25 YEAR R Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

25X1

Some lessons from case histories of misjudgment in the NIEs.

HOW THREE ESTIMATES WENT WRONG

25X1

The procedure by which National Intelligence Estimates are prepared is designed to ensure that those responsible for policy decisions receive an agreed intelligence judgment (or a carefully delineated disagreement) based upon the best information and most thorough review possible. But the procedures only provide the framework within which people function, and the estimates are only as good as they are made by those who operate the machinery.

The Estimative Process

In this machinery the Board of National Estimates plays the most important managerial and intellectual role. The draft of the estimate is prepared by the Estimates Staff under the Board's direction; it is discussed with representatives of the USIB agencies and CIA components under the chairmanship of a Board member; and it is presented by this Board member to the USIB. The Staff member who prepares the initial draft also plays an important part: he is more familiar with the information than most Board members are, and if he is a skillful writer and convincing defender of his views he puts an ineradicable stamp on the estimate. The Board chairman—particularly if he has had a long familiarity with the subject and is temperamentally inclined to play a leading role—will likewise put a strong stamp on it.

Nevertheless, it is the Board as a corporate entity which bears responsibility to the DCI for the form and substance of the estimates. It is *his* Board, an instrument to formulate his views and to take account for him of the information and judgments applicable to the subject in question. While he personally may rely upon some Board members more than others, in his official capacity he must have a Board sufficiently competent and balanced in composition and experience that he can be confident that all significant aspects of the subject have been weighed judiciously.

25X1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

One cannot generalize about the method or technique Board members use in arriving at estimative judgments. Each estimative situation is unique, and the estimator must lean upon a variety of supports: the amount and persuasiveness of the evidence; the methods of analysis used by the contributors; the judgment of others in whom he has special confidence, whether because of their study, experience, or sharpness of mind; his own background in the subject; and, for want of a better word, his hunches.

By dictionary definition a hunch is a feeling or suspicion not based upon evidence but upon premonition. I do not believe in premonitions, but I admit of the hunch in some sense. It must be compounded of something—a sense of the logic of a situation, a ring of authenticity in certain evidence, an uneasiness because some factor in a situation is unexplained or prima facie unexplainable, a sense of the general weight of evidence though no individual piece of it is sufficiently persuasive, a feeling that some leader or group is likely to act in a certain way because of emotional or ideological predilections, however irrational or illogical the course. Such factors enter in most frequently when there is no solid factual base for conclusions or when the evidence is contradictory. A most notable case of correct hunch occurred in 1962, when Director John McCone kept worrying the possibility that the Soviets might put strategic missiles into Cuba despite the absence of reliable evidence to this effect and despite his Board's judgment that they would not do anything so foolish.

In some ways the estimative job is easier than it was ten or fifteen years ago. We have, for example, much more and better evidence on many aspects of Soviet military capabilities than we did then; collection methods have improved and analytical skills developed. But there are still many problems which strain the estimator's capacity. Some which cause the severest trouble are those predicting likely courses of events (a) in unstable areas or situations of tension, (b) in situations where the strengths of competing forces appear evenly balanced or are difficult to assess, and (c) where the evidence is contradictory, often through deliberate deception. In each of these types of problems the Board of National Estimates has made misjudgments in which this estimator has participated. I would like to describe as best I can recall how three estimates over which I presided came to render—if not explicitly, at least implicitly—judgments that were wrong.

Arab-Israeli Tensions

Estimates of future developments in category *a*, in situations of instability or tension, are both the most challenging and the most discouraging kind. The first reaction is that one is being asked to do the impossible, yet this kind of task can be the most rewarding if done successfully (and although I speak here of a failure, it often is done successfully). Actually, it *is* impossible to predict the course of events; but one can describe how the parties involved apparently think about a situation, how they have so far acted toward it, and how they might act toward hypothetical changes. The case I have in mind is that of an estimate entitled "The Arab-Israeli Dispute: Current Phase," published 13 April 1967.

