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# INTELLIGENCE FOR NATIONAL POLICY

by

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CENTRAL INTELLIGENCE AGENCY  
OFFICE OF TRAINING

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INTELLIGENCE FOR NATIONAL POLICY (Central Intelligence Agency, Office of Training, November 1967, For Official Use Only)

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(Headings and subheadings are not included in line counts.)

p. v, line 3: quarters and analysis should be quarters research and analysis

p. vi, line 26: coworkers should be co-workers

p. 14 (unnumbered subtitle page): END PRODUCT should be THE END PRODUCT

p. 16, line 24: establish should be established

p. 17, line 42: promonitory should be premonitory

p. 23, subheading: Harbor should be Harbors

p. 25, line 27: manufacturing should be maneuvering

p. 73, line 27: not grounds should be not on grounds

p. 84, line 22: econmic should be economic

p. 113, line 14: online should be on-line

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## FOREWORD

The amount of literature devoted primarily to intelligence production and to intelligence support of national policy is miniscule as compared with the literature concerned with clandestine activities. Few books on intelligence production have appeared, and most of these are either now outdated or are oriented primarily toward military intelligence.

The Intelligence School of the Office of Training makes a continuing effort to keep abreast of new material which might be useful for orienting and training in intelligence production and in the broad nature and uses of intelligence. Although "Intelligence for National Policy," which was completed in manuscript earlier this year by a senior analyst of the Central Intelligence Agency, necessarily and admittedly reflects a personal viewpoint, it seems admirably suited to fill this training need. It has therefore been published for this purpose.

This book is For Official Use Only. It may prove useful to departments and agencies of the United States Government that are concerned with the production and use of intelligence for national policy.

The Intelligence School,  
Office of Training, Central  
Intelligence Agency  
November 1967

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# INTELLIGENCE FOR NATIONAL POLICY

## Preface

The literature on intelligence treats very much more about clandestine activities in the field than about the ingenuities and scholarship that go into headquarters and analysis. The direction of author enterprise has resulted in hard digging around locked gates of secrecy.

My own labors in this book keep clear of the keyhole journalism that would expose secrets of intelligence. Nor do I recount intelligence collections coups that were achieved in circumstances of personal risk and high drama. I write of "finished intelligence"—the organizational arrangements for its production, some of the analytical methodologies, and the various formats for carrying intelligence analysis to the highest councils of government. Where I discuss intelligence collection, it is in the context of implications for the validity of final analysis. Where I touch on an operation like the Bay of Pigs, it is again only for the bearing on problems of intelligence analysis, or on questions of public policy (such as proposals for expanded Congressional oversight) which may affect the milieu in which intelligence analysis is conducted in the United States.

I give two additional forewarnings about purposeful limitations in the presentation. First, it is patterned on an unclassified text I wrote some years ago for instructional use by the Industrial College of the Armed Forces. The present study is more dotted with case examples, but references to substantive conclusions do not take the reader beyond what is already public knowledge. Thus he will find nothing new about the state of Soviet agriculture or about Chinese Communist nuclear testing. He will, however, come away better instructed about American intelligence capabilities on such matters.

Second, the presentation is much more concerned with the preparation of intelligence than with the uses to which intelligence is put after it is prepared. This perspective reflects my own working experience in the Central Intelligence Agency, limited as I have been to supplying policymakers with intelligence rather than to policy formulation drawing on intelligence. This is far from saying that I have neglected the important subject of the relation of intelligence to policy; I have in fact gone into the subject in a little detail. But my focus has been the restraints on the intelligence officer. I have not elaborated, as someone else with experience in a policymaking role could have, on the weight that policymakers actually give to intelligence findings.

The result of these two limitations is a study that, subject to considerations of security safeguard, describes and appraises the intelligence input into national policy. The design is to give the reader a better idea of just what intelligence does in supplying this input to policymakers, of how well intelligence does its job, and of how much ought reasonably to be expected from intelligence. Does today's intelligence provide better protection against another Pearl Harbor? What are the guards in intelligence against analyses that are slanted to serve a special policy interest? Can intelligence point to a decent record of forecasting? Where forecasts have been in error, has intelligence nevertheless been alert enough in its subsequent day-to-day monitoring of events to give timely

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knowledge of threats to the national security interest? Would the quality of intelligence be affected by its subordination to more legislative oversight or to other forms of surveillance in the government?

One of the common working traits of the professional intelligence officer is a suppression of ardor in discussions of possible policy courses, lest his supposedly dispassionate analysis take on the suspect coloration of special pleading. I believe this habit of a long training is reflected in this study, which tends more to exposition and interpretation than to affirmative policy recommendations. The surface neutrality is not worn to support any pretense of full objectivity; I admit to a sympathetic bias for the intelligence calling. I hope the following pages suggest some good reasons for the bias and leave the reader impressed with the usefulness of intelligence scholarship in government.

I could hardly have written these pages except for a fortunate circumstance which extricated me temporarily from the working problems that so fully engage the typical intelligence officer in these times. The good fortune was my selection, along with fourteen others from various government agencies, to attend Princeton University's Woodrow Wilson School of Public and International Affairs during the 1965-1966 academic year as a Princeton Fellow in Public Affairs. I did my writing during the hours when I could bring myself to miss opportunities for intellectual stimulus which come in quick succession at the Woodrow Wilson School.

I did not show all the typescript to members of the faculty, and for this reason alone, they could hardly be associated with my viewpoints. I ought further to note that, helpful as their specific criticisms were, we were far from bridging all areas of disagreement. This observation applies as well to friends and coworkers in Washington, none of whom concurred with me on all points. I therefore underline the customary author insistence in prefaces on taking individual responsibility for views expressed in the pages that follow.



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**Part I**  
**THE NATURE OF NATIONAL INTELLIGENCE**

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## Chapter 1

# The Community

On the seventh of October 1965, President Lyndon B. Johnson entered Bethesda Naval Hospital for surgery. The President had given the final word to go ahead with the operation, but was his the effective decision? Or had the decision really come earlier—at the time when his physician made a diagnosis which left the President with no practical alternative to surgery?

America is not a society which in the general run of circumstances vests authority in doctors to operate against the wishes of their patients. But the doctor's conclusion that a patient's life is in jeopardy generally outweighs other considerations influencing a patient's formal decision. This is not to affirm that doctors are the real loci of decision-making in all matters of health. They are often disregarded when the danger to life is not clear and present. Tobacco shares are still good buys on the stock exchanges. Americans still gorge on sugars and animal fats. There are nevertheless important periods in the medical histories of men when their decisions simply constitute assent to expert opinion, involving very little of independent judgment.

The role of the fact-finder, in medical diagnosis and public administration, is most crucial in the case of decisions which follow almost inescapably from the evidence. The legal codes require coal mines to be closed down if they are in serious violation of safety regulations. When the safety inspector has incontrovertible evidence of hazards, the decision to close down the mine is in effect determined by his findings. Intelligence officials only rarely have the occasion to be so determinative in decision-making. An important reason is that intelligence findings are usually partial and inconclusive. Even if all the main facts are unquestioned and the interpretation of evidence is unimpeachable, the course of action that should follow is generally arguable, and the role of intelligence in the argument is being circumscribed by an evolving tradition. Still, there is no gain-saying the influence of intelligence, and there is a legitimate public interest in knowing if intelligence really is informed.

### Collective Analysis

The Dictionary of United States Military Terms for Joint Usage defines intelligence as "the product resulting from the collection, evaluation, analysis, integration, and interpretation of all available information which concerns one or more aspects of foreign nations or of areas of operations and which is immediately or potentially significant to military planning and operations." With appropriate changes in the last few words to bring in the nation's additional interests in political and other non-military developments abroad, this definition of intelligence as a "product" is suitably modified to indicate one sense in which the word is used throughout the following pages. It is also used in the sense of the intelligence organization or of intelligence organizations generally, much as people use words like management and labor to represent particular groupings in society.

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The field of inquiry is national intelligence, the highest level in the intelligence hierarchy. At the echelons of the regiment, the army, and the major area command, there are corresponding levels of intelligence support. At a still higher echelon, the Secretary of Defense and the Secretary of State are likely to draw on what is called departmental intelligence, prepared by their own intelligence organizations at the Pentagon and Foggy Bottom headquarters. The function of national intelligence is to serve the nation's highest command post, to provide information on foreign developments needed at the level of the President or of the President in association with his closest advisers. At this level, the characteristic feature of intelligence analysis is that it bears on major problem of national strategy, cutting across departmental lines.

The characteristic feature of relationship to broad national strategy is not the invariable feature. That is to say, national intelligence is not always limited to what is commonly understood as strategic intelligence. If the President wants information on some item of combat intelligence—and in war situations he often does follow the battlefield situation closely—it will be national intelligence if he gets the information through the machinery for national intelligence production. National intelligence on the current situation in Vietnam may include items of combat intelligence.

In the United States, national intelligence is not the product of a single organization. It represents rather a composite effort, offered by the Director of Central Intelligence—with provision for dissents if there are any—as the consensus of several intelligence organizations. The needs of highest-level decision-making are not always best served by a consensus production, and American intelligence organizations prepare numerous individual analyses that relate to major problems of national security. Since these individual analyses do get to the summit echelon of decision-making, they are included in this study of national intelligence. The strictest usage, however, differentiates them by such designations as, say, Central intelligence (if produced by the Central Intelligence Agency), Defense intelligence (if produced by the Defense Intelligence Agency in the Department of Defense), or State intelligence (if produced by the Bureau of Intelligence and Research in the Department of State).

### Community Origins

Intelligence in America began to come of age in World War II. Its maturing if still youthful lineaments could be traced partly in the expansion of the military intelligence services; but this expansion was clearly related to requirements for support of wartime military operations, and it was uncertain at the time that military intelligence would have an enduring role in support of national policy. The Office of Strategic Services (OSS), however, grown to a personnel strength of some [ ] by the war's end, had been chartered to provide the kind of intelligence support that policy at the highest level might well continue to require when the military strategy and tactics of wartime gave way to peacetime forms of maneuver. As the head of OSS, General William J. Donovan, foresaw the requirement, it would be for peacetime policies framed with as full intelligence as possible on the economic strengths of foreign countries, their political intentions, their technological capabilities, and their psychological vulnerabilities.

While the popular literature on OSS after the war centered on the drama of its clandestine activities behind enemy lines and in third countries, General Donovan was also an enthusiast for tapping the reservoirs of overt information on foreign countries. Whatever the proportions of overt and covert input, he believed that the quality of finished intelligence output depended crucially on



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and OSS drew heavily on the skills of hundreds of academicians from the fields of history, political science, sociology, economics, and the other scholarly disciplines. For about a year before the end of the war, he strongly urged on President Roosevelt the importance of setting up a permanent peacetime intelligence service before the talents gathered together by OSS were dispersed.

General Donovan was far from alone in his advocacy of peacetime intelligence. Pearl Harbor had shocked an entire nation, and the instructive lesson for many Americans was that adequate intelligence constituted an integral part of national security. When President Truman took office in 1945, he "considered it very important to this country to have a sound, well-organized intelligence system, both in the present and in the future."<sup>1</sup> There was widespread disagreement within the government, however, on the best institutional arrangements for peacetime intelligence. General Donovan's proposal, although it provided for the continuation of the military intelligence services to support the operational requirements of the armed forces, envisaged a new organization directly under the President to provide the information and analyses in support of broad national policy. The FBI, the State Department, and the military services, for their part, were apprehensive of encroachments on their own departmental missions. The net result of a bureaucratic tug of war was the disbanding of OSS in October 1945 before agreement could be reached on a successor arrangement. The hiatus was only a few months; in January 1946, the President issued his executive directive establishing the Central Intelligence Group (CIG).

### The Community Principle

The CIG was a stopgap compromise. The Group was financed in effect by departmental grants rather than congressional appropriations. It had no employment rights, obtaining its personnel on assignment from the Departments. But the creation of the CIG proved to be a first step toward the peacetime intelligence organization that General Donovan had envisioned. The CIG began early to provide daily and other summaries of intelligence to the White House. Like the Central Intelligence Agency which was to be set up by statute the next year, the CIG was headed by a Director of Central Intelligence appointed by the President. Like the Central Intelligence Agency, it was made subject to the formal oversight of a higher body of cabinet-ranking officials. Like the Central Intelligence Agency, the CIG was forbidden the exercise of "police, law enforcement or internal security functions." Like the Central Intelligence Agency, it had a charter to take on other functions that the overseeing authority decided could be performed better centrally than by the Departments.

The provisions of the National Security Act of 1947 creating the Central Intelligence Agency placed it formally under the National Security Council. The members of the NSC include such figures of consequence as the Secretaries of State and of Defense, but in concept it is advisory to the President, and as a collegial body it is no longer the structured organization it once was. It meets irregularly and then primarily to consider matters other than the administration of the Central Intelligence Agency. For all practical purposes, General Donovan's project of a postwar intelligence agency reporting directly to the President has been realized.

<sup>1</sup> Harry S. Truman, *Years of Decision* (New York: Doubleday and Co., Inc., 1955), p. 98, cited in Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965), p. 43.

To say this is far from asserting the triumph of the centralized over the community principle of intelligence organization in the United States. The access that the Director of Central Intelligence has to the President gives a certain primacy to CIA viewpoints, but it does not debar a hearing for any contrary opinions that may be strongly held in other intelligence agencies. The Director's administrative authority extends only over the CIA. In the exercise of his influence over the rest of the community, he works—as President Kennedy phrased it in a letter of January 1962 to incoming Director John A. McCone—“with the advice and assistance of the U.S. Intelligence Board,” a body on which all the major intelligence services are equally represented.<sup>2</sup>

This Board (abbreviated to USIB and pronounced “yousib” in the everyday parlance) meets usually once a week, oftener during “flaps.” Its functions are both substantive and managerial. On the substantive side, the USIB reviews the most important judgments of national intelligence before they are passed to the President and the NSC. On the managerial side, the understandings reached in the Board about procedures and areas of responsibility are accepted as authoritative throughout the intelligence community.

In addition, the Board in effect sets a pattern for formal and informal collaboration among the intelligence services at lower echelons. The formal machinery for second-echelon coordination takes the shape typically of USIB standing committees, each created by USIB to cover the joint efforts of the intelligence services in a specialized area. The Joint Atomic Energy Intelligence Committee and the Guided Missile and Astronautics Intelligence Committee are examples of two USIB committees charged with the effective coordination of intelligence on advanced weapons technology. Intelligence in other fields of science comes within the purview of the Scientific Intelligence Committee. A comparable coordinating role in economic intelligence is exercised by the Economic Intelligence Committee. A National Intelligence Survey Committee oversees the production of the “country encyclopedias,” the basic background studies to which the several agencies contribute chapters in their respective areas of major competence—religion, ports and harbors, government structure, terrain, agriculture, transportation.<sup>3</sup> Perhaps the most active standing committee is the Watch Committee, charged with determining the intelligence consensus on probabilities for the early outbreak of hostilities.<sup>4</sup>

These committees represent only some of the inter-agency bodies, permanent and ad hoc, that have been established to coordinate the work of the intelligence services. As this array of interagency arrangements must suggest, the intelligence community is much more than the agencies that comprise it; it is the multiplicity also of the formal and informal personal relationships that cut across agency lines. The agencies do, however, retain their independent character, and a description of agency roles is the indispensable element in any survey of the community.

### The USIB Agencies

In addition to the designated intelligence services, “ten or more” agencies of the Government were found by the Hoover Commission in 1955 to expend public funds on foreign intelligence.<sup>5</sup> This is of course to use the word intelligence in its broadest sense—to include the Federal Reserve Bank and Treasury

<sup>2</sup> U.S., Congress, Senate, Committee on Armed Services, *Hearing, Nominations of McCone, Korth, and Harlan*, 87th Cong., 2d Sess., 1962, p. 37.

<sup>3</sup> See *infra.*, chap. iv.

<sup>4</sup> See *infra.*, p. 23.

<sup>5</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Intelligence Activities: A Report to the Congress*, Washington, 1955, p. 17.

Approved For Release 2002/11/04 : CIA-RDP80-00317A000100070001-0 reports on foreign financial markets, for example, the Department of Commerce analyses on economic conditions affecting American export prospects, Agriculture's surveys of foreign crops, the Labor Department's published research studies on labor developments abroad, studies of the Bureau of Mines on world-wide mineral production. The term intelligence community, however, is ordinarily understood to include only the agencies represented on the United States Intelligence Board. The community, in this commonly restricted use of the term, is charted on the following page.

In this community, the Central Intelligence Agency plays a leading role. The law setting up the Agency in 1947 specified responsibilities for coordination of the Government's intelligence effort and for the general correlation and evaluation of intelligence. These functions alone would have been compatible with a smallish staff that did little of the pick-and-shovel work but could make substantive judgments on foreign intelligence, very much perhaps as a small Council of Economic Advisers is able to draw on the products of other government agencies to make the important conclusions on where the domestic economy is heading. The 1947 statute, however, provided the authority for the Central Intelligence Agency to assume other responsibilities. First, the Agency could perform "such additional services of common concern" as the National Security Council determined were best performed centrally. Second, the Agency might take on "other functions and duties related to intelligence" as the National Security Council from time to time directed.

CIA's growth followed from these provisions of the law and from the problems of the times. In the earlier years, the Departments were hard-pressed by budget stringencies, and they found solutions by unloading some of their activities on the new organization. Then the intensification of the cold war and the onset of hostilities in Korea placed demands on the Agency to increase its intelligence-collection operations. There were also some types of analysis which the Agency undertook in the absence of sufficient resources in other services—the analysis from scratch of economic intelligence on the Communist countries, for example.

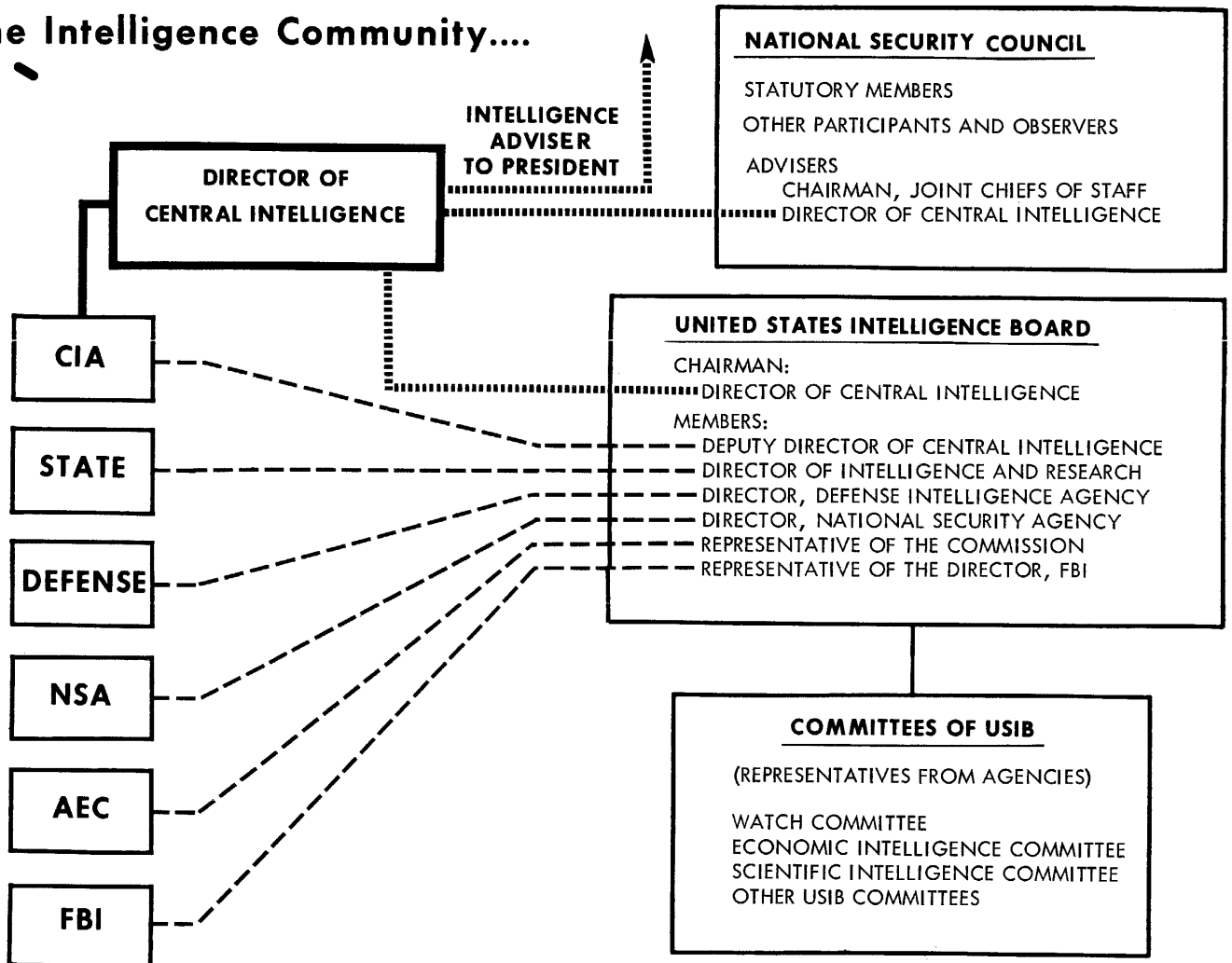
The legislation setting up the CIA does not designate its head as the Director of the Central Intelligence Agency but rather as the Director of Central Intelligence. The title connotes a role that extends beyond the directorship of the Agency to the guidance of the intelligence community as a whole. President Kennedy drew the distinction in his letter of January 1962, wherein he expressed the view that John McCone should "delegate to your principal deputy, as you may deem necessary, so much of the direction of the detailed operation of the Agency as may be required to permit you to carry out your primary task as Director of Central Intelligence."<sup>6</sup> In accordance with this view of the larger role of the Director, he no longer sits on the United States Intelligence Board, as Allen Dulles did, both as Chairman and as the CIA representative. The Agency is now formally represented on the Board by the Deputy Director of Central Intelligence, while the Director sits only as Chairman, symbolizing his broader responsibilities for the "guidance of the total U.S. foreign intelligence effort," in President Kennedy's words.<sup>7</sup>

Apart from his chairmanship role, the Director's primacy in the community is buttressed by the fact that he is the only head of an intelligence service who has direct access to the President. All other intelligence service chiefs are at varying levels below cabinet or agency heads and therefore not in the family

<sup>6</sup> U.S., Congress, Senate, Committee on Armed Services, *loc. cit.*

<sup>7</sup> *Ibid.*

# The Intelligence Community...



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of the President's close advisers. The Director's influence is also reflected in his role as adviser on the National Security Council. During the Eisenhower Administration, a current intelligence briefing by the Director of Central Intelligence was the invariable first agenda item at meetings of the Council. If meetings now are less frequent, it is still the Director who attends as the only intelligence representative and who thus presumably exerts the added measure of influence that comes from physical presence at the Council table.

