, it was "a failure to which both the intelligence community and the users of intelligence contributed. The intelligence and policymaking communities must each carry part of the blame for insensitivity to deep-rooted problems in Iran. More importantly, intelligence and policy failings were intertwined."

The subcommittee made two basic findings. First, intelligence collection and analysis were judged to be weak. There was an inadequate information base with which to gauge the capability of the religious opposition and the breadth of popular opposition and to predict that certain events would come together to drive out the Shah and lead to a collapse of the government.

This conclusion is not entirely fair. The problem connected with the Iranian situation developed not because of inadequate intelligence. The US compiled a substantial amount of accurate information and analysis about major events, particularly the demonstrations and riots. In terms of the overall situation and its implications, however, there were a number of factors which inhibited analysis and more effective policy and decision making. These were:

- the difficulty in diagnosing the potential of religion combined with economic dislocation and corruption as a political weapon;
- the rapid development of revolutionary organizations in 1978 from rudimentary demonstrators in January and February to well-disciplined cadres by September, a development so rapid that it exceeded the capacity of analysts and users effectively to analyze the situation, and to propose and carry out timely action;
- the lack of a watershed event to wake everyone up and unify perceptions, such as the attack on Pearl Harbor or the photographs of Soviet missiles in Cuba; and

- the policymakers' strong, personal beliefs concerning the staying power of the Shah.

The latter factor leads to the subcommittee's second basic finding that the policymakers' confidence in the Shah's ability to weather the storm in turn skewed intelligence. Long-standing US attitudes toward the Shah inhibited intelligence collection, dampened policymakers' appetites for analysis on the Shah's position, and deafened policymakers to the warning implicit in available current intelligence. Because of this attitude—this mindset—there were no incentives for analysts to challenge conventional wisdom. The nature of American policy vis-a-vis Iran influenced the formulation and evaluation of intelligence reporting and analysis. Analysts were not required to consider the possibility that religious and popular opposition might undermine the Shah's rule. Policymakers were not asking whether the Shah's autocracy would survive; policy was premised on that assumption.

In terms of the intelligence community's performance—a portion of which has been discussed above—there were a number of specific inadequacies.

Until mid to late 1977, embassy and intelligence community reporting on the Iranian political situation received low priority compared to reporting on other matters concerning Iran. Very few reports based on contacts with the religious opposition had appeared during the previous two years, and there was little reporting on the internal situation based on sources within the opposition during the first quarter of 1978.

As indicated above, one of the significant weaknesses was insufficient insight into the goals and expectations of opposition elements, and popular attitudes toward them. The subcommittee found that the critical weakness in intelligence collection on Iran was a lack of widespread contact with Iranians of various persuasions, leaders and followers alike. Such contact would have made possible more reliable assessments of the volatility of the situation, the degree of polarization, and relationships among groups and between individuals.

A senior official in the US Embassy at Tehran during this period contends that as the political pace quickened in 1977, the mission picked up hints that the dissidents were growing more powerful and began to cultivate the organizers. By September 1978, he indicates that Farsi-speaking officers knew personally at least one leader in each of the dissident groups except the communists. The one bare spot was that until March 1978 there were no direct encounters between embassy officers and religious leaders. This was an important reason why we failed to comprehend the organizational capability and the skills of the Shiite religious community, and the degree to which the religious leaders had infiltrated and co-opted elements of the military.

Current intelligence was most effective as a warning vehicle and in reporting on events that stood out clearly, but did not lend itself as well to assessments of the long-term significance of events and their implications for US policy and interests. The long-simmering problems in Iran, when examined over time and through hindsight, did show a clear pattern. But at the time the events were occurring the task of sorting out reliable data from the mass of information obscured the significance to analysts.

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The last, and a serious intelligence community inadequacy, was the failure to produce a National Intelligence Estimate (NIE) on Iran. The process bogged down in differences over the product's focus and substance. As the year 1978 wore on, and events in Iran attracted consumers' attention and increased the need for short-term estimation, analysts regarded the NIE as a distraction from more pressing business and there was a tendency to avoid tackling the substantive differences. Ultimately, no NIE was produced.

The issue which divided the intelligence community was over the critical elements of the Shah's power—where it resided. CIA and DIA supported the view that his power rested with the military and security services; it was only necessary, therefore, to monitor the loyalty of the Shah's military and security services and ensure that he maintained his own self-confidence. INR assigned greater weight to popular support and to economic conditions which were exacerbating popular dissatisfaction. INR believed that in determining whether the Shah and his regime were in danger of losing control and power it was more important to ask more questions about the level of popular dissatisfaction and the trends that had been uniting intellectual dissidents and religious traditionalists.

In terms of the policymakers' view, the United States' historical connection with Iran, particularly its close ties with the Shah, weighed heavily. The Shah's power was generally seen as stable for the foreseeable future and assessments to the contrary tended to be played down or ignored. There was no formal policy review to assimilate new ideas and trends, let alone to change existing policy. The failure of the users lay in paying insufficient attention to intelligence analysis—though it was somewhat flawed—and in misjudging the personal power of the Shah.

In this crisis, as with Tet, the pace of events outran the ability of those involved to keep fully abreast of them. John Stemple, a foreign service officer who was directly involved in the Iranian crisis, pointed out in his book, *Inside the Iranian Revolution*, that "even the opposition, which maintained greater control over the pace than any other participants, found itself caught up and pushed along by the onrushing accidents of history—the Abadan fire, the Jaleh Square shootings, and the Tabriz riot." For Washington, the developing crisis came at a time when the President and the top policymakers were preoccupied with the SALT II negotiations, the normalization of relations with Beijing and, in the crucial time-frame of August to December 1978, the Egyptian-Israeli peace talks at Camp David.

Regrouping in the Aftermath

Official post-mortems of intelligence failure usually contain recommendations for reorganization and changes in operating norms. In the case of Tet, it was recommended that a study be made to determine whether the normal intelligence process could be improved in order to ensure the timely and accurate collection and preparation of intelligence during critical situations. If the normal process could not be improved, then institutional changes should be made. In the case of Iran, recommendations were made for a more centralized effort to watch international situations as they developed over time in order to put the intelligence community in a better position to predict what might happen.

While some bureaucratic and procedural fixes will help, the belief that reorganizations and so forth will ensure—or at least lessen the chance of surprises—that there will be no more Tets or Irans is illusory. Richard Betts in his article, "Analysis, War, and Decision," accurately makes the case: "Intelligence can be improved marginally, but not radically, by altering the analytic system. The illusion is also dangerous if it abets overconfidence that systemic reforms will increase the predictability of threats. The use of intelligence depends less on the bureaucracy than on the intellects and inclinations of the authorities above it." In the same article Betts also points out that:

"Organizational solutions to intelligence failure are hampered by three basic problems: most procedural reforms that address specific pathologies introduce or accent other pathologies; changes in analytic processes can never fully transcend the constraints of ambiguity and ambivalence; and more rationalized information systems cannot fully compensate for the predispositions, perceptual idiosyncrasies, and time constraints of political consumers. Solutions that address the psychology and analytic style of decision makers are limited by the difficulty of changing human thought processes and day-to-day habits of judgment by normative injunction."

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