This estimate was undertaken in the context of an increase in tensions in the Palestine dispute and in the wake of an Israeli raid on Samu in Jordan in late 1966 which shook the monarchy in Amman. These developments raised the question of whether the modus vivendi that had prevailed between Israel and its Arab neighbors since 1957 was coming to an end. Most of what the estimate said was right:

> a. Rivalries and disputes among the Arabs reduce their chances of doing anything significant about their quarrel with Israel; these rivalries also create some danger of precipitating crises from which large-scale Arab-Israeli hostilities could develop.
>
> b. The Israelis seem likely to continue existing policies, including occasional retaliatory action; they would resort to force on a large scale only if they felt their security seriously endangered.
>
> c. [The Israelis] could best any one of their neighbors and probably all of them collectively. Arab cooperation being what it is, Israel probably would not be obliged to take them on all at once.
>
> d. The Soviet leaders almost certainly view the Arab-Israeli dispute as promoting their interests. . . . But the Soviets do not want an outbreak of large-scale conflict in the area, since this would carry serious risk of a US-Soviet confrontation and thus threaten the positions which the Soviets have already won in the area.

But the estimate had one final conclusion which, though it was technically correct, conveyed a sense of reassurance and was, in light of the events of May and June 1967, misleading.

> Although periods of increased tension in the Arab-Israeli dispute will occur from time to time, both sides appear to appreciate that large-scale military action involves considerable risk and no assurance of leading to a solution. In any event, the chances are good that the threat of great power intervention will prevent an attempt by either side to resolve the problem by military force.

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

I say that this last conclusion was technically correct because the Six Day War was not an attempt to "resolve" the Arab-Israeli problem by military force. It fits under the rubric of the conclusion (see *a* above) that rivalries among the Arabs created the danger of "precipitating crises from which large-scale Arab-Israeli hostilities could develop" and that (in *d* above) "the Soviet leaders almost certainly view the Arab-Israeli dispute as promoting their interests." A review of the available information shows that the Soviets had a role in precipitating the crisis by passing intelligence information about Israeli plans for a punitive expedition against Syria to the Syrians and Egyptians. Nasser, who had been accused in the past by his Arab rivals of hiding behind the skirts of the UN, this time sought to avoid the charge. His mobilization and the events which followed then led the Israeli leaders to conclude that their security was "seriously endangered" (*b* above). Quite clearly, both the Soviets and the Egyptians made some miscalculations about the consequences of their actions.

One can thus exculpate oneself by this kind of textual exegesis. But there was in the estimate a serious lacuna: we did not sufficiently treat the possibilities arising out of terrorist activities, border raids, troop movements, propaganda, political warfare, and the psychological effects of these in Israel and the Arab world. Had we understood these better, we should have ended the estimate by noting the danger that they could lead to an explosion rather than asserting the unlikelihood of a deliberate resort to force.

Why did we make this error? I think we were under two misapprehensions. The first was that we overestimated the Soviets' good sense, something we have done before (e.g., when the question was whether they would deploy missiles to Cuba, in 1962). It is, I think, a safe judgment that if the Soviets had thought in mid-May what they knew on 5 June, they would have kept that provocative intelligence information to themselves. The moral is that how the Soviets may think about a particular area and what they may do tactically may not be entirely consistent. We as estimators must recognize more frequently (as we often do in observing the tactical moves of governments regarding which we have more complete knowledge) that specific actions taken by the agents of a government do not always flow from the general policy objectives or posture of the leadership.

The other misapprehension, I believe, was a failure to keep up with dynamic aspects of Near East politics. We did not realize how much more confident in themselves both the Israelis and Egyptians had become. We did not therefore realize how much lower was the threshold of Nasser's readiness to expose himself to danger, and how much lower was the threshold of Israel's readiness to fight against creeping threats to its existence. I cannot say whether this was a failure in intelligence reporting or in analysis; I suspect it was a bit of both. U.S. personnel abroad are often too much absorbed in the day-to-day business of their operations to detect a growing change of mood; analysts in Washington are too often cynically prone to think their foreign charges are the same feckless (or scheming) fellows they always were and that nothing much changes. I, for one, am prepared to be a bit more cynical myself about area specialists.