For a brief period in the fall of 1945, it appeared that the State Department might assume the leading intelligence role. The research and analysis assets of OSS were transferred to State, and President Truman wrote the Secretary of State:

I particularly desire that you take the lead in developing a comprehensive and coordinated foreign intelligence program for all Federal agencies concerned with that type of activity. This should be done through the creation of an interdepartmental group, heading up under the State Department which would formulate plans for my approval . . .<sup>8</sup>

The President dropped this idea, partly because the military intelligence services showed no enthusiasm for State leadership. State, however, held on to its new intelligence arm, a purely analysis organization that is today constituted as the Bureau of Intelligence and Research (INR). State's representative on the USIB, the Director of Intelligence and Research, ranks at the level of Assistant Secretary in the Department's hierarchy. Apart from its political and economic contributions to national intelligence, INR brings a broad scholarship to research and analyses in support of departmental policy and decision-making.

Army, Navy, and Air Force intelligence, as well as the J-2 of the Joint Staff, were once individually represented on the USIB. In 1961, however, the Defense Intelligence Agency (DIA) was activated; and in time, the new Agency took over all of J-2 and some intelligence components in Washington of the three military services. The representative of these consolidated military interests on the USIB today is the Director of the Defense Intelligence Agency. Like most other measures of recent years in the Department of Defense to blur service lines, the integration of the intelligence effort engendered the expected anxieties in certain quarters. The arrangement worked out in the USIB to assure consideration of service viewpoints provided for the attendance of the three service intelligence chiefs in observer capacities. DIA speaks for Defense, but Army, Navy, and Air Force intelligence sit in; and in fields like weapons developments where they have especial technical competence and interest, they still have the opportunity to influence the final intelligence consensus.

The National Security Agency (NSA), although it is in the Department of Defense, is not represented on the USIB by the Director of the Defense Intelligence Agency. The separate voice that NSA's own director has in USIB reflects the importance to intelligence of this Agency's capabilities in the field of telecommunication transmissions. The impressive professional talents of NSA include communications systems engineers, computer specialists, mathematical experts in probability theory, and physicists engaged in research on the upper atmosphere.

A representative of the Atomic Energy Commission also sits on the USIB, since the AEC keeps an intelligence watch over foreign developments in nuclear energy. The Federal Bureau of Investigation is also represented. As the princi-

<sup>8</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Foreign Affairs*, Task Force Report, Appendix H, Washington, 1949, p. 92.

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pal internal security agency of the Government, the FBI is concerned with domestic rather than foreign intelligence. In the exercise of its internal security functions, however, the FBI often turns up important foreign intelligence. Regular liaison is maintained to assure the quick despatch of such information to the rest of the community.

### Community Relations

Clearly, the foreign intelligence responsibilities of the six USIB agencies are not equally broad. NSA's activities are associated with communications and related fields. AEC turns its eye only to nuclear energy matters. The FBI disseminations are the by-product of activities in the domestic field, not the result of purposeful programs in the field of foreign intelligence. Only CIA, INR of State, and DIA of Defense have across-the-board analytical assignments. These three constitute the influential triumvirate in determination of the community consensus on matters of substantive intelligence—prospects in the U.S.S.R., outlook in Vietnam, developments in the Dominican Republic, for example. The triumvirate is even more influential in the case of intelligence which does not reach the USIB level of review. The forum in which such intelligence is considered may not include say FBI representation, but the CIA, State, and Defense are invariably represented. If these three are agreed, their conclusions are accepted as national intelligence.

How well does the system work? A community of different intelligence services can be a seedbed of interservice rivalry, for the organization that has the spirit which is the essential of effectiveness will want both pride of place and gratification of separate recognition. The maneuver for position is most likely to take on features of adversary relationship in the period before roles have been clearly defined and firmly established. The FBI, on the basis of its wartime intelligence experience in the Western hemisphere, proposed itself after the war for a world-wide intelligence role. Secretary of State Byrnes' opposing view was that the State Department should have the predominant authority over the intelligence effort. The military services, as was noted above, were of another mind.

The act setting up the CIA in 1947 was a result of many compromises to allay anxieties about bureaucratic position and status. The FBI, for example, was excepted from a provision opening departmental intelligence to the inspection of the Director of Central Intelligence. The approach of the Director of Central Intelligence to the FBI, it was stipulated, would be in writing before the FBI would have to take action. Then the Director of the FBI would make available such information "as may be essential to the national security." The distinction in the statute between the FBI and the other agencies has not been a matter of really practical significance, since the Director of Central Intelligence more nearly negotiates than commands community cooperation in any case. The phrasing of the 1947 Act nevertheless attests to deeply ingrained concerns at the time about organizational place and prerogative.

These are concerns which tend to diminish insofar as the community machinery can run smoothly over the years without instances of unreasonable trespass across jurisdictional lines. There is a general awareness, however, that the shape of the present intelligence community is not set in concrete, and so a certain guardedness continues which gives a sense of inter-agency competition as well as of cooperation to the community principle. The most recent major

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change in the community, the establishment of the Defense Intelligence Agency, was seen in some quarters as a potential for challenge to CIA eminence in intelligence. Allen Dulles expressed the CIA interest frankly:

There is, of course, always the possibility that two such powerful and well-financed agencies as CIA and DIA will become rivals and competitors. There is obviously also room here for an expansion of traditional Army ambitions to run a full-fledged and independent covert collection service of its own, which is hardly justifiable under present circumstances. . . Furthermore, the high caliber of the officers, military and civilian, directing the two agencies, if maintained, should guarantee effective performance, but it is vital to protect the authority of the Director of Central Intelligence to coordinate the work of foreign intelligence.<sup>9</sup>

Organizational pride and sensitivity are of course not limited to the agencies of the intelligence community but are rather characteristic features of government and business. Up to a point, these features are regarded as plus rather than minus factors in estimations of efficiency; the prevailing doctrines of management today approve of arrangements which can open paths of communication while respecting organizational personality. The profits of General Motors are testimony to advantages of decentralized operations and, beyond that, even of a certain competition among the autonomous divisions of the corporation.

Nevertheless, the situation encourages journalistic sniffing for power struggles, and there has as a result been some comment on the subject from official quarters. The most recent occasion for such comment came in an investigation of the Cuban missile crisis. The party allegedly in conflict with CIA—the Strategic Air Command—was outside the intelligence community, but it would conceivably have the backing of the Defense Intelligence Agency in the United States Intelligence Board. Congress, however, found no grounds for condemning anybody:

There have been numerous news reports alleging the existence of a conflict between the Central Intelligence Agency (CIA) and the Strategic Air Command (SAC) with reference to the operation of the U-2 high altitude flights. These reports have contained allegations that a deadlock existed between CIA and SAC and that this was resolved at the policy level by transferring the function of flying the U-2 missions from CIA to SAC. It has also been alleged that this is one of the reasons for the delay in locating the MRBM sites in Cuba.<sup>10</sup>

The Senators' findings were that the installation of surface-to-air missiles in Cuba had created a new danger to the CIA-operated U-2's and that, in these circumstances, there were good policy reasons for transferring the program for overflight surveillance of Cuba from a civilian to a military agency.

. . . There is no evidence whatsoever to suggest that any conflict between CIA and SAC existed or that there was any delay in photographic coverage of the island because of the fact that the U-2 program was being operated by CIA prior to October 14.

<sup>9</sup> Dulles, *op. cit.*, p. 46.

<sup>10</sup> U.S., Congress, Senate, Preparedness Investigating Subcommittee of the Committee on Armed Services, *Investigation of the Preparedness Program: Interim Report on the Cuban Military Buildup*, 88th Cong., 1st Sess. 1963, p. 9.

Likewise, there is no evidence whatsoever of any deadlock between the two agencies or any conflict or dispute with respect to the question of by whom the flights should be flown.<sup>11</sup>

However ordered the working relationships, the fair question arises of expense in duplication of activities. There are fields of concentration—State in political intelligence and DIA in military intelligence, for example—but jurisdictional boundaries are not etched in stone. DIA can hardly follow the Vietnamese military situation in separation from the political context, and State similarly has enough knowledge of the military area to raise questions about certain DIA judgments. The overlap of competencies and activities is clearly visible in the regular publications of the intelligence agencies; DIA's daily summary of intelligence has a heavier military content than CIA's, but the purview is much the same. How much of the overlap is justifiable?

The judicious answer does not reject arguments for duplication altogether. Men wear shirttails because overlap is a practical necessity in human affairs. There are persuasive reasons, in particular, for rejecting single sources of judgment when fallibility is the inescapable feature of judgment. Legislatures have two houses, courts of appeal go over the same evidence as courts of original jurisdiction, and scholars in a hundred scattered universities properly plow the same fields of knowledge.

To suggest the advantages of access to several sources of judgment is not to deny the costs. In intelligence, however, the heaviest costs go for collection rather than for analysis. Modern methods of technical collection are especially expensive—U-2 flights, monitoring of foreign broadcasts, scientific detection of nuclear tests, telemetry of missile flights. These various categories of technical collection are assigned to specific agencies. The heavy expense is inherent in the operations, not in duplication of effort. In the circumstances, the elimination of overlap in intelligence analysis would have only a modest effect on the overall intelligence budget.

The community principle in intelligence will always be vulnerable to derision by those who abhor an organization which shows a criss-cross network rather than a straight-forward hierarchy of authority. However, the fact of life confronting the architects of the postwar intelligence edifice was that they could not build on cleared ground. The military had intelligence services, and there were cogent reasons for military commands to retain their intelligence arms. By the time the CIA was established, the State Department had acquired some capabilities of its own in intelligence research, and there was as good logic for State as for the military to have in-house intelligence support. The circumstances dictated retention of the existing intelligence agencies, and the institutional structure of American intelligence is now well established on the base of the community principle.

### Objectivity and Policy Support

The acme of influence by intelligence in policymaking was exercised by the fictional figure whose heroic outlines Sherlock Holmes drew in "The Adventure of the Bruce-Partington Plans":

You are right in thinking that he is under the British government. You would also be right in a sense if you said that occasionally he *is* the British government. . . . All other men are specialists, but his specialism is omniscience. We will suppose that a minister needs information as to a point which involves the Navy, India, Canada and the bimetallic question; he

<sup>11</sup> *Ibid.*



could get his separate advices from various departments upon each, but only Mycroft can focus them all, and say offhand how each factor would affect the other. They began by using him as a short-cut, a convenience; now he has made himself an essential. In that great brain of his everything is pigeon-holed and can be handed out in an instant. Again and again his word has decided the national policy.<sup>12</sup>

In the real world, there is of course not even a close approximation to the omniscience of Mycroft. While the ideal of intelligence is to have all the relevant facts, the governing principle is to present what is available with a minimum of distortion. One of the advantages of national intelligence, produced as the pooled thinking of several organizations, is that it does provide a check against analyses that might take on the character of special pleading for certain policy interests. Whenever the issue carries a high emotional charge—prospects of the war in Vietnam, the impact of controls on trade with Communist countries, the results of foreign aid to developing countries—national intelligence should have the virtue of producing analyses that are bent as little as possible to the passionate attachments of a particular interest group in the government.

This is not to say that an intelligence organization, working alone, will consciously corrupt data to make certain policies look good or bad. But intelligence is something more than a pipeline for the flow of information. The information is framed in language, and the biases of analysts can intrude through the most earnest attempts at objectivity. This is not altogether or even mainly a danger that derives from any special position of the intelligence analyst in the bureaucracy. For American intelligence analysts, the principal difficulty is the very fact of their being American. The hard task is to escape their American skins—to comprehend the logic, rather than ridicule the absurdity, of Communist China's bumbling essay of the "great leap forward", of the USSR's wasteful investments to expand grain production in the virgin lands, of Cambodia's obsessive anxieties about immediate neighbors and seeming indifference to the dangers of engulfment by China. There are no fool-proof safeguards against this sort of general "establishment" bias, but the exposure of organizational viewpoints to critical comment from other agencies does help.

In the struggle for objectivity, national intelligence clings to the conventions against its advocacy of U.S. policy courses. In the United States today, the written national intelligence analyses stop short of recommending specific policies. When their viewpoints are given orally, some intelligence officials do move farther than others toward involvement in policy recommendations. There are times when policymakers invite this involvement—"O.K., what would you do?" During the Senate hearing on the confirmation of his appointment in 1961, John A. McCone, the incoming Director of Central Intelligence, indicated he did not regard his new position to have any policymaking function. But he also suggested that he might not be unresponsive if the President asked his opinion on a policy issue:

I would expect that because of the various areas of activity that I have had in Government in the past, that maybe my personal opinion may be asked on some subjects. But in my role as Director of Central Intelligence, it would be beyond my competence to deal with policy.<sup>13</sup>

So the conventions are not rigid, and there is sometimes a maverick who would ignore them altogether. The test of effective intelligence, according to

<sup>12</sup> A. Conan Doyle, "The Adventure of the Bruce-Partington Plans," *Teller of Tales*, ed. W. Somerset Maugham (New York: Doubleday, Doran & Co., 1939) pp. 327-328.

<sup>13</sup> U.S., Congress, Senate, Committee on Armed Services, *Hearing, Nominations of McCone, Korth, and Harlan*, 87th Cong., 2d Sess., 1962, p. 42.

one of Britain's most distinguished intelligence officials in World War II, is not merely to be right, but to persuade an operational staff to take the correct measures. ". . . you will be called an alarmist and will be told that you have no business interfering with operational policy. But in the end you will be justified by events."<sup>14</sup>

The trend of practice is to draw intelligence into the procedures leading up to but not through the final formulation of policy. National intelligence is now frequently directed to assess probable effects of postulated U.S. courses of action. Before the go-ahead to bomb North Vietnam, intelligence may consider the effect on Hanoi's military capability, the reaction of world opinion, the impact on the Sino-Soviet dispute. And intelligence makes subsequent assessments to determine how well the established policies are advancing national interests. How much has Castro been hurt by the U.S. embargo on trade with Cuba? Is military and economic aid to India substantially improving its capabilities to resist Chinese Communist aggression? The array of evidence that intelligence can offer is not always impressive. When it is, it is bound to carry weight in policymaking councils, no matter how conscientious intelligence may be in disassociating itself from the final decision.

The influence of intelligence in decision-making was minimal during most of the days before World War II, when the United States had very little in the way of an intelligence service. Naval intelligence was not established on a permanent basis until 1899, and it was an established rule in the Navy up to World War II that intelligence was there only to present the facts, never to influence planners and command officers by estimating the probable intentions of the enemy.<sup>15</sup> Army intelligence up to World War II was not a prestige service; it had language and other specialists of admitted abilities, but many billets were too often filled with officers near retirement whose viewpoints carried little influence in command decisions. Respect for intelligence services came late in a country which had grown great with little need for careful analysis of foreign developments. Oceans, not knowledge, were the cushions of national security.

The band of intelligence personnel that was left in Washington after World War II found it heavy going at first against the disesteem of rival careerists. Foreign Service officers, for example, were unsympathetic to the idea of a center in the State Department that might offer analyses challenging their own assessments. They won the day in 1946 over the Department's intelligence chief, who resigned in protest when intelligence personnel were dispersed to geographic desks under Foreign Service officers. In 1947, Secretary of State Marshall regrouped the intelligence analysts again into their own units, but the influence of their research and reports in policy councils was doubtful for a good many years. Roger Hilsman, who was eventually himself to become State's intelligence chief, observed in the mid-1950's that intelligence analysts felt their estimates were being ignored. Foreign Service officers, for their part, indicated to Mr. Hilsman that they received comparatively little of value from intelligence.<sup>16</sup> Affairs had apparently improved very little since the first Hoover Commission's investigation in the late 1940's, when the Commission commented on the lack of acceptance of intelligence personnel by other segments of the State

<sup>14</sup> R. V. Jones, "Scientific Intelligence," *Journal of the Royal United Service Institution*, Vol. XCII, No. 567 (August, 1947), p. 355.

<sup>15</sup> Roberta Wohlstetter, *Pearl Harbor: Warning and Decision* (Stanford: Stanford University Press, 1962), pp. 279, 288-289, 317-318.

<sup>16</sup> Roger Hilsman, *Strategic Intelligence and National Decisions* (Glencoe, Ill.: The Free Press, 1956), pp. 40-41.

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Department. Intelligence, said the Commission's report, was the weakest unit in the Department, expending too much of its energies on research that did not contribute sufficiently to meeting the needs of policymakers.<sup>17</sup>

This picture is outdated, partly as a result of Mr. Hilsman's own strenuous efforts in the early 1960's to make intelligence a more "policy-oriented" effort. Even before, however, the government was developing the institutional machinery for tailoring intelligence production to the needs of policymaking and for trimming policy decisions to the findings of intelligence. Throughout the two Eisenhower administrations, the Director of Central Intelligence presented his oral reports on current developments almost every week before meetings of the National Security Council. In addition, formal intelligence estimates were produced in phase with the schedule of policy position papers prepared for Council consideration. Not only did the Director of Central Intelligence sit as an adviser on the Council, but intelligence representatives also participated in the deliberations of its subordinate organs. A Deputy Director of the Central Intelligence Agency, for example, sat as intelligence adviser on the Planning Board, which was responsible for drafting the formal policy position papers that would be passed up for consideration by the Council. Intelligence was also represented in the Operations Coordinations Board, which had responsibilities for overseeing and reporting to the Council how well government agencies and departments were implementing established national policies. The theory of intelligence representation in these policy forums was not to give intelligence an explicit vote in decision-making, but to assure that all available information was considered before decisions were reached. If the Operations Coordinations Board, for example, was reviewing foreign aid programs to India, it was to have concurrent intelligence analyses of Indian economic conditions and popular morale.

The Planning Board and the Operations Coordinations Board were abolished in President Kennedy's administration, and the National Security Council itself has diminished in the influence it exercises as a body in Presidential decision-making. But these bodies left a lasting impress in the precedent they set of closer contacts between intelligence and policymaking. The President may not see the Director of Central Intelligence so often in the collegial forum of the Council, but he consults personally with him. The rule is for intelligence to be represented in task forces and interagency bodies at high and low echelons of the governments. Getting the intelligence opinion is now accepted as a necessary part of the staff work that goes into the preparation of long-range strategies and into the framing of quick decisions.

The trend is toward a still wider acceptance of intelligence as more and more individuals with backgrounds in the field move on to responsible posts elsewhere in government. The roster of important policymakers with intelligence experience includes White House aides, ambassadors, and assistant secretaries of state. With the widening arc of decision-makers who are sophisticated about what intelligence can or cannot give them, intelligence finds itself better informed of what decision-makers need. The energies of intelligence get more and more engrossed with answering the phone call from the White House, the query of the Under Secretary, and similar requirements from high places for fact and expert opinion. Intelligence does less guessing about what it should be doing and goes to work with clearer specifications of what policymakers want done.

<sup>17</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Foreign Affairs*, Task Force Report, Appendix H, Washington, 1949, pp. 15-16.

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## Chapter 2

### Current Intelligence

The product that is sent up to the policymaking officials as "finished intelligence" is information overlaid with the critical commentary of intelligence analysts. If "raw intelligence" or "intelligence information"—to designate the unevaluated report from the field—is so significant as to deserve direct relay to the decision-makers, the first thoughts of the intelligence analysts are not likely to be far behind.

The dilemma of high rank is how to stay on top of daily events and still have the time to reflect on problems in depth. The task of current intelligence is to saw especially on the first horn of this dilemma. The task is above all selective: only the barest fraction of incoming reports are passed, with appropriate analysis, up the line. Current intelligence is thus not attentive to all the information needed to up-date handbooks. It is spot information of immediate interest and value to policy officials—a new Soviet budget, another editorial in Communist China's party newspaper scathing Moscow's "modern revisionism," infiltration of a small group of terrorists from Cuba into Venezuela, identification of additional North Vietnamese forces in South Vietnam, a clash between Indian and Pakistani troops in Kashmir.