Prospects in Vietnam

The estimate illustrating misjudgment in category b, when the strengths of competing forces appear to be evenly balanced or are difficult to assess, is one which had a long and tortuous history. Initiated in October 1962, it was finally cleared by the USIB only in April 1963; it was entitled "Prospects in South Vietnam." At that time Diem was still president of South Vietnam and Madame Nhu was riding high. The U.S. commitment was still in the form of advisers and logistical support. The estimate was to assess how things were going, what problems there were, what the prospects were. I will not examine here all the conclusions of the paper, but only its general statements about how the war was going and what the prospects were for South Vietnam in the kind of struggle that was going on then. I quote from some of the conclusions of the draft finally approved by the USIB:

> a. We believe Communist progress has been blunted and that the situation is improving. Strengthened South Vietnamese capabilities and effectiveness, and particularly US involvement, are causing the Viet Cong increased difficulty, although there are as yet no persuasive indications that the Communists have been grievously hurt.
>
> b. Assuming no great increase in external support to the Viet Cong, changes and improvements which have occurred during the past year now indicate that the Viet Cong can be contained militarily. . . . However, we do not believe that it is possible at this time to project the future of the war with any confidence. Decisive campaigns have yet to be fought and no quick and easy end to the war is in sight. . . .

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

c. Developments during the last year or two also show some promise of resolving the political weaknesses, particularly that of insecurity in the countryside, upon which the insurgency has fed. However, the government's capacity to translate military success into lasting political stability is questionable.

The estimate thus rang no tocsin. To put it in simpler language: things are not going to hell; we don't know how it will all come out, but the South Vietnamese are not doing so badly; Diem is improving, he might win the military struggle, though even if he does, don't think the political troubles of South Vietnam will be over. Half a year later Diem was ousted, and the political and military situation degenerated to critical proportions by the end of 1964. What made the estimate so wrong?

In this case the draft originally prepared by the Estimates Staff was essentially correct, but it was fatally weakened during the process of review and coordination. This was a long and painful process for me as chairman, since I had helped the Staff prepare this draft. Let me quote some of the original conclusions, *c* below being the final one:

a. There is no satisfactory objective means of determining how the war is going. The increased US involvement has apparently enabled the South Vietnamese regime to check Communist progress and perhaps even to improve the situation in some areas; however, it is impossible to say whether the tide is running one way or the other . . .

b. On the South Vietnamese side, new strategic concepts, such as the fortified hamlet, and shifts in military and security organization, training, and tactics have strengthened the counter-guerrilla effort. However, very great weaknesses remain and will be difficult to surmount. Among these are lack of aggressive and firm leadership at all levels of command, poor morale among the troops, lack of trust between peasant and soldier, poor tactical use of available forces, a very inadequate intelligence system, and obvious Communist penetration of the South Vietnamese military organization.

c. The struggle in South Vietnam at best will be protracted and costly. The Communists are determined to win control, and the South Vietnamese alone lack the present capacity to prevent their own eventual destruction. Containment of the Communists and reestablishment of a modicum of security in the countryside might be possible with great US effort in the present political context of South Vietnam, but substantial progress toward Vietnamese self-dependence cannot occur unless there are radical changes in the methods and personnel of the South Vietnamese Government. Even should these take place without mishap, this would only be a beginning; the Communists retain capabilities and support which will require years of constructive effort to dissipate.

Some of the process of dilution began in the Board itself. The Board did not change the main thrust of the paper, or alter essentially the wording of the conclusions cited in *a* and *b* above. But it did eliminate some of the prescient words both from the text and from the final conclusions cited in *c*. The final conclusion now read simply:

With US help, the South Vietnamese regime stands a good chance of at least containing the Communists militarily. However, the *modus operandi* of the Diem government, and particularly its measures to prevent the rise of contenders for political power, have reduced the government's effectiveness, both politically and militarily. We believe that unless radical changes are made in these methods of government, there is little hope that the US involvement can be substantially curtailed or that there will be a material and lasting reduction in the Communist threat.

The serious weakness of this change was that it shifted the emphasis from the inherent difficulty and long-term character of the problem (to which Diem contributed) to an indictment of the Diem regime. This led us into trouble at the coordination meeting with departmental representatives.

Some of the military representatives at the coordination meeting had served in South Vietnam and had been appalled at the South Vietnamese military performance. The emphasis in the paper on political weaknesses as a major cause of the military failures quite naturally appealed to their professional instincts as well as confirmed their own observations. The indictment of the Diem regime, however, no doubt because it called into question the existing U.S. policy of working with Diem, caused the State Department representative to reserve his position on this aspect of the paper. He also thought the estimate underestimated the prospects for gains through an improved military effort, although we had gone so far as to say, "With US help, South Vietnam stands a good chance of at least containing the Communists militarily."