#### Publications

This sort of news is likely to get into the current intelligence publication that the CIA disseminates every morning to top officials in the government. Since the publication does carry analysis, the problem of objectivity dogs the Agency's heels. Admitting that complete objectivity is an unattainable goal, CIA is hopeful that the publication at least does not slant toward any special organizational interest. The safeguard against organizational slant is to check out analyses by telephone or teletype with intelligence analysts in the State and Defense Departments. In addition, representatives from these departments sit on a panel which reviews the current intelligence items before giving final approval for publication.

This effort to get current reporting that is national intelligence, rather than the product of a single organization, is testimony to the striving for objectivity. However, coordination is the thief of time, and there is a rule of reason which takes over on the many occasions when the paramount necessity is for quick reporting rather than consensus. If consensus is not possible on such occasions, items are published with dissents noted in footnotes. Sometimes events break in the early hours of the morning when there is no time for full coordination of views among the intelligence services. The urgent tasks may then be to get some report written before the daily publication goes to print. The report will be published with due notice to the reader that it does not represent national intelligence but only the analysis of the Central Intelligence Agency.

For the most part, current intelligence vehicles other than CIA's daily publication are not consensus products. One of these vehicles is the oral briefing.

The Secretary of State is briefed regularly by his Director of Intelligence and Research. The Secretary of Defense similarly relies on oral briefings from his Defense Intelligence Agency. The influential views of high-level intelligence officials are in turn shaped by the oral briefings they receive from the working specialists in their own organizations. In addition, working specialists sometimes make direct contact with operating officials—in formal briefings, in phone conversations, at the luncheon table, or through the back and forth of across-the-table talk when the intelligence specialist is assigned to a task force or just sits in on one of the many meetings that make up part of the decision-making process in Washington.

Other vehicles for current intelligence are published on a weekly or other periodic schedule. The intelligence periodical has something of the function of the big newspaper's "Week in Review." While he still labors under the tension of a publication deadline, the analyst has a bit more time to assess the significance of recent events. He is under the constraint of checking out his analysis with others in his organization, but he does not coordinate with the other intelligence services. There may be features of his analysis, therefore, that would not win general assent.

Still, the occasions when a current intelligence periodical gives space to a singular viewpoint are rare. There are too many concurrences that must be obtained even when coordination is confined to the circle of analysts within a single service. In the case of current intelligence, the problem of concurrence is not perhaps so much one of moving experts from a passionate adhesion to establish positions as it is of their scholarly insistence on a sufficiency of evidence. The intelligence officer is here much like the social scientist who has drawn some shrewd inferences from a sample survey, only to be told that the sample is too small to give results that are statistically significant. Differences among current intelligence analysts arise most commonly from these varying propensities to "go out on a limb" before further evidence comes in.

The analyst's recourse, if he feels he must call attention to an emerging development, is to write a personal memorandum. He has no assurance that this memorandum will go far up the line. It may never get beyond the desk of a superior who decides that the thesis is dubious and not worth taking the time of important officials. On other occasions, the memorandum does move up the hierarchy to make its due impression on higher authority. Not that the usefulness of the personal memorandum rests entirely on the impact it makes immediately in the upper echelons. Whether or not it moves far up, it is quite likely to be read by working colleagues and perhaps to stimulate a lively debate that eventually gets heard in the higher reaches. In this way, many issues in the Sino-Soviet debate were publicized throughout the government before they were fully treated in the official publications of the intelligence services. The interchange of personal memoranda effected some hard rethinking on the subject of Sino-Soviet relations and soon established a new intelligence consensus that had considerable import for U.S. policy toward Communist countries. The view of monolithic cohesion in the bloc gave way to a sharpened awareness of polycentric forces, with implications for the objectives to be sought by U.S. policy in such areas as, say, trade controls.

The memorandum need not be quite so individualized a medium for current intelligence analysis. It can be an organizational product too, drawing on the cooperative efforts of a group. However, the memorandum, like the periodicals issued by a single intelligence service, does not proceed from the labor pains that give birth to national intelligence, as that concept is most rigorously defined.



The memorandum will be written about matters of concern in the summit echelon of policymaking, but it will be offered as the product of a narrower consensus than true national intelligence—say the view of one of the offices within an intelligence organization. Its forms are so varied (a typed note or a slick printout with color graphics, a mere paragraph or a couple of dozen pages with annexes) that it is perhaps the most useful method of packaging current intelligence to meet the specific needs of operating and staff officials.

The uses of the memorandum are likely to expand steadily as these officials become more and more habituated to the supporting role of intelligence. The collective effort that goes into national intelligence production is hardly justified for answering every question that comes to the mind of every official. A memorandum from State intelligence, the DIA, or the CIA should be quite sufficient to answer a simple query from the White House about the health of Communist China's Minister of Defense. Even on more involved matters, there are officials who are especially interested in reading the analysis of a particular expert. Then there are the officials who like to compare the analyses of experts in different agencies. Increasingly, current intelligence finds itself thus shaping memoranda to meet an order with individual specifications, so to speak, even while it turns out its standard publication for the general market.

### The Process

The work involves close deadlines. The analyst whose in-box gets an item at 10 o'clock in the morning that clearly calls for inclusion in the daily publication knows he is in for a long day and maybe a hard night. He will lunch at his typewriter, go through struggle sessions with all the persons who must agree with his line of analysis, and await after-hours calls about fresh news that should perhaps be ground into his write-up before the presses roll.

If the raw report from the field is received in the pre-dawn hours, the analyst may not meet the press deadline, but he will bend every effort to getting out some interpretation as soon as possible. One part of the interpretation specifies the firmness of his evidence. If it comes from a clandestine source, how well tested is the agent for accuracy? If it comes from a statement that a foreign official made to an American diplomat, what is the possibility that the foreign official was talking to deceive? If it comes from an aerial photograph, how clear was the picture, how much was obscured by cloud cover? The scruples of the profession require that current intelligence make clear when it is reporting hard evidence and when it is just sounding a cautionary alert.

Proceeding from its judgments about the reliability of the evidence, current intelligence can go to analytic commentary. The commentary is almost sure to draw on relevant background material. When Liu Shao-chi replaced Mao Tse-tung as Communist China's chief of state, for example, the analyst filled in such background details as Liu's age, his preeminent position as party theoretician, his relationship with other members of the politburo, his attitudes toward Westerners. The analyst also tried to be as promonitory as the facts permitted. Was Liu's appointment an augury of Mao's early retirement? Did Mao's inferential designation of his successor diminish the likelihood of a struggle for the succession?

The current intelligence analyst is not ordinarily a researcher in depth, for he seldom has the time to be. He is nonetheless likely to be a respected authority in his field, very much as the best foreign correspondent of a newspaper can lay his good claim to expert knowledge. If the current intelligence analyst is reporting, for example, on Panamanian rioting, he is able to report the facts with background information about the extremist elements involved, both Com-

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munist and non-Communist. In his rundown of Communist involvement, he will touch on the Panamanian People's Party, which is small and torn by dissension, yet able to exert an influence beyond its numbers by making common cause with other groups. He is able to report readily, in addition, on the pro-Castro revolutionary organization, the National Action Vanguard, which cooperates with the People's Party in rioting and looting.

For all this information, he looks mainly to the fund of information in his head or his immediate files. These files are made up largely of cables, dispatches, news ticker, and other documents that have crossed the analyst's desk in recent months. The documents come in such volume that he is on constant guard against missing the significant in the mass. He is ever discriminating among items, deciding which can be disregarded, which should be filed for possible future reference, which ought to be reported without delay. He goes at this task with something of the journalist's nose for the newsworthy. If the subject is one that will probably make front-page headlines in the public press, the analyst knows from past experience that policy officials will also want some intelligence analysis, particularly if intelligence has information which is not in the press accounts.

Apart from this general instinct for news, the analyst has some first-hand knowledge of reader interest. Knowing that the Treasury and State Departments are concerned about speculative pressures against the British pound, the analyst draws up short when he comes across evidence of a decision by Communist China to convert some of its sterling holdings. In his report on the subject, he endeavors to make clear how much pressure against the pound is threatened by this Chinese Communist decision. Are the amounts involved really large? Are the Chinese moving to reduce their sterling deposits below traditional levels? Or have they found themselves with a favorable trade balance and decided at this time to do no more than cut their increased sterling holdings back to customary working levels?

Current intelligence thus does its best job of supporting U.S. government operations when it knows what those operations are. It gives better warning of a submarine threat if it knows that U.S. fleet units are in waters where foreign submarines have been sighted. It is more likely to report Soviet discussions of a plan to step up broadcasts in Swahili if it knows that the Voice of America is reconsidering its own patterns of broadcasts to Africa. It is more alert to Peking's efforts to purchase certain electronic equipment if it knows that the U.S. government is currently urging friendly governments to deny licenses for the export of such equipment to the Chinese.

A good deal of the current intelligence analyst's effectiveness depends on his verbal skills. There are editors enough in intelligence organizations who give polish and clarity to language, but the editor runs against an especially fast clock in current intelligence. His task is manageable only if the current intelligence analyst is reasonably adept with words. The ideal current intelligence analyst writes well while writing quickly.

Is all this stress on speed prejudicial to accuracy? It can be, and policy-makers should fully understand the tentative quality of current intelligence. The current intelligence analyst has a charter to relay his findings without the delays incident to complete evaluation and interpretation. As the current intelligence analyst sees his role, he is much like the traffic controller on a new experimental superhighway. The analyst's in-box is the traffic controller's monitoring panel, which informs him about traffic conditions along the road. The crucial task is to note any changes in the traffic quickly; the crucial problem is to calcu-

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late quickly the difficulties that these changes will lead to. The job is not only to cover events but to stay ahead of events. With his facts and his foresight, the controller alerts drivers, police, and towing-equipment operators of the situation as it seems to be shaping up over the next several hours.

Traffic conditions can be predicted from present flows somewhat as devastating floods can be computed from early observation of upstream waters. If there are such mathematical models in international affairs, the current intelligence analyst is a long way from understanding and applying them. Pressed for quick assessments, he is prone simply to project a straight line, so to speak, from the current situation. This can make for a fair batting score in prediction since current intelligence is concerned primarily with the shortrun future, and the general situation tomorrow is more likely than not to be much what it is today. A weather forecaster given to this sort of empiricism might not average badly in certain climates. The rub would be his failure to give due warning of the hurricanes and other disasters that are the most important threats to security.

How much better should the current intelligence analyst be expected to do? It is certainly too much to expect current intelligence to call every turn, even after the turn. The best stock market analyst does not identify a bull or bear market trend at its very beginning; the test of the good analyst is how close to the low and the high he advises buying and selling. The traffic controller can note that traffic is extraordinarily heavy and can warn that a jam-up may occur at any time. But he is better at spotting a jam quickly than at making an on-the-nose prediction of the exact time it will take place. When he fails to give the notice that would enable preventive action, he is hopefully quick enough with facts and analysis to enable timely remedial action, so that traffic movement is smoother than it would be if he were not on the job. He does not have the responsibility for getting the information needed to look very far ahead, for assembling the demographic and other data needed in the formulation of a highway construction policy to take care of the country's expanding numbers of people and motor vehicles. The current intelligence analogue to the traffic controller, in short, keeps the nation's leaders up to date, but his focus on passing events and prospects for the near future—helpful as it is for day-to-day decision-making—is not sufficient to support the judgment that should go into basic policy formulation. The supplemental requirement by policy-making councils is for intelligence assessments reached through a more deliberative process.<sup>1</sup>

### The Operations Center

Most current intelligence can be written during daytime working hours, but the watch for new information goes on all the time. Every intelligence service today is served by a 24-hour operations center, at which watch officers maintain a continuous scan of incoming material and make quick decisions whether or not the substantive expert should be alerted at once by a phone call to his desk, when necessary to his home, in awkward hours to his bedside. It follows that the night skeleton force of the operations center must include some senior intelligence officer who brings to his job the competence of a generalist rather than of the area or functional specialist. This means that the senior officer of the center will suspect the portent of most significant developments even if he is not competent himself to write the intelligence analysis.

<sup>1</sup> See *infra*, chaps. III and IV.

In his moments of uncertainty, he plays it safe, getting the analyst out of bed, perhaps requesting the analyst to look at the material himself, even if a trip over snowy roads is probably to end in caustic mutterings about being disturbed to no purpose. At other times, the senior officer at the operations center is confident enough of his own judgment to make a slight rewrite himself in some memorandum about to go to press.

Day and night, the operations center is in telephone or teletype contact over secure lines of communication with intelligence and command centers in other agencies. If the current intelligence analyst in the CIA wants to check out a late analysis with other agencies so that it can be presented as national intelligence, he has the means to do so. If he feels his analysis requires some fill-in about U.S. deployments, he will request the watch officers to get in touch immediately with the appropriate agency or get on the phone himself. If the situation calls for further posthaste reporting from the field, the operations center can move immediately to get the analyst's requirements to the suitable intelligence collection office. The facilities for rapid communications constitute one of the most expensive requisites of current intelligence, and intelligence budgets are providing for considerable investment in further improvements.

The task force of analysts mobilized for a crisis will probably work from the operations center, where they take over from the watch officers the first scanning of incoming material on the situation. In the center, the task force works with minimum lag between the receipt of material at the headquarters building and the despatch of finished analyses to the reproduction facilities. Military deployments, merchant ship movements, and other data are graphically displayed and kept up to the minute. Higher officials keep calling in for briefings on the latest developments.

When the Reid government fell on April 25, 1965, for example, current intelligence analysts began immediately to prepare a memorandum giving the background of the coup and assessing the comparative strengths of the contending forces in the Dominican Republic. The memorandum done, the analysts stayed on in the operations center through the night to make sure that they kept abreast of the fast-moving developments.

The labors of covering the rapidly changing situation soon became too much for the few analysts regularly assigned to Dominican affairs, and personnel from political, biographic, and economic intelligence offices were shifted to mobilize a task force for around-the-clock reporting. One of the principal requirements was for a memorandum every hour, day and night, to keep the White House fully informed of the latest developments. Analysts who were not members of the task force in the operations center were alerted to watch for reactions, official and popular, throughout the world and to funnel all relevant intelligence to the task force. The analyst on France, for example, kept his eye cocked for statements by French officials on the Dominican situation, as well as for noteworthy commentary in the French press. Throughout the crisis, the task force reviewed a flood of incoming intelligence and sent forth its steady stream of assessments—in the regular publications, in briefing papers for legislative groups, in scores of special memoranda as they were requested on such subjects as economic conditions, military dispositions, popular sympathies, and political maneuvering among the several factions in the rebel and government camps.

#### Strategic Warning

"I don't care what the CIA does," General Marshall is reported to have said when he was Secretary of Defense. "All I want from them is twenty-four

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hours' notice of a Soviet attack."<sup>2</sup> That is to say, General Marshall wanted something more than the minutes of advance warning provided by signals received only after the missiles had left their pads. These signals are not in the province of intelligence. They are rather received directly by the military services, whose radars, infra-red detectors, and computers are designed to cope with a situation which is past the help that intelligence can offer. Theirs is the bailiwick of tactical warning, after the missiles are already on their way. General Marshall asked for strategic warning, while the enemy is still girding for the attack.

The strategic warning effort is centered on the study of indications. The indication, in current intelligence parlance, is the action that is taken to get ready for hostilities. When the Chinese Communists sold their sterling and bought gold in London in the spring of 1965, the hedge against pound devaluation was only one of the possible motivations that current intelligence considered. Another possibility that came to mind related to the war in Vietnam. Were the Chinese anticipating escalation of the war, possibly their own imminent intervention in force? If China was going to war, would it not withdraw its assets abroad before they were seized or blocked?

The Chinese gold purchases were in fact not a prelude to intervention in force, but the action signaled a possibility, and current intelligence had to give attention to the signal. Specialists in indications analysis have tabulated a long list of such actions that could signal an impending attack. In the economic field, the signals include the withdrawal of deposits in foreign banks, the recall of merchant ships to home ports, the accelerated stockpiling of aviation fuels. In the political field, the signals include the warning passed through the diplomat of a third country, the burning of diplomatic codes, the intensification of bellicose propaganda, the round-up of dissidents and unreliaables. In the military field, the signals include the call-up of reserves, the build-up of ground forces along the frontier, the upsurge of repair activity in naval shipyards.

The function of the indications specialist in current intelligence is to check out each signal that is received, no matter what the prevailing climate of intelligence opinion. He acts the devil's advocate against this climate, which can nurture impressive talents for cavalierly explaining away signals that seem compelling in retrospect. Before the North Koreans attacked in June 1950, reports indicating an impending invasion were received in Washington about once a month. But the general thinking in the United States, as Dean Acheson put it, was "that the danger of alienating world opinion in the cold war and the risk of invoking our striking power with atomic weapons in a hot war would deter any use of armed forces in aggression."<sup>3</sup> Subversion rather than direct military action was considered to be the main danger from the Communists.

Before their intervention, the Chinese made statements charging that U.S. "aggression" in Korea was a preliminary to attack on China. The Chinese told the Indian ambassador that they would send troops in if U.S. forces crossed the 38th parallel. After the parallel was crossed, the Chinese foreign ministry issued a statement that China could "not stand idly by." The Chinese stepped up their buying in foreign markets, specifying short-term delivery dates. The signals were recurrent, but intelligence had not at that time developed the procedures for ensuring as sharp a focus on the signals as on the seeming logic of the situation. The opinion was widespread that the Chinese Communists, who had come to power only the year before and had yet to consolidate their control over the

<sup>2</sup> Christopher Felix, *A Short Course in the Secret War* (New York: E. P. Dutton and Co., 1963), p. 33.

<sup>3</sup> *New York Times Magazine*, March 28, 1954, p. 77.

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mainland, would decide against the risks of a major war. This climate of opinion was not fully dispelled even by the first brushes of the U.N. forces with the Chinese Communists; a good many Americans still inclined to the view that the Chinese would stop short of a full-scale commitment.

The rationale of indications analysis is that surprise attacks like Pearl Harbor and Korea are "telegraphed." However, the signals take on meaning only to analysts who can be charmed but never fully persuaded by anyone's impeccable logic. This is the earmark of the indications specialist, who is on watch against surprise—who is suspicious of the majority judgment, which by definition is wrong in circumstances of surprise. "A Pearl Harbor disaster is to be ascribed in no small measure to the absence of some unpleasant and insistent person, who, knowing of the growing animus of Japan, kept asking when is the attack coming, where is it coming, and how is it coming."<sup>4</sup> The procedures for strategic warning in the United States call on the indications specialist to play this role of the unpleasant, insistent gadfly.

He focuses on the problem of surprise attack. He watches with something like the responsibility of the goalie in soccer, who places a high probability on the ball coming his way, even when it is far down the other end of the field. This is a set of mind which makes him a good goalie. But it is far from the sure instinct that he would want if his job called for him to be where the ball was really headed.

In view of this propensity to analysis in terms of his special responsibility, the indications specialist does not get free rein to draw his own conclusions. The standard procedure is rather for him to confront the area or functional analyst and request evaluation of a signal. If the indications specialist feels itchy about the Chinese gold purchases, he will ask an economic analyst to scratch. The economic analyst may respond with some asperity that many others besides Chinese Communists are buying gold when the value of key currencies like the pound is in question. He will be at no loss to supply other plausible reasons for China's financial transactions. If this is the only signal that the indications specialist has at the moment pointing to Chinese intervention in Vietnam, he may assent to the economic analyst's logic. For he knows that a single indication is untrustworthy, that he is really on the prowl for patterns. Have the Chinese also begun to emphasize civil defense training? To increase their stockpiles of food? To strengthen radar defenses along their Vietnamese border? To build new airfields for staging fighters to the south? To lampoon Moscow for cowardly caution in Vietnam?

None of these developments is an essential preliminary to a Chinese Communist attack, and all of them may take place without leading to an attack. But if many such developments have actually been tallied on the indication specialist's scoreboard, they will come out in the discussion with the economic analyst on gold purchases. Whether or not they influence the economist's conclusions at the time, they are likely to cast a light on future evidence, so that implications for surprise get due consideration and are not just rejected out of hand.

Further evidence will also be analyzed in the light of emerging signal patterns pointing in exactly the opposite direction. While the indications specialist is best known for his ever-present anxieties to avert another Pearl Harbor, he also tabulates the so-called negative indications in the course of his work. Is a country increasing the number of its merchant ships abroad, is it becoming less

<sup>4</sup> Sherman Kent, *Strategic Intelligence for American World Policy* (Princeton, N.J.: Princeton University Press, 1949), p. 160.

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belligerent in its propaganda line, is it drawing down its strategic stockpiles? No one of these indications tells very much by itself, but as part of a consistent signal pattern, they do point more in the direction of peace than of war.

The National Indications Center, staffed by indications specialists from the several intelligence services, compiles all the indications spotted by the intelligence community. By the end of every week, the Center has a long list of indications, together perhaps with differing opinions about significance. The Center operates as a staff arm of the Watch Committee, and the Center assembles the more ominous indications into an agenda for each meeting of the Committee.<sup>5</sup> This body, composed of ranking officials from each of the intelligence services, meets once a week (much oftener in crisis situations) to take up each signal in the agenda and attempt to reach consensus about implications for imminent attack. The Watch Committee's conclusions, with dissents if there are any, are summarized after each meeting in a report which stands as the authoritative position of national intelligence on prospects for the immediate future.

### No More Pearl Harbor?

In April 1965, the Soviets and East Germans made a show of force to restrict allied access to Berlin. The Communists increased their air activity over West Berlin, they enforced altitude restrictions on Western airplanes flying the air corridor over East Germany to Berlin, and they closed the autobahn. The Communists gave military maneuvers as their excuse for the temporary restrictions. U.S. intelligence analysts were not especially alarmed; it was clear enough that the Communists were making gestures to register their displeasure for the convening of a Bundestag session in West Berlin, outside West Germany's proper territorial jurisdiction according to the Communist view.

The situation nevertheless called for the customary indications analysis. A military exercise may be a rehearsal for an impending attack, may even disguise a deployment for attack. So the indications specialist, wearing his typically suspicious attitude, performed his function of posing alarmist interpretations to the intelligence analysts in touch with the situation.

Can the specialist with this cry-wolf function keep up his credit rating with the general body of intelligence analysts? The answer is he can but only if he has a decent respect for the maxim that effective warning is selective warning. In practice, he does not ordinarily press his case very hard at the very first signal, for he knows that it does not take many signals to prick the ears of intelligence analysts today when crises come in quick succession. In 1962, for example, intelligence was alerted in the spring when a Laotian cease-fire was broken, in the summer when Chinese Communist military forces were deployed into the Taiwan Strait area, and in the fall when Soviet missiles were discovered in Cuba and Chinese troops crossed over into India. The instability of the times is a constant prod on the responsible intelligence analyst to cooperate in the indications exercise.

The problem of necessary cooperation resolved (at least while the world is so close to the brink), intelligence analysts still ponder the limitations of the indications technique. The logic of the method is that a country has to ready itself to launch a surprise attack, that it has to close the gap between its present level of readiness and the level necessary for combat success. The purview of indications analysis encompasses the measures taken to close the gap. The scope for indications analysis disappears when the gap is closed, when forces are poised for attack and only the decision to strike is in question. The Chinese Communists have long been massed at the Indian border and near the Nationalist-held offshore

<sup>5</sup> See *supra*, p. 10.

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islands. Most of the indications, that is to say, the troop movements, airfield construction, and other features of military buildup, were recorded several years ago. In this sort of situation, the strike can come with little forewarning.

Analysts introduce a somewhat more theoretical context in their discussions about conflict in a "zero-reaction-time" world, with its full array of solid-fuel missiles and airborne armies. There is general agreement that the indications method does not quite serve in situations where "instant-ready" weapons systems are all-important and logistics irrelevant, where nations can jump from standing starts. Fortunately for the indications methodology, instant readiness is an ideal not a reality. No nation in the real world can stay on full alert—its industrial centers all evacuated—for months on end. Its posture until very late has to be something short of the full-ready; it has to make some "windup." It will conceal some of its moves from the intelligence of the adversary, but it will compromise the ideal of complete concealment. The evacuation of urban populations, the removal of national treasures, all the civil defense measures necessary to make victory at all meaningful require days or weeks to carry out.

If the crisis lasts any time at all, the problem for the indications specialist is not the shortage of signals but the plethora. The horn of plenty includes an ample share of counterfeit signals. The spurious information on missiles in Cuba before 1962 from both honest and mischievous sources was in excess of the genuine. Disaffected Cubans made claims about missile locations that were disproved by aerial photography. Soviet leaders gave personal assurances that the U.S.S.R. would not send offensive weapons to Cuba.

The indications analyst can filter some of the static, but he worries about the brilliant minds which have turned to the labor of avoiding or distorting the signals that constitute the input of strategic warning. In the contest of wits, the indications analyst is all too likely to be short of enough facts to prove his case. Pearl Harbor provides the classic case study in surprise. How well would the indications methodology have served in 1941?

The enterprising Japanese surveillance of Pearl Harbor appears in hindsight as one of the major indications of the coming attack. Japanese planes that crashed during the raid carried intelligence on ship anchorages, on local radio frequencies, and on the specified targets against which they were to make their torpedo runs. At the briefing that the Japanese pilots received the day before the attack, they were given the latest intelligence figures for the number of major naval units at Pearl Harbor—seven battleships and seven cruisers—which were not far off from the actual numbers of eight battleships and eight cruisers. At their final briefing, the pilots were given sheets that showed with substantial accuracy the position of warships berthed at the Navy Yard and around Ford Island. American intelligence did not know before the attack how successful the Japanese espionage effort was, but the United States did know from intercepted communications and other sources that Japanese agents had stepped up their reporting on ships in Hawaiian waters.

The rising notes of shrill menace in Japanese propaganda provided another indication that Japan might be on its way to some new military adventure. The theme, fuming and frequent, was of the necessity to clear the Far East from British and American exploitation.

By mid-November, it was well established that many merchant ships had been taken over by the Japanese navy. To throw off any intelligence service that was trying to keep up with Japanese naval movements, Japanese naval ships on November 1 changed the identification codes—the so-called call-signs—they used



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in radio communications. Only a month later, on December 1—an unprecedentedly short interval—the call-signs were changed again.

Diplomatic messages intercepted throughout the month of November gave perhaps the most suggestive indications that the Japanese were to cast a die in some desperate gamble if the Kurusu and Nomura negotiation missions in Washington were unsuccessful. It was made clear in the messages that the Japanese government would at least break relations with the United States if the negotiations failed. By November 28, the Japanese negotiators in Washington were told that the talks would be ended for all practical purposes in two or three days, although the appearance of continuing negotiations was to be maintained "to prevent the United States from becoming unduly suspicious."<sup>6</sup> There was intelligence in Honolulu on December 6 that the Japanese consulate had been burning its papers for the past two days.

These and other indications add up to a long list. But intelligence was dispersed, and there were no adequate procedures for communicating the findings of one intelligence service to another. Thus intercepts of Japanese naval messages did not find their way to Army intelligence, and diplomatic intercepts that were being read in Washington did not go, with all their ominous import, to the commands in Hawaii. Intelligence items were read singly; nowhere were they brought together to make their cumulative impact.

In hindsight, everyone knows what the cumulative impact should have been. The problem in hand is honestly to say whether today's National Indications Center, lacking the vantage point of hindsight, would really alert Pearl Harbor in simulated circumstances of 1941. Honesty requires note of some spurious signals: shore leave given to large numbers of Japanese sailors while the attacking fleet was steaming to Pearl Harbor; false radio traffic to make U.S. intelligence believe that certain vessels were manufacturing near Japanese home waters; reinforcement of Manchurian garrisons in order to lend credibility to rumors that Japan would be moving against the U.S.S.R.

Assuming it was not thrown off by the false signals, how would the National Indications Center, in our simulation exercise, react to the valid signals? These quite clearly suggested at the time that the United States and Japan were on collision course, but did they focus at all on the point of collision? The Japanese consulate in Hawaii was burning papers, but so were Japanese offices in San Francisco, Washington, and elsewhere. The intensity of Japanese espionage in Honolulu was matched by the energy of intelligence against American targets in Manila, Panama, and San Diego. The innuendoes in the intercepted diplomatic messages of imminent eruption reinforced American feelings that some new Japanese aggression was indeed in the making, but where?

The consensus in 1941 was that the Japanese lunge would be in the Far East—against Siberia possibly but more likely through Thailand into Burma and Malaya, with an assault on the Philippines preparatory to attacks against Singapore and the Netherlands East Indies. Even in hindsight, this appears as an essentially accurate intelligence judgment of Japan's main strategic objectives. Pearl Harbor was not in fact one of these objectives. It was a tactical target, attacked not for the importance to Japan of Hawaii per se, but to eliminate the strongest force that might threaten the success of Japan's strategy. (The irony of Japan's tactical success in Hawaii was of course that the strategic results were the exact opposite

<sup>6</sup> Roberta Wohlstetter *Pearl Harbor: Warning and Decision* (Stanford, Cal.: Stanford University Press, 1962) p. 201. Most of the other warning signals cited in this section are taken from this work, the best available study of events preceding the disaster from the perspective of indications analysis.

of Japan's intentions: American forces of unanticipated strength were pulled squarely into the area of the Japanese aggression.)

The indications, in brief, pointed pretty much to war but not too clearly to the point of surprise attack. And it would seem quite rational in our simulation exercise also to figure the odds in favor of a direct thrust by Japan toward its strategic objectives in Asia, with the United States beset only by difficult decisions about just how far to go to deny the Japanese these objectives.

Strategic warning, however, is not calculation of the most probable development. Strategic warning is the announcement that a danger threshold has been crossed. When the ball gets down to one end of the field, it is still not an even-money bet that a team will score. But the situation calls for the goalie to be on special alert. If our simulated National Indications Center incorporates today's machinery for strategic warning, the outcome is a combat-ready posture in Hawaii. This is because the machinery is programmed to reflect openness of mind about outside possibilities and to provoke reflexes of vigilance everywhere if there is a threat anywhere. The scheduled discussions of indications at all intelligence echelons, culminating in the vigorous debate among top intelligence officials in the Watch Committee, conclude with statements no less foreboding than the intelligence opinion that actually obtained in December 1941—that the Japanese will soon be on the move again. But the Watch Committee's formal conclusions have the authority and acceptance that result in all the Pacific commands being put on full alert. With the consequent step-up in air and sea patrols scouting Pacific waters, the Japanese fleet is perhaps spotted. Whether or not the Japanese fleet is discovered en route, Hawaii has a deeper appreciation of the deteriorating international situation, and signs like the appearance of unidentified airplanes on Army radar screens are read in Honolulu with a fuller understanding of their ominous portent.

This is not to suggest that intelligence can be cocksure of its strategic warning abilities. All the simulation indicates is that U.S. intelligence is prepared for World War II. The best to be said of the actual record since World War II is that it has been an improving one, but that there have not been enough near-replicas of Pearl Harbor to justify firm conclusions. Although the elements of surprise in the North Korean attack of June 1950 were too many to do credit to American intelligence, the indications methodology was still rudimentary at the time. The Chinese intervention later in the year was more suggestive of the potential of indications analysis. There were faults, noted earlier, in evaluating the indications pointing to Chinese entry, but the United States did not find itself facing the Chinese forces without any advance warning whatever. The indications, though incorrectly evaluated, were fully reported, and the reports were disseminated to the operating commands, so that the intervention, by contrast with Pearl Harbor, was not quite a thunderbolt out of the blue.

The discussion in the next chapter on the Cuban missile crisis will further substantiate the need to allow a margin for chances of evaluation error. Given this margin, the diligent compilation and reporting of indications will come to better than half the strategic warning task. If there is no guarantee against the surprise strike, the record makes the reassuring point that intelligence does pick up and disseminate warning signals at the time of gravest national danger.

## Chapter 3

# The Estimate

The President and his closest advisers would no more be without current intelligence than without their daily newspaper. They want current intelligence to keep them up to the minute. They want quite another intelligence product when they have to make major determinations or reassessments of policy. The policy review on economic aid to Brazil does not lean on day-to-day intelligence. The need is for a formal intelligence appraisal of the Brazilian government's record in curbing runaway inflation, pushing long-delayed agrarian reform, attracting broad political support. The need is for a formal forward-look at Brazilian prospects. The intelligence estimate, or strategic estimate as it is often called, is the generic designation of the document that performs these policy-support functions. At the level of national intelligence, its specific title is the National Intelligence Estimate.

Since the range of American policy interests is worldwide, virtually every country is likely to become the subject at some time or other of an intelligence estimate. Estimates on the giants of the Communist world, the U.S.S.R. and mainland China, are never many months old before new looks are scheduled. Lesser Communist nations, surveyed less often, may be grouped in an estimate, say, on Eastern Europe. The developing nations of Asia, Africa, and Latin America get similar review—singly or in regional estimates—with special attention to problems of economic strain, social instabilities, and direction of political alignment in international affairs. The strategic estimates on West European countries will consider evolving roles that bear on the solidarity of Western multinational groupings like the Common Market and NATO. Then there are estimates which are not drawn on strictly geographical lines—on the Sino-Soviet dispute or on nuclear proliferation, for example.

The formal estimate characteristically essays a longer forward-look than current intelligence, but this is not to say it must keep outside the current intelligence time span. The estimate on the U.S.S.R. will project Soviet weapons systems ten years ahead, if that is the desirable lead time for planning American weapons systems. If the next twelve months are crucial for the tenure of the present Brazilian government, the estimate on Brazil will project prices and other indices for only a year or so. A "crash estimate" of likely Soviet actions and attitudes over the next few days is in order at the time of a Suez crisis.

The "crash estimate" certainly and the other estimates to a lesser extent go over much the same ground as does current intelligence. But current intelligence is primarily narrative and reportorial, with such analytic comment as the overriding imperative of quick reporting will permit. The estimate is expected to be the more reflective product, enlarging on what the items of current intelligence add up to. In the estimate, the signs of popular dissatisfaction in China are evaluated against a background that elaborates on trends in agricultural output, experimentation with different collective forms of rural organization, army morale, and

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manipulation of the hate-America theme to consolidate control at home. The writing requires a breadth of information that cuts across academic disciplines, taking in subjects of economic change, scientific achievement, social stresses, military power, and political dynamics. It requires the wide-ranging scholarship that can integrate findings from all these lines of inquiry and hopefully give answers to the important questions that policymakers are asking or should be asking about China.

### Production Flow Chart

There are two ways a National Intelligence Estimate gets started. One is on the request of an important policy official; a word from the White House is stimulus enough. These outside initiatives are most likely when policy decisions of great moment are being weighed—in a situation like the Soviet military build-up in Cuba, for example. Usually, however, intelligence can tell itself what it ought to be doing, and it can tell itself long enough in advance to make up a schedule of estimates for the coming year. An estimate on the U.S.S.R. is invariably on the schedule. An estimate on Ghana may be put on the schedule if the last one is clearly outdated. And if a coup in Iraq is in a fair way of affecting the balance of forces in the Middle East, intelligence may decide on an estimate out of schedule.

The labor pains of the estimate begin with an exercise that is called establishing the terms of reference, a list of the crucial questions—drawn up by the CIA in consultation with other contributors—to which the estimate will hopefully provide answers. The list can be comparatively short if the focus of the estimate is narrow—say Cambodian Prince Sihanouk's present position, with particular inquiry into whether he has taken his pro-Peking version of neutralism beyond a point of no return. The list will be long indeed if it is to clarify the stature of the U.S.S.R. or Communist China, since the purpose is to assemble the knowledge about these countries which should affect American policies with respect to military expenditures, trade controls, propaganda programming, foreign aid, diplomatic strategy.

In this latter case, the terms of reference will include a battery of questions on internal political developments. Do present arrangements for collective decision in the top leadership appear stable? What issues are likely to provoke disagreements? What alignments on these issues are to be expected from the military marshals, the party careerists, the government bureaucrats? What are evolving popular attitudes? Are there strong pressures from the intelligentsia for freer expression in the arts? How responsive is the government to workers' expectations of rising living standards? Are the peasants dragging their feet in inconspicuous sabotage of agricultural expansion programs? Are ethnic minorities limiting themselves to passive discontent or moved to sporadic riots?

In the field of foreign affairs, the terms of reference will relate especially to policy attitudes bearing on relations with the United States—possible *modus vivendi* in Europe, promotion of anti-Americanism in Asia, propaganda line on disarmament. The questions will go beyond broad generalities to identify positions on such specific issues as Berlin, Vietnam, German unification, and American military bases, with a view to distinguishing areas of give from inflexible lines of hardened national interest. The foreign affairs section of the terms of reference will also devote considerable attention to the state of the country's own system of alliances, which may be crucial for its changing posture toward the United States. Is the military alliance which the U.S.S.R. and Communist China signed in 1950 much more now than a scrap of paper?

On military matters, the terms of reference will ask the important questions about evolving force structure. What are the available figures for personnel and equipment strength in the conventional branches of the army, navy, and air force? What is the level of attainment with advanced weapons systems? What are the capabilities for combat in different geographic areas? What are the accepted doctrines on surprise attack, nuclear deterrence, guerrilla warfare, civil defense, general war, wars of "national liberation"?

The economic terms of reference will be addressed to problems in agriculture, rates of industrial growth, patterns of foreign trade, levels of foreign aid, population increase, gold reserves, experimental departures from the rigidities of central planning. The list of questions will turn like an elliptical curve around two foci of interest. One is fixed on the economy's capability to sustain the enormous amounts of defense expenditures that are necessary for great power status in the twentieth century. The other is the economy's comparative record in raising mass living standards—the non-military challenge to convert a world by demonstrated superiority in "peaceful competition." The terms of reference will therefore include questions that pin down the specifics of hard choice in resource allocation, that go into fine detail on both the "guns" and "butter" sectors of the economy. The questions will narrow down to investment and other data for electronics industries, aircraft, missiles, space programs, grains, meat, automobiles, housing, education.

There is finally the ever-increasing attention that goes in these times into the terms of reference that deal with scientific achievement. Billion dollar programs in America ride on the answers to these terms of reference. The questions probe into such avenues of inquiry as levels of technically-trained manpower, facilities for engineering and scientific education, research and development on new weapons systems, laser technology, military and peaceful applications of atomic energy, new capabilities in outer space.

The terms of reference are circulated to all participants, and the work of drawing up written contributions is divided up along well-established lines of primary jurisdiction and specialized competence. State's intelligence estimators, for example, will concentrate on getting the answers to the political terms of reference; the Defense Department's analysts will give their main attention to the military sections of the estimate. There are no hard constraints, however, against any agency trying to influence any part of the estimate. Defense, State, and the CIA may each have viewpoints about the relevance of the Sino-Soviet military alliance in particular contexts, and their contributions will overlap on this and other issues.

The principal labors from here out fall on the CIA estimators. Theirs is the task of getting out a version which reflects the consensus, so far as that consensus is obtainable, of all the intelligence services. Theirs is the travail of writing and rewriting to clarify points or meet objections of a CIA board of senior officials. Theirs is the toil of meeting with representatives of the other intelligence services to try to work out differences that still appear after second or third rewrites. The final wording always represents CIA's judgment at the minimum; the published document goes forward as the view of the Director of Central Intelligence. If other agencies are still left in dissent on some points, they give their reasons in footnotes.

The process is not one for turning out estimates with anything like the speed of current intelligence analyses. A National Intelligence Estimate on the Soviet Union may, in fact, take months between the first attention to terms of reference and the final publication. This is not too long if there is no especial reason for

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urgency, if the policymakers' requirement is not for information to support a quick decision but rather for knowledge by which to set the policy course of the nation over the coming years. There are, however, crises which call for estimates with one or two day deadlines, and on these occasions, the usual procedures have to be telescoped.

### How Conclusive the Conclusions?

Since the best of logic can be coupled with fallacy, intelligence estimators are self-conscious about establishing as wide an area of hard fact as possible. The core, often the bulk, of the National Intelligence Estimate is the rundown of recent history and the record of accepted fact—the purges in high places, the official statements on foreign policy, the tone of propaganda, the achievements in space research, the purchases of foreign grain, the budget figures for military expenditures, the judicial trials of dissenting intellectuals, the hardening of missile sites, the testing of nuclear weapons, the construction of worker housing, the reorganization of military commands, the commitments for new foreign aid, the state visits to developing countries, the display of new military aircraft. This attention to credible evidence is maintained throughout the writing of the estimate, and the estimators cap the writing with a post-mortem of their labors that directs attention to gaps in the available information. These post-mortems serve notice to intelligence of the collection efforts that must be made and the research that must be initiated so that future estimates can be made on a stronger basis of fact.

In the meantime, the estimator feels keenly the limitations of his factual base, not only in foreseeing things to come, but also in tracing things as they are. Its long border with the U.S.S.R. is a serious liability for Iran. Its economic backwardness is another. Its dissenting minorities in Azerbaijan another. And its underdeveloped political institutions still another. Some of the pertinent facts, like the length of the border, are firm, but most evidence—on the dissatisfactions of ethnic minorities, for example—falls short of the certainties the estimator needs to support conclusions about the health of Iran.

The difficulties mount when the estimate gets into its look at the future. Can the estimator be something better than a soothsayer? If he can, it is again with the support of a decent factual base. If he has to forecast whether the Chinese Communists intend in the weeks ahead to invade Taiwan, he will draw up a tabulation showing what the Communists have in the way of amphibious lift facilities. He will set forth recent military deployments on the mainland. He will make a statement about weather in the Taiwan Strait at this time of year. He will review recent Chinese Communist propaganda on the "liberation" of Taiwan. And he will be sure to analyze recent official statements on the subject by the Chinese Communist leaders.

The attempted focus on fact notwithstanding, the estimate can never be better than an approximation: you estimate, as the cynical aphorism goes, when you run out of facts. Many of the facts are unknowable, like decisions that a party presidium is still debating. And the facts which are simply unknown, like the Kremlin decision which has finally been made, may be as out of reach as the unknowable. At some point in the writing of every National Intelligence Estimate, the estimators are up against the innate problem of their craft—to be accurate when the best that the available facts allow is to be plausible.