Thus the DCI and the USIB members were presented with a paper which, although the Estimates Board had eliminated reference to the gloomy long-term prospects, was still a fairly dolorous document. But it was encumbered with a departmental reservation, and this obliged the USIB to look at it carefully. The DCI, then John McCone, was particularly uneasy about it, since it seemed to contradict the more optimistic judgments reached by those in policy circles who had been sent to Vietnam to make on-the-spot appraisals and recommendations. He therefore decided to postpone USIB consideration and asked the Board of National Estimates to consult with some of those who had been on such missions. The Board proceeded

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

to meet with two high-ranking military officers and two civilians in key policy-making positions.

None of these four consultations was particularly helpful. The witnesses seemed reluctant to make a frontal assault on the judgments of the paper but equally reluctant to endorse it. They showed a general tendency to take issue with a particular sentence purporting to state a fact, rather than an estimative judgment. This or that was "too pessimistic," but there was no clear line of argument why. All four held forth some degree of optimism, largely based upon the belief that things were better than they had been. This indeed may have been true, but it was not established how badly things had been going before or how this degree of improvement stood up to the task, namely to deal with a determined and resourceful opponent who was immeasurably helped by the profound underlying political weaknesses of South Vietnam. None of the consultants was attempting to mislead, but the simple fact was that each of them in some way and to some degree was committed to the existing U.S. policy, and none of them was intellectually free at that point or in those circumstances to stand back and look at the situation in its broadest aspects.

The drafters then returned to their desks and prepared a revised draft. The Staff members, although increasingly weary of the controversy, were nevertheless much inclined to stick to their guns. I, however, had become inclined to shade the estimate in a more optimistic direction. I began to think that perhaps we had been too gloomy; and at the same time I had to get an estimate through to meet the DCI's new deadline. If we stuck to the original draft, the DCI and other CIA components might not go along with it; even if they did, this draft might now evoke still greater departmental dissent than it had the first time (since high-ranking personnel had now become engaged); in short, if we were so rigid that we invited debate and amendment at the USIB, we might find ourselves with a paper more offensive to our judgment than one which moved slightly toward a less pessimistic view. What we now wrote, in spite of some staff objection, embodied approximately the conclusion first cited above. The estimate rode easily through the USIB with the DCI's full concurrence.

Even so, this estimate was not calculated to give anyone a sense of comfort. Indeed, very recently a senior official closely associated with Vietnamese affairs, who had most likely seen only the finished

product, remarked that it was too bad policy-makers had not paid more attention to it. Nevertheless, it did not sound the alarm which it should have and would have if the first draft conclusions had been kept intact. A year or so after the date of the estimate, Mr. McCone openly expressed regret for his own part in weakening what had been "right the first time."

The lesson provided by this experience is to shun the advice of those who in one way or another are committed to or responsible for a particular line of policy. They are no doubt well informed, but it is also theirs to be hopeful. Above all, their responsibility is to their policy-making chiefs, and they can hardly be expected to recite before an intelligence working group information or beliefs which implicitly or explicitly might suggest that established policy is based upon unsound premises. Study of the premises of national policy is the business of intelligence officers, and it is as unfair to ask the executors of policy to testify on the soundness of those premises as it is unwise to accord their views uncritical acceptance.

The Goa Invasion

The estimate that illustrates the difficulty of forecasting in category *c*—when the evidence is contradictory, perhaps because of deliberate deception—was not very important in terms of its policy impact; its conclusion was so equivocal that it provided the warning needed. It was, however, wrong, and I who chaired it was among those who thought it wrong at the time. It was a crash estimate, requested on the morning of December 12, 1961 and approved by the USIB on the afternoon of the following day, concerning the likelihood of an Indian attack upon Goa. During the preceding few weeks Indian troops had been concentrating in the Goa area, public opinion—especially on the left—was clamoring for action, and a strong momentum in favor of invasion had developed. Yet the evidence was conflicting, and it was possible that these activities were designed purely to apply pressure and to bring about the incorporation of Goa into India by peaceful means.