It boils down to the proposition that the future is not an open book, and intelligence does no service to policymakers by overstating its knowledge. When

the estimate goes into the dimensions of the Soviet defense establishment in 1975, it is forecasting only in the sense that demographers forecast populations. The demographic forecast is not a flat prediction but a projection calculated on the basis of certain reasonable assumptions about birth and death rates. The range of reasonable assumptions is likely to be fairly wide, so the population forecast is customarily presented with "high," "low," and "middle" projections. When birth and death rates take unexpected turns, demographic forecasts prove to be wide of the mark. But as working hypotheses, the demographic forecasts are useful for the early years at least, and it is easy enough to bring them into line as soon as new evidence justifies new calculations.

Similarly, the prevision of the Soviet Union's defenses in 1975 is useful as a first approximation for those who have to make decisions about American defenses. The estimate's figures serve as working hypotheses for planning. It would be surprising if the figures conformed in all respects to the actual course of events, but the estimate on the U.S.S.R. is a recurring exercise, and changes in the forecast will carry their due weight for revisions of policy. The imperative for intelligence is not any impossible faculty for being right every time, even when the evidence to go on is still shaky. The mandate is rather for a schedule of frequent revision, so that the latest estimate is consistent with the latest evidence.

This doctrine of periodic revision, however, is no comfort in the exigencies that call for estimates of the very short term. If the estimators are asked for judgments in September about Chinese Communist intentions to cross the Himalayas into India before the snows fall, they are being asked for a forecast that will all too soon be tested by events. The ten-year projection is analogous to a game whose rules permit changes of strategy. But to predict the events of the next few weeks is to join in a game where the stakes ride on one round of play. There are no revisions of strategy; there is only the initial strategy to determine the outcome.

If intelligence is less than reasonably certain of its case in such a situation, it has two recourses. One is to state frankly that insufficient information is at hand to make a prediction. This categorical a statement appears only occasionally in estimates; the intelligence ego understandably shies from the admission that equates to no better guidance than that "time alone will tell."

The second recourse is to suggest possibilities for the future which take in the more or less likely eventualities. If the estimators left it at that, they would be casting themselves in the image of equivocating Delphic oracles. The estimators, therefore, usually attempt some statement about orders of probability. The Chinese may do nothing, they may only engage Indian border patrols, they may penetrate into India up the full extent of their boundary claims, or they may try to engage the full strength of the Indian army and bring it down to crushing defeat. The possibility of China's doing nothing may be rated as low if it happens to be a year when border clashes have become routine. Evidence at hand on logistic buildups and supply problems may allow some judgment about the depth to which Chinese armies can penetrate. The calculations that go into such an estimate will in the end probably permit of a statement giving comparative probabilities of the courses of action to which Communist China is for practical purposes limited. The probabilities will not have the precision of mathematical odds, but they will at least point to one course of action as more likely than another.

While intelligence is sometimes the butt of derision about overcaution in prediction, responsible estimators will scorn pretensions to foreknowledge that

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they do not have. The quack's alternative is unambiguous prediction that is deceptively straightforward in appearance but paradoxically even more cautious than honest intelligence. His dodge is the margin of safety that comes from always predicting the worst. This is going out on a limb but not on one which is in danger of cracking. If the worst happens, the heads of estimators who forewarned stay on their shoulders. If the worst does not happen, there are no subsequent inquiries to get anyone's scalp.

The artifice may be a safeguard against investigations, but the margin of safety in intelligence forecasting, as in bridgebuilding, does not come cost-free. It was American policy toward the end of World War II to urge the entry of Soviet troops into China, mainly because the predominant intelligence opinion in the United States took a wide margin of safety in appraising the fighting qualities of Japan's Kwantung Army in Manchuria. This Army had consisted of Japan's crack troops before the war, but these had long ago been transferred out to fighting theatres. An unsure intelligence, however, continued to give the Kwantung Army the reputation it no longer deserved. The result was the entry of Soviet troops in 1945, their restrictions on the movement of Chinese Nationalist troops into Manchuria, and their shelter of the Chinese Communist forces that eventually took over.

It is questionable, therefore, that policy is at all well served by pressures on intelligence to speak in clearer tones of black and white. Intelligence hedges because it doesn't know, and in these circumstances, uncertainty—not presumed knowledge—should underlie the policy rationale. A player should understand when he is in a game of closed and not open poker. The two games call for quite different strategies.

### **The Consensus Problem**

Insufficient though the evidence may be, an estimator will try to make the most of what he has, applying of course the rules of conscience and good judgment against making more of the evidence than it deserves. What an estimator will do alone, however, is not what estimators will do collectively. The hazard in preparation of the National Intelligence Estimate—a document to which all the intelligence services subscribe—is that it will have to be worded to get the acceptance of those who would make the least of the evidence. This does not so much require an explicit surrender to the most guarded opinion as a facility for taking in all opinion by vagueness and generality of language.

The alternative of a more positive analysis with many dissenting footnotes does not strike the estimators as any more helpful to policymakers. Too many dissents, in fact, should suggest that the master draft is too definitive—that its conclusions are arguable, not well enough supported by the evidence. In most cases, it would seem proper for the intelligence services to concede the point and settle for a wording that is a truer reflection of the uncertainty in the situation. A customary rewrite, for example, could have it that Castro "may" do thus and so, in place of the "will probably" of the first draft.

If Castro's probable course of action on a certain matter is, however, one of the central concerns of the estimate, the preference is for a sharp draft with reasoned dissents over any compromise wording. Either horn of the dilemma—watered-down language or an array of dissents—tells the policymaker in effect to be his own intelligence officer; but if this is to be his role, he will do better to read all the pros and cons. What he does not want is a clutter of dissenting footnotes that are not really vital for the main thrust of the estimate. On these less important parts of the estimate, considerable effort will go into the working



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out of compromise positions. If this effort is unavailing, "tired arms" may well give way to the intelligence service with the most specialized competence in the subject. The rule of reason is simply that the main points of the estimate should not get lost in a sea of quibbles about tangential issues.

There are times when the department head or White House official will choose to bypass the problem of consensus, preferring—by way of a first look at any rate—to have the analysis in memorandum form from a particular intelligence service. The number of such estimative memoranda increased after President Kennedy took office and policymaking took on a more personalized character than it had under the well-staffed procedures of the Eisenhower administration. The informality of the newer methods offered advantages usually in speed of drafting and sometimes in sharper conclusions. The National Intelligence Estimate, however, never lost its standing as the authoritative reference when policy decisions of the gravest national import were in the making. However much alone the President was in reaching the final decision on such occasions, he listened attentively to recommendations from many quarters in formal or informal assembly. Group processes for policy counseling seem to call on group processes for intelligence estimating; so during the weeks preceding the Cuban missile crisis in October 1962, the felt need was less for a long spectrum of individual views on whether or not the Russians would put offensive missiles into Cuba than for the best judgment that intelligence as a group could make on this subject.

### The Cuban Estimate

"In the fall of 1962, most specialists in Soviet affairs believed that long-range Soviet missiles, with their closely guarded electronic systems, would never be stationed on the uncertain island of Cuba nearly 6,000 miles away from Soviet soil and supplies."<sup>1</sup> When events proved this opinion wrong, the usual post-mortems ensued to pinpoint the causes of error.

The causes were of two categories. One was the base of evidence up through the summer of 1962. The evidence was a mosaic of reports from Cuban sources and photography from aerial reconnaissance.

The Cuban sources, refugees and others, alleged the introduction of military aircraft and Soviet missiles. These sources did not have the best record for accuracy in their past reporting; they had an understandable self-interest in underscoring Castro's villainy and his intrigues against American security. Intelligence analysts attached enough credibility to the reports, however, to lay on requests for increased aerial reconnaissance. The resulting photography soon established that the U.S.S.R. was indeed supplying Castro with surface-to-air missiles (good only for defense against aircraft overflying Cuba) and with coastal defense missiles (good only against offshore shipping).

A Senate investigating committee later suggested that intelligence analysts should have inferred the worst from the installation of these short-range missiles:

Among other things the discovery of the surface-to-air missile complex in the San Cristobal area on August 29 could logically have led to the assumption that they were being constructed to protect a strategic missile installation since it was clear that these SA-2s were not being emplaced for the purpose of protecting any existing or known military installations.<sup>2</sup>

<sup>1</sup> Theodore Sorensen, *Decision-Making in the White House* (New York: Columbia University Press, 1963), p. 67.

<sup>2</sup> U.S., Congress, Senate, Preparedness Investigating Subcommittee of the Committee on Armed Services, *Investigation of the Preparedness Program: Interim Report on the Cuban Buildup*, 88th Cong. 1st Sess., 1963, p. 11.

An uneasy intelligence did in fact ask itself at the time what was the purpose of these defensive missiles. Were they primarily prestigious additions to Castro's growing military arm, which already included Soviet jet fighters? Were they to guard sites which Castro could use for the launching of longer-range missiles against the southern and eastern United States? Or were they to guard some other vitally important type of new installation? The possibilities were considered, but the inconclusiveness of the evidence thus far assembled forced the estimators onto the second category of error—deduction relying on an uncertain syllogism.

The major premise of the syllogism was that the U.S.S.R. did not wish to provoke to the point of nuclear war. This proposition rested on the record of responsible Soviet navigation in the dangerous waters of the cold war. Moscow had never gone so far as to ship the offensive-type missiles to any other country in the Communist camp. The minor premise was that the U.S.S.R. fully understood the depth of American feeling about Communist strategic weapons in Cuban sites. The intelligence conclusion that followed was that the Soviets probably would not emplace offensive missiles in Cuba.

The minor premise was false. It was a misestimate of the Soviet estimate. Estimating a Soviet estimate of U.S. intentions puts U.S. intelligence into an unfamiliar field—the examination of American actions. The examination has to cover every act of diplomacy that communicates American attitudes to the Soviet Union, including acts which are diplomatic only in the extraordinary uses of the word:

Every change in the defense budget, every selection of a major weapon system, every important deployment of troops, every Congressional hearing of the annual budget of the armed forces, is diplomacy. It is diplomacy, because at least one strong motive behind any action taken is to communicate something to the leaders of potential enemy countries about what we can do and about what we will do.<sup>3</sup>

Following this line of thought, the minor premise of the Cuban estimate should have been developed from an explicit review of certain American actions. The Bay of Pigs, for example: how did it affect Moscow's estimate of U.S. resolve? American toleration of the subsequent Soviet military buildup in Cuba: what further encouragement did each step give the Russians that they could go one step further? President Kennedy's statement to the press in August 1962 that the United States "has obligations all around the world, including West Berlin": could the Russians infer that the President's decisions on Cuba would be influenced by his consciousness of American vulnerabilities elsewhere in the world? <sup>4</sup> The President's announcement on September 4 that the United States would not tolerate the installation of missiles in Cuba capable of reaching American territory: might Soviet leaders be so committed by this late date that such an announcement would not sufficiently impress them of the necessity to reverse course?

It will not do to answer that the Russian might well misestimate. The question before the American estimators was whether the Russians were more likely than not to misestimate. Klaus Knorr suggests that the estimators might reason-

<sup>3</sup> Thomas C. Schelling, "Deterrence: Military Diplomacy in the Nuclear Age," *Virginia Quarterly Review* (Autumn 1963), reprinted in the U.S. Congress, Senate, Subcommittee on National Security and International Operations of the Committee on Government Operations, *Conduct of National Security Policy: Selected Readings*, 89th Cong., 1st Sess., 1965, p. 43.

<sup>4</sup> Arnold L. Horelick, "The Cuban Missile Crisis: An Analysis of Soviet Calculations and Behavior," *World Politics* (April, 1964), p. 384.

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ably have calculated the probabilities to favor the Kremlin's misreading of the American mind:

It must have been difficult for Soviet intelligence to estimate correctly the immensely strong popular feelings in the United States on the Cuban issue. It was an emotional involvement that many of our allies (including Canada) found hard to comprehend and to approve. Is it not possible, if not likely, that Soviet intelligence expected the United States Government to splutter, perhaps even to roar, but to consult its allies, who would urge caution, to bring the case before the United Nations, which would lead to long and inconclusive debates, and in the end resign itself to accept the *fait accompli*?<sup>5</sup>

Professor Knorr was writing, as he would concede, with the advantage of hindsight knowledge. The estimators lacked this advantage, but they were still not ensnared by their web of logic. They were aware that the evidence was not all in, and they did not assert their conclusions with such confidence as to terminate the relentless search for evidence.

In the meantime, the President understood the limited policy uses of the intelligence estimate. An estimate is only one of the forms of intelligence upon which a President depends. He could not have decided earlier on his confrontation with Khrushchev even if the estimate in hand had predicted the Soviet emplacement of longer-range missiles in Cuba. The stakes were much too high to justify such a grave decision on anything but the hardest of evidence. His main reliance had to be on the current intelligence that went to the White House daily and kept him apprised of the mounting Soviet military commitment in Cuba.

After intelligence reported the confirming evidence that longer-range missiles were in Cuba, the logic of the estimate was to get its final test. The faulty premise of the logic was that the U.S.S.R. appreciated how forcefully the American government would react to strategic missiles in Cuba. President Kennedy converted this premise into incontrovertible fact. His courage tested the logic of the estimators' analysis anew and vindicated it in the end. The U.S.S.R. acted as intelligence originally foresaw it would act to keep its distance from the nuclear brink.

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<sup>5</sup> Klaus Knorr, "Failures in National Intelligence Estimates: The Case of the Cuban Missiles," *World Politics* (April, 1964), p. 465.

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## Chapter 4

# The Research Study

When the Reid Cabral government fell in April 1965, it stimulated an understandable surge of interest throughout Washington in certain background information on the Dominican Republic. Who were the key personalities in the country? What was the strength and disposition of its armed forces? How much of the population was literate? What progress had been made with agrarian reform? Which were the principal political parties? What was the state of government finances? How good were the harbor facilities that were available for the landing of American troops? What sort of terrain would the American forces find? How much range of temperature, humidity, precipitation, and other climatic feature would they encounter? Intelligence should be able to supply this type of information almost at once.

In the language of the trade, this information is called basic intelligence—the fundamental facts about geography, economy, social structure, political organization, military capabilities, and other aspects of national stature. Basic intelligence can be prepared in response to urgent requirements of the moment, but in most of its formats, basic intelligence is the result of long prior research, completed and put on the shelf, so to speak, for later reference.

Now research inevitably draws its devotees into byways of scholarship which have an uncertain relevancy to policy issues of the day. There is in current intelligence and estimative intelligence an inherent discipline against going too deep into these byways, for current reports and strategic estimates are written explicitly for use by policy officials. While many research studies are targeted toward the high-level planner or policymaker, the genre by and large does not compete as well as current intelligence and estimative intelligence for the time that the busy man at the top can give to his reading. Particularly if it is many pages in length or is heavily technical in content, the research study is rather likely to be read in its entirety only by other analysts and then to serve as the capital, so to speak, that they can draw on for their own analyses and evaluations. In this situation, research can find itself on a long line from the pole of practical policy support, but the proper length of the line is one of the unresolved problems of intelligence organization and management. The familiar debating points on the issue of basic versus applied research reappear in discussions about the level of detail intelligence should compile on witchcraft practices in the Congo.

Decisions in the matter are strongly influenced by budget ceilings and by fashions in thinking at the top about the degree of orientation which intelligence research should have to the requirements of policymaking and executive action. The call is still primarily for national intelligence that is “action-conscious” and “policy-oriented”—that is to say bears clearly on important decisions being made at the top. As a result, research programs get trimmed drastically in some years, but intelligence has been too self-conscious about past embarrassments to feel entirely easy about the cutbacks. One of the classic cases of embarrassment was

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the British landing in Norway after the German invasion in 1940. This was an occasion for bitter complaints by British ship commanders about the absence of accurate maps and lack of information about beaches and fjords. The operational planning drew on woodcuts of Norwegian beauty spots in the 19th century. Large rocks blocked the approaches to what were thought to be suitable landing beaches. Jetties that were supposed to have cranes and heavy tackle were lacking in such equipment. The appalling errors of basic intelligence played a great part in the British debacle.<sup>1</sup>

The same sort of situation was encountered during the American operations against the Gilbert Islands in 1943. Some of the needed hydrographic data were even more out of date than the scenic woodcuts which British intelligence had used for the Norwegian landing. The activities of coral polyp in the century since the last oceanographic survey was conducted had made the old charts on the Gilberts so inaccurate as to be worse than useless. Intelligence was uninformed about the reefs and other beach features, knowledge that was vitally needed for decisions about the landing craft that could get American marines ashore with minimum danger of grounding. As it turned out, the larger landing craft proved unsuitable, and men scrambling ashore were mowed down by Japanese fire. At the end of the battle for Tarawa, a thousand marines lay dead, many of them killed in the first terrible hours of the landing. Along with the two thousand wounded, they bore witness to the vital necessity of accurate basic intelligence.<sup>2</sup>

### The Encyclopedic Study

Norway and Tarawa underlined the need for encyclopedias of information on every area where the United States might conceivably find itself involved. But a war was on, and the immediate concern was to get basic intelligence completed on the fighting areas. The British fortunately were well along with ISIS (Inter-Service Intelligence Studies), and these were of much help to American officers in the planning for North African operations. The basic intelligence gap that called for immediate filling in America related to the Pacific theatre of operations, and the Joint Chiefs of Staff instituted procedures to put out the massive basic intelligence volumes known as JANIS (Joint Army-Navy Intelligence Studies). JANIS came out too late to influence World War II operations, but the encyclopedic volumes on the history, geography, economy and sociology of the Far East got well dog-eared by frequent use in the intelligence services of the United States just after the war.

The experience with JANIS confirmed intelligence officials in their opinion that basic intelligence studies had to be on hand for emergencies and that such studies should be developed in peacetime, when the channels for collecting information were more open and when the absence of wartime pressures permitted better checks for accuracy.

While the needs of war were the strongest stimulus for the basic intelligence effort, it was appreciated that the studies should cover more than the subjects of wartime interest. For one thing, the problems of military occupation required intelligence support in providing details about economic institutions, public health, social characteristics, and political background. For another thing, emerging cold war concerns suggested the potential usefulness of information bearing on such activities as propaganda, foreign aid, and trade controls. And finally, the

<sup>1</sup> H. Montgomery Hyde, *Room 3603* (New York: Farrar, Straus and Company, 1962), pp. 28-29.

<sup>2</sup> Ladislav Farago, *War of Wits: The Anatomy of Espionage and Intelligence* (New York: Funk and Wagnalls Company, 1954), p. 74.

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history of efforts to consolidate the peace after World War I indicated the need of a basic intelligence effort that would contribute to the wisest conduct of American diplomacy.

One of the most interesting contributions of basic intelligence abroad after the first World War had been the so-called peace handbooks that served the British delegates to the peace conference in Paris. Sherman Kent has described these handbooks as Baedekers to meet the minimal needs of delegates responsible for drafting the peace treaties:

The section on Bohemia and Moravia ran to 109 standard-size pages. No one who read them could possibly have remained in ignorance of the main ethnic and economic problems which were to beset the men responsible for drawing the western frontiers of the new Czechoslovakia, and no one who read them would fail to acquit himself better at the peace table.

There were many other handbooks in the series, and each emphasized those phenomena of a given country which were certain to come up in the discussions. For example, the book on France has a long and detailed section on Alsace-Lorraine; the one on Germany has sections on Silesia, the Kiel Canal and Heligoland, and the Colonies; the one on Turkey, an excellent treatment of the Straits question; and there is one entire short study on the Yugoslav Movement.<sup>8</sup>

As American intelligence officials foresaw the research task ahead, it would culminate in comprehensive assembly of all the basic intelligence on foreign areas required by the American government. The volumes of information would serve the needs of the military services for data used in strategic and high-level operational planning, and they would serve civilian officials responsible for formulating and executing the many aspects of U.S. foreign policy. The information would be largely descriptive, but this was not to say that it would be devoid of analysis. It would not have to be as predictive as current and estimative intelligence, but as in the better encyclopedias, there would be interpretive commentary.

The range of information was to extend across a wide set of scholarly disciplines. There would be a geographic section, for example, to give information on frontiers, landforms, soils, climate, vegetation. A transportation section would break down into discussions of railroads, highways, civil air, merchant shipping, inland waterways. An economic section would go into crop production, industrial structure, public finance, patterns of trade. A sociology section would present data on population distribution, religious affiliations, educational levels, ethnic diversities. A political section would be informative on matters of historical background, constitutional forms, party rivalries, internal control mechanisms.

For the more important countries, at least, it was envisioned that the discussions would go into considerable detail. The discussion of railroads, for example, would include description of rolling stock, bridges and tunnels, gradients, timetables, signaling systems, track curvatures. The discussion of highways would detail the seasonal conditions of the various roads, bridge dimensions, width of shoulders, steepness of grades. The discussion of inland waterways would give data on currents, depths, turns, constancy of channel alignments, freezing, bridge clearances. The discussion on civil air would show aircraft performance, frequency and reliability of service, navigational aids, convertibility to military use. Photographs, graphs, maps, and charts would supplement the text.

<sup>8</sup> Sherman Kent, *Strategic Intelligence for American World Policy* (Princeton, N.J.: Princeton University Press, 1949), pp. 24-25.