We thought that Nehru had not made up his mind and was being subjected to contradictory pressures. We concluded:

> Clearly there is strong evidence pointing to an invasion—the military and political preparations have gone so far as to be difficult to reverse without some loss of prestige to the Indian government. Although the Indians perhaps still hope that their warlike activities will extract concessions from the Por-

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

tuguese, we doubt that the Lisbon Government will move far enough—if at all—to meet Indian requirements. However, relying chiefly on our judgment of what Nehru conceives to be India's basic interests and our assessment of his past behavior, we believe that the chances of a direct military invasion are still about even.

Five days after this estimate was approved the Indians seized Goa by military force.

The formulation in the final estimate was close to that of the staff draft. In a post-invasion memorandum to the Chairman of the Estimates Board, the head of the Near East Staff stated that initially he and his colleagues had rated the chances as less than even, "relying mainly on Nehru's restraint in previous crises over Goa and their estimate of his attitudes, objectives, and ability to control developments," and that he had learned through informal contacts that the State Department people went even further, calling the odds "considerably less than even." Nevertheless, impressed by the evidence of advancing preparations, the Staff was uncertain enough to qualify the chances as only "slightly less than even."

The Estimates Board members, in their review, agreed generally with the experts. It was difficult for me, as chairman, to dissent; but I was impressed more by the evidence of preparations than by the history of Nehru's political attitudes. The reports from people who had seen the preparations and talked with the Indians sounded as if the latter meant business, meant to finish off the Goa affair once and for all. Argument along these lines succeeded in moving the Board toward dead center—"The chances of a direct military invasion are still only about even"—and implying that as preparations continued and the Portuguese failed to give, the chances of invasion might rise.

The coordination meetings did not help very much. One departmental representative who wanted to raise the odds on invasion wanted also to add a paragraph about the threat to U.S.-Portuguese relations and U.S. base rights in the Azores if the Indians went ahead. It seemed to me that his position derived more from departmental interest than objective judgment, and this was not acceptable in an intelligence estimate. We stayed with the Board's "still about even" formula, and the USIB also agreed to this without dissent.

The day after the estimate was approved, the odds on an invasion rose perceptibly in reports from New Delhi.

the country team believed that military action was imminent unless the Portuguese promptly folded.

25X1
25X1

The only person who did not seem to think an invasion was on was the U.S. ambassador in New Delhi, who expressed the belief that action was not imminent less than 24 hours before it began.

The actual invasion gave a sense of vindication to those of us who had thought it likely, but it also raised the question of why the others had been wrong. The evidence, though conflicting—the ambassador no doubt was the victim of some deceit—did include reports with a decided ring of seriousness. Those who rated the chances of invasion as even or less than even of course read these reports. They were relying on Nehru's high-mindedness, and since this did not jibe with the evidence, they had nowhere to go but to sit on the fence. The lesson to be derived from this experience is not that one should look only at the evidence and disregard the doctrines and attitudes of leaders; that would be folly. It is that one should try to reconcile the two; in so doing one might perhaps find that, as in the law, there is more than one line of precedent.

No Rules

Other Board members could, I am sure, make an analysis of how estimates in which they participated fell short and similarly draw lessons from them. In time we could have enough lessons floating around to keep us tongue-tied. We could fall into the tragic error of the young man whose aggressive and fast-moving brother killed himself by wrapping his car around a light pole; the surviving brother, having taken this lesson to heart and resolved to plod about on foot, was run over by a truck. Our job is to make estimates; we have to take the plunge. This does not mean reckless diving, but it does not mean standing on the end of the diving board helpless with worry about every conceivable hazard to health and safety.

There is no alternative to regarding each estimative problem as a new one and applying one's accumulated knowledge and experience to it. It helps to try to determine why we were right or why we were wrong and to use these determinations as signposts along the way, but we must also remember that the specialist who misled us on one estimate corrected our misapprehensions on another, that the

25X1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1

political philosophy which a national leader seemed to negate in one action he might never negate again. The problems we are dealing with are too complex for simple rules or simple "lessons." The magic words "estimate" or "judgment" are simply the exercise of good sense in light of everything it is possible to learn or to ponder concerning any particular matter.

Sanitized Copy Approved for Release 2010/07/07 : CIA-RDP89B00552R000700080130-1