These provisions of intelligence officials in the late 1940's have taken form in the basic intelligence series that is called the National Intelligence Survey (NIS). Like the current and estimative forms of national intelligence, the NIS is a collective effort of the intelligence services. All the services are represented on a National Intelligence Survey Committee, which meets to determine production priorities and set general policy with respect to the NIS program.<sup>4</sup>

In format, the NIS series for each country appears as many paperback monographs—a separate monograph for railroads, manpower, and every other section of the survey. The research and writing are divided up, with military analysts, for example, taking responsibility for sections on terrain and naval facilities, while CIA analysts prepare some of the economic and political sections. The CIA, in addition, performs central administrative services like editing, printing, and dissemination.

Another consideration in making the sections organically separate is the ease of updating. The intelligence in sections dealing with such subjects as climate and terrain is relatively permanent in character. Once the research is done, only infrequent revisions are necessary. In the economic and political sections, on the other hand, the intelligence may be of a more fugitive sort. Key political leaders die, governments are overturned, and new industries get established; and a maintenance schedule calling for more frequent update is necessary.

There is no question about the peace of mind the NIS affords intelligence officials anxious to avoid the embarrassments of any future Tarawas. The series get their tests of usefulness whenever another area suddenly hits the headlines—Korea, Lebanon, the Dominican Republic. With a still far from perfect record, basic intelligence is acquitting itself better than it did during World War II. The Hoover Commission adjudged the NIS to be an "invaluable publication."<sup>5</sup>

Such kudos notwithstanding, it is ordinarily difficult to attract as influential support for NIS intelligence research as for current and estimative intelligence activities. When the flaps come and the pressures for current reporting and quick strategic estimates are especially strong, the temptation is to build up necessary strength in task forces by calling in researchers who are working against distant publication deadlines. Inevitably, NIS research takes on the imputation of second priority. The experts are then tempted to stay on in current intelligence or estimative assignments, where they can earn a high psychic income in ready service to top echelon policymaking. This is not to deny that some of the very best talent is in research, but intelligence officials at the management level still ponder the problem of the "brain drain" that keeps breaking the continuity of the research effort.

There is some sentiment for contracting out the many pieces of research that draw on open data—weather conditions, balance-of-payment problems, recent history, government structure, social institutions. Universities and other outside organizations may be as well equipped as in-house staffs to assemble the information on many of these subjects, and the outsiders would presumably be insulated from the high-tension currents that so often short-circuit in-house research in the crisis situations. However, contrary arguments are offered in favor of the better management controls and other advantages that inhere in in-house research, and intelligence is still groping for the best answer to the problem.

Intelligence is also giving thought to new formats. There are types of basic intelligence—listings of power plants and pipelines, for example—which can be

<sup>4</sup> See *supra*, p. 4.

<sup>5</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Intelligence Activities* (Washington: U.S. Government Printing Office, 1955), p. 68.



kept in central card files and run through data processing equipment to make quick print-outs on demand. In some cases, particularly where the information can be presented tabularly rather than textually, these print-outs may be superior to the bound publication. In other cases, the bound publication is handier. Whatever the format, the pick-and-shovel work of accumulating basic intelligence is bound to go on as long as the memory of Tarawa haunts the conscience of America.

### The Special Purpose Study

Basic intelligence produces the omnibus reference work as a standby product, an encyclopedia to consult when a question arises, not a study written to answer any particular question. When basic intelligence addresses itself to the latter purpose, its product is a study in depth. The depth study, by contrast with the all-purpose encyclopedic series, can be written with a sharper eye to the current needs of policymakers. A recurring subject for depth study is the pattern of Communist trade. Such a study is usually heavy with tabulations for the U.S.S.R., China, and East European countries showing the proportion of their commerce that is made up of trade with the West. There are often other tabulations to show which non-Communist countries are most dependent on trade with the Communists. The study might go into the topic of Communist interest in long-term credits from the West, and it would review the varying attitudes of Western governments towards extensions of credits to the Communists. The study could assess the emerging apprehensions of some East European countries about being shut out of Western markets as the Common Market countries progress toward full customs union. It could also examine the faint signs of East European interest in associating with Western countries in GATT (General Agreement on Tariffs and Trade) to help preserve Communist positions in Western markets.

This kind of study in depth is of quite a different order from the assembly of information that goes into the National Intelligence Survey. The encyclopedic NIS is excellent for finding the answer to a specific question of fact (the gauge of railroads in Vietnam), but it does not provide the help that research can give to policymakers who want to know what might be done about force structures in NATO or about Sino-Soviet differences. The deep narrow study is the vehicle for this sort of help. By contrast with the miscellany of information in the basic intelligence encyclopedias, the deep study is long on history, replete with analysis, and inclined to predictive conclusions. One of the better illustrations is the historical study by Navy intelligence in World War II to determine the chances of a Japanese surrender. The record of combat in the war indicated the influence of Bushido conditioning and suggested an invulnerability to surrender appeals. The study noted, however, the cultural legacy of the inter-clan struggles, in which the defeated clan had invariably chosen to surrender rather than go to death in battle.<sup>6</sup>

If the deep study is of some bulk, with tables and graphs and appendixes, it will not be read in all its detail by policymakers at the level of the President's immediate advisers, although they may get abstracts highlighting the major findings. But it will be read probably at lower echelons of policy and certainly by analysts responsible for writing the current and estimative intelligence on the subject. A major purpose of the deep study is, in fact, thus to save current and estimative intelligence from superficiality of knowledge, from hardened analysis in a frame of set conceptions and stock cliches. In this connection, some offices encourage the personally signed study, wherein the researcher can take his

<sup>6</sup> Farago, *op. cit.*, pp. 15-17.

scholarly look at basic premises without committing his agency as a whole to still tentative lines of analysis.

While the special-purpose study is clearly a sharper instrument for serving policy than the omnibus reference study, it would not do to suggest that all special purpose research is undertaken in connection with some policy decision in the making. There is research that is undertaken simply to fill certain intelligence gaps, whether or not policy decisions are imminent. If information on, say, Soviet microbiological chemistry is not up to acceptable standard, a go-ahead for research will be given. The finished study would have a limited circle of interested readers, but the subject is considered too important by intelligence to be neglected. Other studies of limited interest might cover social rootlessness in Africa, migration from rural to urban areas in China, new literary trends in the Soviet Union.

The concern of intelligence, when it comes to subjects like these, is to avoid duplicating the research that university scholars are carrying on, sometimes on government contract. The External Research Staff of the State Department's Bureau of Intelligence and Research is a clearinghouse of information about outside research on foreign areas. The Staff regularly publishes lists of on-going and completed research. It publishes specialized bibliographies and research abstracts, and it is an assiduous collector of conference papers and unpublished manuscripts. The most useful of this outside research finds its way into intelligence libraries and analysts' files, making its imprint on intelligence opinion and so becoming part of the corpus of intelligence scholarship.

Part III  
FIELDS OF ANALYSIS

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## Chapter 5

# Political Intelligence

"We are a people," said de Gaulle at his news conference in September 1965, "who are rising—like the curve of our population, of our production, of our foreign trade, of our monetary reserves, of our standard of living, of the spread of our culture and our language, of the power of our arms, of our success in sport."<sup>1</sup> De Gaulle's is very much the perspective of intelligence, which also sees the stature of a nation as a compound of its strengths and failings in every sector of its culture—its economy, its political life, its scientific and technological level, its military establishment, its social relations. There are generalists in senior intelligence assignments whose competence ranges across these functional areas, but intelligence analysis usually starts at the specialists' level. The technical analysis of the latest Chinese atomic explosion is a job for the physicist who is making his career in scientific intelligence. The economic intelligence officer is asked to interpret the Soviet state budget. Authoritative figures on the size of North Vietnam's army come from the staff that specializes in military intelligence.

Among these functional specializations, political intelligence gets perhaps the widest readership in high places. The councils of the country's highest officials are kept informed of battlefield situations, economic changes, and scientific developments, but the focus of their interest is impact on political policy and implication for political maneuver. Along with the technical analysis of the Chinese explosion, the President and his official family will want information on the reaction of China's Asian neighbors to the bomb test, the propaganda uses that Peking can make of the test in consolidating domestic political support, the effects on the Soviet position in disarmament negotiations, the possible implications for increased pressures to accept Communist China in international councils.

### External Affairs

With the gradual disappearance of bipolarity in international affairs, political intelligence is hard put to specify the adhesive qualities of formal alliances. Lineups vary with the issues. De Gaulle's support of the United States in the Cuban missile crisis is no guidepost to his stand on the issue of Vietnam.

Since intelligence watches adversaries much more closely than it follows allies, a most important area of political intelligence coverage in this field of international alignments has been the changing nature of Communist bonds. "To many a member of the Union League Club," wrote Walter Lippmann just after World War I, "there is no remarkable difference between a Democrat, a Socialist, an anarchist, and a burglar, while to a highly sophisticated anarchist there is a whole universe of difference between Bakunin, Tolstoi, and Kropotkin."<sup>2</sup>

<sup>1</sup> *The New York Times*, September 10, 1965, p. 2.

<sup>2</sup> Walter Lippmann, *Public Opinion* (New York: The Macmillan Company, 1932), p. 69.

The man who has not seen the sharpening differences among Communists in recent years is like the man to whom all members of another race look alike. The differences are clear when one puts himself close enough to see the differences, and political intelligence has been following Communism from the close range that is accessible to those who are fully instructed in the nuances of Communist ideology and in the semantics of Communist debate.

The task of political intelligence has been uncommonly facilitated by the polemical propensities of the Communists. Whatever the underlying reasons for their disagreements, they invariably are cast in ideological terms, with citations from Marxist scriptures and allusions to historical heresies. The party press and journals are the customary vehicles for the exchange of diatribes, although Chinese and Russians have also found themselves in face-to-face controversy on the floors of Communist party congresses in third countries and in other forums. Since the late 1950's, these open sources of information have afforded political intelligence ample detail on the progressive disorganization of the international Communist movement. To supplement these open sources, there have been several valuable collection coups by clandestine means.

The new opportunities that the dispute may open for American foreign policy are coupled with complications for the work of political intelligence. The eventual overthrow of capitalism is still a cardinal point of Communist doctrine, but intelligence has a much more difficult task than detailing the formal principles of a faith. There are places in the world where the evangelical principle is fully embodied in the working program of party action. Elsewhere, the principle needs appraising in the context of increasing attention to consumer problems, pressures for intellectual contacts with the West, and the rise of a technically-minded rather than doctrinally-oriented managerial class.

In most of the developing countries of Asia, Africa, and Latin America, Communists of all stripes consider the "objective" situation as favorable for further revolutions, but political intelligence must still inform on the considerable variations of Communist strategies. Parties in sympathy with Moscow are more likely than China-oriented parties to avoid tests of strength with present governments. The strategy of the Iraqi Communists, for example, according to an article of December 1964 in the Moscow-line *World Marxist Review*, is not now to struggle for the establishment of a "working-class" regime but rather to strike alliances with other forces in the country. Political intelligence is quite aware that such shifts in the party line are not irrevocable decisions to abandon traditional forms of revolutionary action, but the shifts have nevertheless to be noted for the new challenges they pose to American foreign policy. Governments opposed by Communist elements are not the same problem for American diplomacy as governments drawing on Communist support.

The problem is further complicated by the fact that Moscow's word is no longer sufficient to determine the pattern of local Communist strategies. Party leaderships, like the Japanese, which were once stolidly submissive to Soviet dictates, have moved into the pro-Chinese camp or asserted independent stands. Even where the leaderships are still with Moscow, their subservience is limited by concerns with rank-and-file opinion in their own parties.

In several cases, the schism in the world movement has broken local Communist parties into hostile groups which trade epithets taken from the Sino-Soviet broil. The pro-Chinese elements that split away in India now make up a party which is larger than the parent pro-Soviet party. Political intelligence has to follow developments in each of the parties as arms of Soviet and Chinese foreign policy respectively. This is to say that the U.S.S.R. and China have sectors of

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influence, not that either operates with a whip hand over its adherents in such split-party situations.

Often the nature of party lineups is such that political intelligence is hard put to categorize positions. The Italian Communists, for example, have been the target of the most vituperative Chinese attacks for "revisionist" tendencies, but it would be a most superficial analysis that simply put the Italian party in Moscow's camp. In their denial of Soviet authority over Communist parties, the Italians can be as adamant as the Chinese. The testament of the late leader of the Italian Communists, Palmiro Togliatti, espoused a Communism that gave full scope to national divergencies and that was not held together by any internationale. While sympathetic with the Chinese on the issue of independence from Moscow, the Italians differ with the Chinese, and to a lesser extent with the Russians, on other issues, speaking out for further de-Stalinization and for rapprochement with heretical biases like Tito's.

The Italian Communists are the second largest party in a country where no party has a majority and every government has to be a coalition. In these circumstances, political intelligence feels compelled to stay well abreast of these party developments, among other reasons to be forearmed against the unwelcome possibility of Communist participation in a future Italian government. The answers that political intelligence will give about Italian foreign policy in such an eventuality will almost certainly be complex, unlike the cut-and-dried analysis that the Communist stereotypes of an earlier era would have justified.

One of the noteworthy features of the Sino-Soviet dispute is that it has not only weakened Moscow's authority over Communist parties in non-Communist countries, but that it has given impetus to polycentric forces in Eastern Europe, once the Soviet Union's uncontested sphere of influence. Political intelligence never regarded China as a Soviet cat's paw and now considers that the East European Communist countries have moved varying distances from their one-time satellite status. The Russians now pretty much recognize the inadvisability of forcing any of these countries too hard. Thus Rumania gets the leeway it demands on economic policy, even though the Soviets would prefer to dampen some of Bucharest's industrial aspirations and assign it a more agrarian role under "basic principles of Socialist international division of labor."

Political intelligence does not of course make all of its foreign-affairs analyses in the context of possible leverage for Soviet or Chinese influence in the world. There are other aspirants to leadership, whose policies may or may not jibe with American interests. In some settings, the maneuvers of these hopefuls are more meaningful as political intelligence than the Soviet or Chinese roles. Nasser, for example, is an important force who counts for much more in the intelligence on Yemen than the Soviet Union or Communist China. Throughout Africa, a variety of exile groups offer opportunities for a country to unsettle affairs in neighboring territory. Ghana harbors the Sawabah Party of Niger; Burundi gives similar sympathetic shelter to Rwanda exiles.

In Latin America, Castro makes an exceptionally strong appeal to revolutionary elements. Since Latin America is so close to home, a high priority goes to political intelligence coverage of Cuban underground influence. Some of the intelligence comes from the open public record—the radio broadcasts from Havana to Latin America, for example. The broadcast scripts are not only in Spanish but also in French, Haitian Creole, and the Indian dialects of Aymara and Guarani. The content of the broadcasts includes firebrand scenarios that enlarge on say the activities of Colombian and Venezuelan guerrillas. The Creole

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broadcasts to Haiti have featured selections on how to prepare for the "first stage" of revolution.

The Cuban commitment to subversion across international frontiers is also documented in public addresses and communiques. In his speech on January 2, 1965, Castro foresaw that the United States would be forced eventually to come to terms with Cuba when the Americans found themselves having to deal with "several" other revolutionary regimes in the Western Hemisphere. The communique issued in November 1964 by the Cuban-sponsored meeting of Latin-American Communist leaders in Havana called for "active aid" to guerrillas in Venezuela, Guatemala, Colombia, Honduras, Haiti, and Paraguay. In his address to the UN General Assembly, the now departed Che Guevara called for "bullets not ballots" in Latin America. He admitted, or rather boasted, that Cuba had helped "freedom fighters" of Venezuela to "acquire military knowledge."

The boast is given substance by other sources of information. Agent reports give fairly good detail on the courses of instruction Cuba is giving to revolutionaries. The General Directorate of Intelligence has been identified as the key Cuban agency for training in guerrilla warfare, sabotage, terror. The Directorate also passes Cuban funds to Latin American revolutionary groups—some \$200,000 to Yon Sosa's terrorist band in Guatemala in 1963, another \$50,000 to revolutionaries in El Salvador, about \$30,000 to a pro-Castro political group in Panama. In November 1963, Venezuelan authorities discovered a three-ton cache of Cuban arms. Postal authorities in Panama that year destroyed an average of over ten tons of Cuban propaganda a month.

Some of the most perceptive political analyses are in despatches from Foreign Service officers, whose internationally accepted responsibilities require them to report on foreign policy trends in the countries to which they are accredited. Equally informative reporting comes from U.S. ambassadorial missions to such multinational groupings as the U.N., NATO, and the European Economic Community. These traditional forms of diplomatic reporting and the intelligence analyses that draw on this reporting are more likely to deal with questions of America's relationships with its friends than with maneuvers of adversary forces. How far does de Gaulle intend to go to weaken the supranational features of the Common Market? How much of NATO will survive as a structured organization to which France will commit military forces? Are India and Pakistan showing signs of give on Kashmir? How is Japan's interest in mainland Chinese markets affecting its diplomatic relations with Taiwan? How is the next lineup on Communist China's admission to the United Nations shaping up? If political analysis is to contribute to the wisest American policies, it is not only by informing on the strength of adversaries but also by conveying the fullest understanding of the sensibilities of friends and allies.

### **Domestic Affairs**

Political intelligence can hardly appraise the weight of a foreign government in the international arena without knowing how well the government is doing at home. De Gaulle could take many of his initiatives in foreign affairs only as long as his was so commanding a political figure in domestic affairs. Communist China's international stature has derived in good part from the fact that the regime in Peking is the first government in modern times to have consolidated political control over the entire Chinese mainland, even over dissident areas like Tibet. Argentina is less prestigious a figure in Latin American affairs since Peron left his legacy of political instability in Buenos Aires.

The intelligence officer who follows the domestic political affairs of a foreign country brings to his work a knowledge of the handbook facts about constitutional



forms and formal government structure. He is much more interested, however, in the working political process. Since the intelligence officer cannot watch everything, he must know what to watch particularly; his first task is to know the distribution of political power in the country.

The distribution will shift as contenders for leadership strike new balances in the political scales. A Communist party's Central Committee, for example, does not exercise decision-making powers when the top leader dominates the Presidium. When there is a struggle for power, however, political intelligence turns with especial interest to the Central Committee, which may be called on to arbitrate the disagreements. Such was the case in June 1957, when Khrushchev successfully appealed to the Central Committee to undo the temporary victory won by his "anti-party" opposition in the Presidium.

Sometimes the lesser organs and individuals of the party or government are usefully watched for the mirror images they afford of the real power patterns. Who is selected to give the major addresses at party congresses? Do the speeches of delegates to a Chinese party congress echo the opinions of Liu Shao-chi or the sentiments of other leaders? What prominent figures are not even in attendance?

When congresses, central committees, and other such bodies are not in session, political intelligence can sometimes follow the fortunes of rival groupings in the everyday vehicles of propaganda. Is there a renewal of emphasis in China on the importance of military subordination to party control? Perhaps some case is building up against one of the marshals. Is there a clear reticence by an East European government to join in the denigration of Stalin? Evidently the old guard of the party is still in the saddle. Do *Pravda* and *Izvestia* editorials slant in different directions? A new challenge to the top leader may be in the making.

But political intelligence can hardly limit itself to watching maneuver in the government and party. The elites govern only insofar as their authority is accepted below; and the degree of acceptance is one of the central concerns of political intelligence. The attention here is riveted on society at large, and much of the coverage could be designated as sociological intelligence. In Africa and other developing areas, this means a sharp eye on the disintegration of tribal or rural societies, the rapid pace of urbanization, the separation of youth from family, and the resultant vacuum of values that is so incompatible with the social disciplines necessary for political stability. The temper of the Tamils in Ceylon, of the students in South Vietnam, of the Indian tin miners in Bolivia, of the Palestinians in Jordan, this is the material of rabid political passion and sometimes the best measure of a government's grip on office.

In Communist countries, the authorities are especially prideful of their insights into popular attitudes and of their abilities to enlist popular support. Mao Tse-tung boasts that he keeps his hand on the "pulse of the masses." He does not mean so much that policy is trimmed to existing public opinion as that keen attention goes to the feasibility of shaping public opinion to accept policy. Political intelligence therefore stays attuned to Communist propaganda lines, both for what they indicate about official policy and about domestic reaction to official policy. When a regime's propaganda demands a "rectification" program to "purify party and government organizations by resolutely weeding out bad elements which have sneaked in," rails at the "hooliganism" of youth, lashes the "conservatism" of peasants, harangues against the "chauvinism" of minorities, assails the "cosmopolitanism" of intellectuals, on such occasions the Communists themselves speak eloquently to political intelligence of popular dissatisfactions.

When the propaganda reaches fever pitch, it may speak to political intelligence of Communist miscalculation and frustration. The commune period in

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China, for example, was one of high exaltation, during which the country's leaders seemed genuinely convinced that social reorganization, popular exhortation, and political indoctrination would combine to bring such a muster of human energies as to vindicate once and for all their fundamentalist faith in the potentialities of the new order. The propaganda line was to "let politics take command," that is, for politics to overrule all technical objections of economists, engineers, and agronomists. The customary statistical checks on accomplishments were allowed to lapse almost completely, with authoritative commentary speaking scornfully of the "mystification" of statistics and elaborating on the virtues of "relying on the masses." The falsification of numbers eventually became rampant, as the statisticians became more and more intimidated by injunctions to act as "willing tools" of the Party, while the Party leaders virtually asked to be deceived by statistics that indicated achievements unprecedented in agricultural history.

In the end, the realities of serious food shortages intruded through the mists of error, and the large communes were dropped in favor of organizational forms that permitted rewards to the peasants which were more commensurate with individual effort. By this time, a traditional exporter of food had become a large net importer; the resulting balance-of-payments problem forced a scaling-down of the industrial imports needed for economic development; and the political credit of the regime plummeted throughout the land. For political intelligence, the most pointed lesson was the tenacity of the Communist hold on the reins of power. Mao Tse-tung and his supporters in the leadership rode through the storm, putting down occasional mutinous dissent with relatively little difficulty. They came away from the experience in the early 1960's somewhat sobered by their technical bungles but with increased confidence in their grip on authority and in their ability to withstand challenges from all quarters. As with Stalin, who survived all blunders and beat back all challenges, self-assertion and bellicosity became more than ever the distinguishing stamps of Mao and the other first-generation leaders of Communist China.

Political intelligence has had experience enough with twists in party lines to appreciate the possibilities of eventual shift in Peking to softer accents. It is never easy to call the turns, but intelligence has to expect them eventually, for the Communists are tinctured by both "revisionist" and "dogmatic" strains. Mao Tse-tung, who now works himself into furies at revisionism, once scorned dogma as "more useless than cow dung." And in the mid-1950's, the Chinese espoused a "hundred flowers" ideal, with a slogan to "let all flowers bloom, let all schools of thought contend." China's present backwardness in science, for example, would be corrected, it was said, by giving intellectuals access to ideas from all sources, Western as well as Communist. English would again be taught in Chinese middle schools, and Western scientific journals would circulate in increasing number. The propaganda invited freer speech in the land, subject though the invitation was to the proviso that the newer freedoms meant no sanction for the propagation of so-called counterrevolutionary views. This was so short a period in Chinese Communist history as to be perhaps an aberrance from the main truculent tradition. But intelligence has to be on watch for all straws in the wind if policy is to take advantage of all opportunities.

When intelligence turns to domestic politics in the developed democracies, it is working with facts that are generally much easier to come by. Information is largely overt. When it happens to be privileged, it is still generally acquired in conformance with the conventions of diplomatic conduct—the authorized briefing, for example, to a Foreign Service officer from a government official. Largely on the basis of such overt and near-overt categories of information, politi-

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cal intelligence assesses say, the prospects of the French Socialists. Are the Socialists in France attracted toward a popular front with the Communists, who contributed so impressively to the good showing of Mitterand in his 1965 campaign against de Gaulle for the French presidency? Or will they move toward a grouping with center parties? Or are they incurably addicted to the old ways of splinter parties and "revolving-door" governments? In Italy, how durable is the center-left government, when the Socialists will feel periodically compelled by Communist taunts to assert their militance in behalf of worker interests, to the unconcealed irritation of the Christian-Democratic right wing of the coalition? In Canada, how strong is separatist sentiment among the French-speaking citizens of Quebec? The primary mission of intelligence is not to spy but to comprehend and inform. The absence of clandestine sources of information is no bar to intelligence analysis.

### **Biographic Intelligence**

Biographic intelligence is closely interwoven with the concerns of political intelligence. It is not that biographic intelligence deals exclusively with political personalities; on the contrary, biographic intelligence should be well equipped to range far beyond politics and come up with ready listings of say all the heavy-water specialists in the Soviet Union. It is simply that politics is so much a study of personalities and loci of personal power that political intelligence and biographic intelligence are terms often applied with equal validity to the same analysis. When the President is to receive a visitor of state, political intelligence and biographic intelligence combine forces to supply information on the substantive views of the visitor and his traits of personality. Is he from the left or right wing of his political party? Does he have public support in his country, or is he held in office by the armed forces? Does he speak English? What commitments does he want from the United States?

For national policy, the paramount interest is of course in men at or near the top. Whenever the analysis turns on the subject of possible leadership changes, biographic intelligence has much to offer. It can readily supply listings by age, for example, of contenders for the top job; in most but not all Communist countries, the man in his mid-sixties has begun to slip on the succession ladder. Biographic intelligence is also at hand with information on ethnic origin. Prejudice against persons of Jewish origin is too strong a handicap to overcome in the U.S.S.R. and in Eastern Europe. Nor is it an advantage to come from one of the non-Russian nationalists recently absorbed into the U.S.S.R. (Finn, Latvian, Estonian, Lithuanian); a Mongol or any other figure not belonging to the predominant Chinese strain stands a poor chance for the top job in China.

What is the evidence of recent quantitative and qualitative indicators? Biographic intelligence is always up to date with counts of recent appearances and conspicuous absences. It can supply the order of appearance of Presidium members atop the Lenin mausoleum on May Day. It can give the record of positions as honorary pallbearers at funeral of old Bolsheviks. It can compare the encomiums in birthday greetings to national leaders with the panegyrics of previous years. It can report the number of constituencies nominating the chief political figures for the Supreme Soviet. Before the elections in February 1958, Khrushchev was nominated 223 times, Bulganin only 15 times. The next month Bulganin was dropped from the premiership.

The particular allegiances of individual Communists is important. Who is likely to support whom? The record of sponsor-protége relationships may be revealing. How many posts in the party apparatus has an aspirant to supreme leadership packed with his own proteges? How many have remained constant

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to their original sponsor over the years? The study of their speeches and signed published articles may be instructive. Do they seem, if the analysis is on China, to sound like Liu Shao-chi or Chou En-lai men? Or is there another rising star, Defense Minister Lin Piao perhaps, who is now setting the style of rhetoric?

While the biographic dossiers are fullest for the men in high places, a considerable effort must go into the accumulation of information on lesser figures. This is especially the case for countries vulnerable to frequent coup and revolutionary overturn. During the Dominican crisis of April 1965, the files of biographic intelligence were searched for information on the political leanings of lesser known figures. Which of the leftists showed Castroite sympathies? Which were better described as populist in orientation, unlikely to coexist in close harmony for long with pro-Communist elements?

The thinner dossiers have only skeletal facts; the fuller ones portray the rounded man. If the intelligence is good, it permits a tabulation of all his appointments to government and party posts, his resignations, his arrests, his trips abroad, his stand on public issues, his family ties to other persons of consequence, his friendships, enmities, and other associations.

Every now and then, intelligence finds it rewarding to take an across-the-board look at a regime person-by-person. The death of Chinese politburo member Ko Ching-shih in April 1965 was one occasion for such a review. His death brought the membership of the Central Committee (including alternate members) down to 181 from the 194 originally elected in 1958. Of the survivors, something could be said about the number who had not appeared in public recently and were no longer figures of consequence—a few because they were out of favor, others possibly for reasons of health. This left a core of high-ranking persons who were noteworthy for the fact that they were mostly sixty years old and over. Within a very few years, the government could have a new visage because so many new faces would have to be brought in to replace the patriarchs. In the meantime, biographic intelligence would have to keep building its files on the younger figures, if it was to be timely with information to American policymakers about the likely attributes of Communist China's emerging second-generation leadership.

## Chapter 6

# Economic Intelligence

"Victory in modern war," observed Hanson Baldwin just after World War II, "is no longer won by the big battalions but by the big factories, backed by the big laboratories and the busy scientists."<sup>1</sup>

Some qualification to this view seemed in order when one equated "big battalions" in the atomic age to nuclear weapons. To some minds, the impossibility of a long war in a situation of all-out nuclear conflict made the size of forces in being the most important consideration in analyses of national power; there would be no time, as there had been in World War II, to convert plowshares into swords and so tip the military scales with economic strength after war was declared. In this theoretical construct, it was possible to show that the concerns of economic intelligence might become less and less relevant to meaningful analysis. For several reasons, however, just the opposite has turned out to be the case.

First, the economic advances of the U.S.S.R. in the 1950's enabled the Communists to throw out the challenge of "peaceful economic competition." It became clearly important to keep abreast of Soviet economic performance quite apart from any consideration of military threat, but rather for any bearing on rival standings in the cold war.

Second, Korea and Indochina and a number of lesser conflict situations compelled continuing attention to the economic implications of military hostilities that did not involve the use of nuclear weapons. The strains on France's budget constituted one of the important factors undermining the French resolve to hold on in Indochina. The potential strain on China's economy became an important subject for economic intelligence in any estimate of how far into India the Chinese Communists would penetrate in 1962.

Third, it became increasingly clear that the atom bomb was not yet the cheap equalizer to cut major powers down to the military size of smaller countries. The costs of maintaining military establishments after World War II ran unprecedentedly high. In particular, the dues for membership in the nuclear club were, for many governments, prohibitive. The economic capability of a country to sustain exorbitant defense expenditures thus clearly became a matter of intelligence concern. Granted that all-out war might be short, the buildup would be long. The devastating nuclear war, Edward Teller noted, "will be measured in hours, possibly in fractions of hours. The period in which the decision is made as to who wins the war, on the other hand, will be long, such as ten years preceding the time of the war."<sup>2</sup> The analytical task was analogous to the older calculations of war potential—that is, the economic strength that could be converted into combat power in wartime. Only now, the matter of interest was perhaps better called defense potential—the economic capability to sustain expensive military postures before war started.

<sup>1</sup> Hanson W. Baldwin, *The Price of Power* (New York: Harper and Brothers, 1947), p. 14.

<sup>2</sup> *Washington Sunday Star*, January 13, 1957, p. A-28.

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Gross National Product

Economic growth in the U.S.S.R. during the 1950's was rapid—probably better than six percent a year on the average, in terms of gross national product. The growth rate slowed appreciably in the 1960's, partly because of failures in agriculture, in large part because the arms race with the United States put such serious strain on the Soviet economy. There was an upsurge of expenditures in the U.S.S.R. on research and development of space and advanced weapons systems, on missile procurement, on production of nuclear bombs and ground electronic equipment.

In the United States, which chronically produces below capacity levels, defense spending can be a stimulus to the economy. In the U.S.S.R. where production is closer to capacity, the sharp boost in defense outlay meant a diversion of funds from industrial investment and a slowdown in the drive for modernization of plant facilities. The Soviet defense potential, in short, was subject to some severe constraints; and to appraise the constraints, economic intelligence started with an examination of the Soviet Union's gross national product—the total value of all the goods and services produced during the year.

Other things being equal, the bigger the GNP the more a nation can spend on arms. One of the things that does not stay equal is the size of the population. If it is growing, per capita production is not going up as fast as total output, and the amount that can be spent on defense is to that extent diminished. Another thing that is not equal is the nation's commitment to rising living standards. If the leaders have promised to build homes, they must allocate less for building arsenals. The problem for economic intelligence is to consider such qualifications and determine how much of the gross national product represents defense potential—that is, how much can be directed to the military sector. There is, however, no one figure for defense potential to fit all international situations, and economic intelligence has to make its calculation on the basis of reasonable assumptions about the situation. A population will sacrifice much if the country is invaded. On the other hand, consumer goods incentives are necessary to hold up production levels when the threat to national security is less imminent.

The theory and concepts are clear enough, but economic intelligence confronts difficult measurement problems. There are components of GNP on which the U.S.S.R. does not publish figures, and a considerable program of intelligence research is necessary to fill the gaps. Quite apart from the sketchiness of the data, intelligence struggles with the problem of valuation. The Soviet GNP can be stated as so many dollars, but it makes a difference to know what values are imputed to each category of output. Is it right to value the services of Soviet barbers according to their ruble earnings? If they are as efficient as American barbers, this procedure understates Soviet GNP in any comparison with the United States. One calculation of Soviet GNP in 1959 showed that it was about a fourth of U.S. GNP when each category of production was valued on the basis of ruble costs. The figure went up to a half when costs in the United States were imputed to each of the respective categories.<sup>3</sup>

<sup>3</sup> The case for one method of valuation as against the other is rarely clear-cut. Any country shows up better if its output is valued according to the other country's costs. The logic of this proposition is perhaps best understood in the context of the economic principle that countries tend to produce the goods they can produce the cheapest. If France tends to specialize in the production of wine and Germany of beer, France shows up better in a comparison of the two countries if the higher costs of producing German wine are imputed to the output of French wine. Correspondingly, a higher figure is imputed to German production, if German beer is valued on the basis of what it costs to manufacture beer in France.

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GNP is in fact a slippery tool of analysis. The definitive picture of defense potential requires attention also to less aggregative measures that indicate the performance of individual industries.

### Industry Analysis

The defense potential of several prosperous Western countries shows up well after a first look at the aggregative indexes like GNP and industrial production. But these countries have a small industrial base in advanced weapons and related products like electronics. Over the shorter run, this is one of the severely limiting features on their defense potential. There are others, and economic intelligence should know the details.

In the case of the Communist countries, the details are not easy to get at. When the Chinese had something to boast about in the 1950's, they considered their propaganda interests well served by putting out considerable information on petroleum production, steel ingot output, and other categories of industrial achievement. When the reasons for boastfulness disappeared in the early 1960's, the Chinese stopped releasing such figures, and intelligence had to fill in as best it could on the basis of other data.

For some items, the Communists never released output figures. Military aircraft production is a secret, and intelligence takes several different approaches toward its estimate of the figure. One approach is by way of the data on air force order of battle and tables of equipment. Another is through available information on plant capacities. If the answers from several approaches check out at least approximately with each other, intelligence finds itself with the basis for an estimate of the production figures.

Indirect approaches also have to serve economic intelligence for production figures on certain minerals, gold for example. Any Soviet citizen who disclosed absolute production figures for precious metals would be severely prosecuted under the State Secrets Act of 1947, as amended in 1956 and again in 1959. Still, economic intelligence is not entirely lost for figures. It has at hand old statistics on Czarist gold stocks, and it can compute with varying margins of error the components entering into annual additions and withdrawals by the Communists. Fair figures are available, for example, on Soviet gold sales abroad. As for production, the Soviets themselves published the figures up through the mid-1920's. The annual accretions to the Soviet gold stock have become a little more difficult to estimate for the years from 1927 on, when Stalin imposed his more secretive standards. There is, as a result, some disagreement among authorities on the subject, with the figures derived from sources accessible to economic intelligence running lower than other calculations.<sup>4</sup>

25X1B

<sup>4</sup> *The New York Times*, April 3, 1964, p. 45.

25X1B

### Agriculture

Economic intelligence pays the closest attention to the food sector, first because it has proved to be such a severe constraint on the defense potential of Communist countries, second because it has had such important implications for the political standing of Communist leaders at home and for the prestige of communism in international affairs. In May 1957, a cocky Khrushchev made political capital out of his boast to overtake the United States in per capita production of milk, butter, and meat. At a Communist Party plenum on agriculture in March 1962, he admitted failure:

We simply do not have enough meat. If we remain with the present disposition of sown crops, and with the present yields, we shall have no feed. There will be no meat or milk either today or tomorrow.<sup>6</sup>

Agriculture in Communist countries is invariably starved for investment funds. Mechanization and the use of new seed varieties in the U.S.S.R., although more widespread now than under Stalin, are still far below American standards. For a time, Khrushchev reversed a downward production trend at relatively low cost by expanding acreage in the new lands of Siberia and Kazakhstan. When the original soil fertility and moisture were used up, weed infestation increased and output fell. In 1963, a severe drought in both the older farming areas and in the new lands produced a situation of near disaster. It took heavy imports of grain from the West to save the day for Russian consumers. The Soviet leadership was forced to take decisive measures in agri-

<sup>6</sup> Richard Ruggles and Henry Brodie, "An Empirical Approach to Economic Intelligence in World War II," *Journal of the American Statistical Association* (March 1947), pp. 72-91.

<sup>7</sup> U.S., Central Intelligence Agency, *Production of Grain in the U.S.S.R.*, CIA/RR ER 64-33, October 1964, p. 7. (Unclassified.)



culture that included ambitious programs to combat wind erosion, to extend irrigation, and to increase applications of lime, as well as plans to expand production of fertilizers, pesticides, and farm machinery.

The calculations of economic intelligence on Soviet agriculture rely heavily on the announcements of the Communists themselves. Intelligence does not of course accept Communist figures uncritically; it makes adjustments. Stalin's agricultural statistics, for example, were based on the concept of "biological yield"—the grain as it stood in the fields—and had to be adjusted to make them comparable with Western figures based on "barn yield"—the figure after harvesting. Today the Soviet statistics are more nearly but still not exactly comparable with figures calculated on a "barn yield" basis; the Soviet measurements include excessive moisture weight and foreign matter. There is, moreover, evidence that local authorities sometimes construct Potemkin villages of falsified statistics to outwit the central authorities in Moscow. Acres of unharvested grain are reported as harvested. Farm managers dip into feed and seed stocks to report fulfillment of production plans—a practice that equates to the reporting of grain production both in the year of harvest and the year following. When the political pressure is heavy to grow corn, land planted in oats is reported to be in corn. Production on private plots may be included in reports to Moscow with the production attributable to the collective or state farm. Whereas the estimates of economic intelligence on grain production in the U.S.S.R. were fairly close to Soviet official statistics throughout most of the 1950's, the Soviet figures have had to be substantially discounted in recent years.

In the case of China, the discrepancy between official figures and the truth was especially wide during the commune and "leap forward" drives of 1958-61. When official claims became so clearly and embarrassingly inconsistent with the mounting evidences of widespread malnutrition and large food imports, the Chinese finally stopped releasing figures on grain production. Economic intelligence continued, however, to make its own estimates on the basis of information on yields, weather reports, and other data.

### **Balance of Payments**

Part of a country's defenses represent a foreign input—the jet fighters imported by Israel, for example. This foreign input has to be financed in a way that does not draw down a country's gold or other monetary reserves. The state of the country's international payments and receipts (or the balance of payments in the terminology of economic accounting) therefore tells a good deal to economic intelligence about defense potential, as well as about the health of the economy in other respects. The British economy, for example, was booming and blooming in the mid-1960's, insofar as indicators like record lows in unemployment and record highs in gross national product were any guide. But the country was paying out more to foreigners than it was taking in, and in Britain, where so many foreign institutions keep funds on deposit, the consequent loss of monetary reserves might have led to a disastrous run on the pound.

In this situation, the political pressures became increasingly strong for a reduction of Britain's military commitments abroad, since these contributed substantially to the balance-of-payments deficit. Some sections of British opinion favored the withdrawal of the British Army on the Rhine, although West Germany was offsetting part of the fund outflow by its agreement to make certain purchases in Britain. Other sections of opinion argued that closing down British military installations "east of Suez" would do even more to help the bal-

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ance of payments. Whatever the merits of each argument, it was clear that the payments crisis was a telling point to the British in favor of major defense cuts.

The British balance-of-payments statistics are in the public record, and the bearing on Britain's military capacities is openly debated in parliament. If the balance-of-payments data are less freely available on the Communist countries, economic intelligence is still well enough informed generally on the situation. The Chinese Communists may not publish in detail their foreign earnings from exports, but economic intelligence gets a start in calculations by looking at the import figures published by the non-Communist countries. It is similarly not possible for Communist countries to hide entirely their purchases from abroad. In 1963, for example, its crop shortfalls forced the U.S.S.R. to buy some 800 million dollars of grain from the West. Since the U.S.S.R. could not well conceal purchases of this magnitude, economic intelligence could readily enter them into an arithmetic that worked out to a substantial limitation on Soviet ability to buy capital equipment and other goods abroad.

Some figures for 1964 are suggestive of the methods of economic intelligence. It knew that the total value of the U.S.S.R.'s foreign trade was about 15 billion dollars in that year, and it knew how much of this trade was with the industrialized countries of the West. It knew that Soviet purchases from the West were substantially in excess of sales, had in fact exceeded sales consistently for a decade. It knew that the U.S.S.R. had financed this deficit by two methods—substantial gold sales and medium-term credits from Western banks and suppliers. It calculated that the Soviets now had reason to worry about their dwindling gold reserves—down by about a half in the decade. The Soviets had reasons, moreover, to be reflective about new borrowing, for the curve of repayments on old credits was rising sharply. The weight of evidence was that the Soviet leadership would scrimp on imports of industrial equipment and raw materials, despite the adverse effects on the U.S.S.R.'s economic growth rate.

### Transportation

In order to bring its military power to bear in any fighting theatre, a country has to transport its power to that theatre. When China invaded India, the task for the transportation analysts in economic intelligence was to calculate the effect of the long supply line on the scale of the Chinese military effort.

The problem in this case was essentially one of highway logistics, since there were no railroads all the way to the Tibetan borderlands adjacent to India, and the possible contribution of air transport was marginal. The Chinese have three main access roads to Tibet, winding some 700 to 1,800 miles from railheads over very rugged terrain that climbs to elevations as high as 16,000 feet. Economic intelligence, knowing the carrying capacities of the roads, could set these against the supply requirements of the forces already in Tibet and determine what excess capacity was available to support additional Chinese troops in operations against India.

The intelligence allowed for trucks moving at a certain rate of speed, a rate that was consistent with knowledge about the surface conditions of the roads. Since flow quantity is a product of rate of speed and the number of trucks moving, the calculations allowed for proper distancing between trucks, taking into account the "concertina" effect of truck convoy operations. The other relevant factors that entered into the calculations included reductions in capacity due to vehicle breakdowns, number of impossible operating days during bad weather, driver rest periods, night operations, and other operational contingencies. With

Approved For Release 2002/11/04 : CIA-RDP80-00317A000100070001-0 figures for supply requirements (rations, petroleum, ammunition, and other supplies), economic intelligence thus attempted a first approximation to the number of troops the Chinese could commit if hostilities were to go on long enough to exhaust existing stockpiles in Tibet.

The same sort of computation has to be made when appropriate for other methods of transport. Miscalculations by Stalin's transportation analysts about the size of airlift the Americans might muster perhaps entered into his Berlin blockade decision of 1948. During the Korean war, when the possibility of a naval blockade against Communist China was debated in America, transportation analysts in intelligence were called on to make the relevant calculations. The calculations considered the capacity of the Communists to transport goods by rail over the Soviet Union's Trans-Siberian Railroad link to China. It was not possible to make through rail shipments from the U.S.S.R. to China because the track gauges of the two systems were different. The delays resulting from transshipment arrangements at the border, availabilities of rolling stock, turnaround time at terminals, the limitations of bottleneck sections in the Chinese railway net, these and other factors entered into intelligence calculations of China's vulnerability to naval blockade.

The transportation lines that move purely domestic trade of course also fall in the realm of economic intelligence. Even in the relatively self-sufficient countries, there is economic specialization by region, and within regions between town and countryside. When transport facilities broke down in China during the disorders attending the conflict between the Nationalists and the Communists, serious food shortages in cities occurred alongside surpluses in nearby regions of the countryside. One of the acknowledged achievements of the Communists after their victory was their quick restoration of transportation facilities. Food shortages recurred in poor crop years, but the restored transport net made possible the better distribution of supplies. The Communists thus managed on the whole to eliminate local famines, even if they had to do this by spreading the poverty.

### Manpower

The manpower analysts in economic intelligence take their point of departure from the total size of a foreign country's population. There are countries, like the U.S.S.R., in which the size is on balance a source of national strength. There are others, like India, in which it will be for a long time to come a drain on national power.

From overall size of the population, intelligence moves on to the quantity and quality of manpower available for specified activities. The number of males of military age in North Vietnam is the stepping-stone figure that economic intelligence takes toward an estimate of the size of army Hanoi can muster. As the calculation proceeds, it is successively qualified by such factors as the health characteristics of the population and the low per-capita outputs that require such a large proportion of the population in developing countries to remain on the farm even in circumstances of fullest mobilization. For developed countries, where capabilities in advanced weapons are relevant, the matter of manpower availabilities has other aspects. The number of men of military age is still important, but so are the numbers in other categories—engineers and scientists in aerospace electronics, for example.

When intelligence turns from issues of mobilization potential to considerations of economic viability in peacetime, the subject of population growth rates sometimes proves crucial for the analysis. Concerns of American policymakers

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about the effectiveness of foreign aid policies brought intelligence into the controversial field of population pressures back in the 1950's. The 1959 study by State intelligence on "World Population Trends and Problems" foresaw that rapid population growth might "prove to be one of the greatest obstacles of economic and social progress and the maintenance of political stability in many of the less developed areas of the world."<sup>7</sup> The subject of population increase is invariably brought into National Intelligence Estimates on countries or regions where the problem is most serious—India, Communist China, Latin America.

Some governments are beginning to promote programs encouraging contraception. The scale of official measures taken so far has been too small to affect the demographic statistics much, but the evidence is of more energetic educational campaigns in the offing. The Chinese alternate between Marxist avowals of faith in the ability of communism to provide for all and propaganda drives to extend knowledge of contraception throughout the country. Their census of 1953 disclosed a population that was some 100 million more than was previously estimated. Population increase has added another 150 million since then. These large numbers have evidently impressed themselves on those Chinese whose responsibilities in economic planning require them every year to match food availabilities against the expanding number of people. Much too often in recent years for the comfort of this group, China has had to draw down its foreign exchange reserves by expensive imports of grain from abroad. However, the economic planners are careful about affront to the party doctrinaires, who will not countenance explicit contradiction of a sacred scripture that is dotted with anti-Malthusian quotations from Marx, Stalin, and Mao Tse-tung. The subject has received the joint attention of economic intelligence and political intelligence.

### Domestic Finance

When Hitler came to power in 1933, Germany's poverty in gold reserves appeared in some superficial commentary as a serious limitation on his capabilities for aggression. In the actual event, of course, Hitler was not critically handicapped by his financial problems. He drew his economic strength from the employment of idle workers and the fuller utilization of unused plant capacities.

As Hitler's enterprises illustrated and as the allied effort in World War II underlined, there are circumstances in which finances are not limiting and in which economic intelligence must make its analysis almost wholly in real rather than money terms. These circumstances occur in the context of inspired national effort—usually in an all-out war situation when national survival seems to be at stake. By very high taxes, forced bond sales, and other such financial recourses not ordinarily tolerable to people, efficiently-administered governments of developed countries can command the labor and resources they need. For economic intelligence in this situation, it is the availability of resources, not finance, which is taken as limiting in analyses of defense potential.

This is not, however, the situation in which economic intelligence has to make most of its analyses. In many conflicts, governments do not try or are simply unable to enlist the full will of their peoples. Revenues then fall far short of requirements. The disordered finances of Chiang Kai-shek's government was a serious limitation on his fighting capabilities against the Communists. Inflation was rampant and popular morale in Nationalist China disintegrated. Similar problems of money management plague the developing countries today. Inflation is the typical experience of these countries, sometimes to finance struggles

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<sup>7</sup> U.S., Department of State, Bureau of Intelligence and Research, *World Population Trends and Problems*, July 23, 1959, p. 18. (Unclassified).

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against subversion, sometimes to pay for ambitious development programs, sometimes just to get the funds necessary for ordinary operations of government. For these countries, intelligence assessments of prospects draw heavily on analyses of financial instabilities.

Finances in the Communist countries are generally more stable, but economic intelligence turns to analysis of their state budgets for two reasons. First, they reveal much about the economy at large, because so many activities that are in the domain of private business in capitalist countries are financed through state budgets by the Communists. Most investment in the U.S.S.R., for example, is financed through the state budget. Second, the Communist state budgets are of special interest for what they indicate about military expenditures. This is not to say that intelligence accepts the Soviet figures on defense expenditures without qualification. Economic intelligence tries to get at the true picture by uncovering the "hidden" defense expenditures in the budget, some of these apparently included in accounts which the Soviet budget describes as "residuals."

### **Military Costing**

For economic intelligence, the budget is a first step toward knowledge about Soviet military expenditures. As a total, the defense figure in the budget is suggestive of the overall constraint the Soviet leadership is accepting on military expenditures. Without the total for a guideline, intelligence could go astray by making separate calculations of the possible Soviet effort on intercontinental missile systems, on electronic networks for military warning, on aircraft for airlift forces, on conventional weapons. Each calculation would be consistent with accepted Soviet capabilities in the respective field, but the aggregate would be far higher than what the Soviets have indicated can be spent on defense as a whole. The effect of such unsophisticated analysis would be to justify uneconomic planning in the United States to meet presumed bomber gaps, missile gaps, and other military gaps all at once.

The fact of the matter is, of course, that many new military programs are feasible for the Soviets, but neither the U.S.S.R. nor any other country will ever be rich enough to carry them all out simultaneously. It must choose, and the choice is made after comparisons of costs and consideration of the presumed effectiveness of proposed weapons systems. Not that hard economics will be completely governing in final decisions, but it will set its bounds on likely directions of Soviet military planning.

What intelligence has to do is very much what American defense officials have to do in determining current and future force structures for the United States. The calculation involves a consideration of possible strategies and the associated differences of forces and weapons systems. This involves extended computations: first to total up costs for each military program and then to total up each likely complex of programs.

The computational format that shows the relation of costs to specified programs differs from conventional budgetary presentations. The latter show expenditures for pay, construction, and other outlays by military branches. The intelligence requirement, however, is to compute expenditures attributable to specific programs that cut across the traditional accounting categories. The advantage of this program format is that it makes explicit the cost considerations which enter into final decisions about building say a fleet of missile-equipped nuclear-powered submarines. And it shows how a decision to go ahead with one program must limit the capacity to adopt another.

Fuller descriptions of the method are available in several good studies.<sup>8</sup> For purposes of this exposition, it suffices at this point to repeat that the Soviets, like the United States, cannot spend all they would like in one sector when there are compelling reasons to maintain expenditures in other sectors. The methodology offers a tool for economic intelligence to determine the scope of choice open for practical purposes to Soviet defense officials. This is not to assume that the Soviets have adopted accounting practices only recently introduced in the United States Department of Defense. The assumption is only that the methodology sets forth the economic considerations that enter explicitly or implicitly into rational decision-making among all governments. Where the considerations enter only implicitly or are qualified by comparative political strengths of various pressure groups, the Soviet decisions on military programming do not naturally reflect comparative cost-effectiveness relations to fine degrees of accuracy. But the methodology still affords insights into the likely shape of the Soviet military challenge, as it is constrained by the factor of limited resources.

One of the features of the format is that it sets forth costs over the life of the program, projecting schedules of annual expenditures for research, development, production, and operations. After estimating likely combinations of programs, economic intelligence is thus in a position to analyze economic impacts in successive years. Different program mixes mean different impacts even if total ruble costs are the same. The changeover from tanks and artillery to missile systems, for example, tends to reduce demands on the steel industry and increase demands on the electronic industry. There are new demands, which economic intelligence can trace, on scarce labor skills for research and development, then for production, later for maintenance. The analysis can lead on to conclusions about likely repercussions in civilian and in other military sectors.

The conclusions are invariably qualified. This is hardly surprising, since the determination of probable costs is difficult enough for American program analysts even when they are setting up their budget models of American defense programs. When intelligence analysts attempt the same exercise for a Soviet defense program, they may have to apply parameters from U.S. experience. It is conjectural, however, how close say Soviet testing expenditures in a certain military program will come to testing expenditures in the most nearly comparable American program. Taken alone, the technique has wide margins of probable error. As is usually the case in intelligence, each technique serves best when it is used in conjunction with others. So used, military costing illuminates the character of Soviet military competition and improves the basis for sound defense planning and programming in the United States.

#### Intelligence and East-West Trade

The World War II restrictions against trading with the enemy became partially operative again in 1948, when the United States imposed controls on certain trade with the Soviet Union and the Soviet-dominated countries of Eastern Europe. The new restrictions constituted a major departure in peacetime policy; throughout the inter-war years of the 1920's and 1930's, the U.S. Government had placed no official obstacles in the way of American businessmen who wanted to trade with the Soviet Union. American private corporations had in fact helped install in the Soviet Union the sort of industrial equipment that was now to be placed on prohibited lists.

<sup>8</sup> David Novick (ed), *Program Budgeting: Program Analysts and the Federal Budget*, A RAND Corporation-sponsored Research Study (Washington: U.S. Government Printing Office, 1965), pp. 50-82 and 218-236.

The administration of trade controls has involved close liaison with intelligence. The liaison has been necessary for two reasons.

First, the compilation of items to be placed on the denied lists: this required prior intelligence analysis of the contribution that trade in these goods would make to Soviet military capability. In the case of goods which had both a military and civilian use, economic intelligence helped determine legitimate civilian requirements, so that quantitative controls might be imposed on exports in excess of those requirements.

Second, effective enforcement: this called for intelligence support in getting information on Communist and other efforts to evade the controls. The Communists could get deliveries, for example, by using consignees in third countries. Economic intelligence could contribute to dossiers on foreign firms which had acted as such consignees or had some other record of suspect activity in trade with the Communists. Applications to the U.S. Department of Commerce for licenses to export goods on a denied list to these firms would be approved only after the most careful scrutiny to make sure that the exports would not be transshipped to Communist territory.

Economic intelligence could also help agencies enforcing such financial controls as freezing of certain foreign funds. If dollar accounts in American banks owned by Chinese Communists were to be frozen, for example, the Treasury had to know who was the actual not nominal depositor. In World War II, Swiss businessmen who were the ostensible owners of large dollar accounts had in fact acted on behalf of German principals.

Economic intelligence has the responsibility to give policy a full appreciation of the diverse interests in the West that must be accommodated in the shaping of economic denial programs. Up to a point, the other industrial countries have cooperated with the United States. Beginning in 1950, these countries worked out certain minimum standards for export controls by which all agreed to abide. Further impetus to the cooperation of these countries in the period of Marshall Plan aid was given by the Mutual Defense Assistance Control Act of 1951. The Battle Act, to give the more familiar name of this legislation, required the termination of American aid to countries shipping arms, ammunition, and atomic energy materials to the Communists, and it authorized the President to terminate aid if other specified items were shipped. The export controls of other countries, however, are typically less severe than those of the United States, which is almost alone in applying such extreme sanctions as total or near-total embargoes on trade with the Asian Communist governments and Cuba.

Objectives of economic denial are framed with full knowledge that it is not likely to constitute a knockout blow against any Communist government. In recent years, economic intelligence has contributed to judgments supporting flexibility of policy stance. In contrast to the embargo on trade with Communist China, the United States now readily grants most license applications for shipments to Poland and Yugoslavia. These East European countries, moreover, have received food aid and been accorded most-favored-nation tariff treatment. Dean Rusk set forth the rationale to Congress in 1964:

Since the Communist countries no longer form a completely monolithic bloc in political terms, it follows that we should not treat them as a monolith in trade terms. Our trade policies should be custom tailored to fit the

need—designed to differentiate among Communist countries in accordance with the conditions and behavior of individual countries and our specific objectives toward each.<sup>9</sup>

### The Non-Communist Economies

The balance of forces in the world is affected only in part by how well or poorly the Communists do. America also has a stake in the economic health of the non-Communist countries and in the direction of their economic policies. The coverage of economic intelligence, therefore, includes inflation in Colombia, economic development programs in the depressed southern half of the Italian boot, balance-of-payments crisis in Britain, French conversions of dollar holdings into gold. The collected information is likely to be overt in the main, available in the press and other open sources. However unproblematic the task of collection, the conclusions seldom follow inescapably, and economic intelligence takes up much of the burden of analysis.

One frequent area of analysis covers the economic relations of non-Communist countries with the Communists. The trade figures do not generally add up to really significant magnitudes; comparatively few non-Communist countries have as much as five percent of their foreign trade with the Communists. Those that depend on Communist markets for much of their exports—Iceland and Finland, for example—do of course bear watching for vulnerability to Communist economic pressures. But economic intelligence does not see directions of trade as running invariably parallel with lines of political advantage to the United States or the U.S.S.R. As their principal market, the United States is often the target of grievance in developing countries for falling prices of say bananas or coffee. The balance of advantage can thus turn against a power if its dominating position as a major customer leaves it open to charges of economic exploitation.

The aid figures also get close intelligence scrutiny. The accounts kept in intelligence show the Communist aid credits announced; there is no problem getting this information, for the credits are loudly trumpeted. The column showing deliveries on the credits is only approximate in its accuracy but invariably clear about the long time lag in implementing aid commitments. Economic intelligence also keeps its record of attitudes in recipient countries—Egyptian charges about breakdowns of bulldozers and boilers, for example. At most, in countries like India and Egypt, Soviet aid seems to obtain a certain consideration for Soviet diplomatic interests. Aid has not moved these countries off their basically neutralist positions in international affairs, nor has it attracted populations to alignment with the Communists in domestic affairs.

Whether or not the developing countries are recipients of Communist aid, they are the center of Communist hopes for the next revolutionary wave. There is sufficient plausibility in the Communist propositions of high revolutionary potential to justify the concerns of intelligence about the economic progress of these countries. The typical National Intelligence Estimate or other across-the-board survey on a Latin American country will therefore probe the economic dimension—land tenure systems, stop-go flows of investment from abroad, recurrent flights of domestic capital, exorbitant drains on national treasuries of deficit-ridden state-owned enterprises, price outlooks for major export commodities.

Analyses on Brazil, for example, have followed the record since World War II of industrial boom in a setting of inflationary spiral. The boom became a bust

<sup>9</sup> Dean Rusk, "East-West Trade," Statement before Senate Committee on Foreign Relations, March 13, 1964, reprinted in the *Department of State Bulletin* (March 30, 1964), p. 476.



in 1962, when the inflation accelerated to breakneck velocity and President Goulart's political extremism alarmed foreign and domestic investors. After the new administration of Castello Branco seized power, the analyses probed the national capacity to endure the deflationary pressures of his stabilization program, then went on to appraise longer-term prospects for economic growth if the stabilization wringer succeeded in bringing a return of business confidence. Research studies included considerable attention to balance-of-payments problems that had been brought on by the slide in coffee prices, the drying up of capital inflows, and the mounting obligations of amortization and interest service on past borrowings from abroad. The studies considered some of the major structural defects of the Brazilian economy—the inordinate dependence on coffee for export earnings, the lagging development of rural areas, the inadequate transport network, the downward pressure on per capita incomes resulting from population growth of more than three percent a year, the bloated empire of state enterprises which required large government subsidies to cover ordinary operating expenses.

Economic intelligence on the developed areas—Japan and Western Europe primarily—also draws largely on the available mass of overt data. The story here has brighter hues than the analyses on the developing countries. In general, the studies document impressions of resurgence that have taken on proportions of virtual “economic miracles.” There were problem periods, however, when economic strains took on grave political importance. Italy's inflationary pressures and alarmingly large balance-of-payments deficits in 1963 and 1964 impaired Premier Moro's chances to hold his center-left coalition together. Prime Minister Wilson's policies to stem the accelerated flight from the pound after Labor's victory in 1964 were crucial for his political prospects.

The conjuncture of economic and political currents is perhaps most prominent in the intelligence analyses on the European Common Market. Intelligence research has followed the progressive lowering of tariff and other economic barriers within the Common Market, with attention to the political strains engendered between forces in Europe (like de Gaulle) concerned for the preservation of national sovereignties and those who saw the future in a progressive extension of the supranational ideal.

The United States, for its part, was sympathetic to the ideal of European union but hopeful that the shape of union not imply any contraction of important American markets in Europe. For this reason, intelligence analyses frequently touched on Common Market opinion about such subjects as agricultural integration. The American interest was that integration not involve European farm support prices at levels that tended to expand European production at the expense of American farm exports. The task was not one of clandestine collection but of overt and diplomatic reporting, with intelligence research and analysis making its periodic appraisals of the situation for the consideration of policymaking councils.

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## Chapter 7

# Military Intelligence

In the spring of 1961, shortly after the inauguration of President Kennedy, the situation in Laos deteriorated to the point of American decision to redeploy naval forces in the Pacific. A few months later, Khrushchev forced the Berlin issue to the point of crisis. The common thread in this quick succession of crises at the very outset of the new Administration was the heightened danger of American military engagement against the Communists. The hard American decisions in these days of trial were necessarily shaped in large part by the intelligence on Communist military capabilities. The acceptance of Pathet Lao participation in a coalition government followed from the logic of Pathet Lao military successes. The resolute decision on Berlin was made only after the fullest consideration of all the forms of military pressure that the Soviets might apply. Both cases underscored how pertinent military intelligence could be for political decision.

### Men and Hardware

To ask in a crisis what forces the Communists can throw into the scales of battle is to ask what forces they have in being and ready reserve. Intelligence has of course done its work long before on this subject. To begin with, the basic intelligence handbooks have good accounts of military command structure—for the Soviet Union and for virtually every other country—from ministry and general staff level down through the echelons of subordinate units. The command structure is a frame for setting forth the order of battle—that is, the personnel and equipment strength of each military unit. Every unit that military intelligence identifies is an accretion to fighting power, but it is not a simple additive process. Units may be under strength, may be only cadre organizations.

There are also calculations to be made of ratios between combat and non-combat personnel. Communist armies have a high proportion of men on the firing line; cooks, clerks, and rear services draw from the number of fighting troops in other armies. The indifference to service support serves the Communists well when they are fighting on their doorstep. It was the superb logistic support of rear services, on the other hand, that made American victory possible in the overseas fighting theatres of World War II. The lesson is instructive for military intelligence, which has to make estimates of fighting capability in different areas of operations. The Chinese Communists could not sustain offensives for long periods in Korea because their rear services could not maintain the necessary flow of materiel to the fighting front.

The order-of-battle job is fine detail work, involving multitudes of posting entries into card files set up for each identified or suspected military unit. The drudgery pays off frequently in useful national intelligence. In the early days of a Taiwan Strait crisis, for example, order-of-battle intelligence may first note the arrival of one or two military planes at an airfield near the off-shore island

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of Matsu or Quemoy. Once the air division to which the planes belong is ascertained, the possibility is checked out that the entire division is transferring to a new base. The same watch goes into the identification of ground units moving into an area, and intelligence is sooner or later in a position to estimate the extent of military buildup for the guidance of the White House, State, and other top officials. The methodology is standard for a variety of situations. When order-of-battle intelligence on the Viet Cong showed the grouping of forces first into battalion commands and later into regimental commands, the indication was that the Viet Cong felt strong enough to move from hit-and-run guerrilla tactics to larger-scale military assaults.

Useful as the methodology is, it often has a bias toward underestimation. The method of estimating forces from unit designations does not serve well when troops are thought to be moving in but information on unit designations is lacking. Intelligence may accept "unidentified units," but there are fairly stiff criteria too in the determination of these. Despite reports from refugee and other sources that Soviet combat forces were disembarking in Cuba, the prevailing intelligence judgment up to the showdown in October 1962 was that the Soviet personnel were only instructors and advisers, perhaps 10,000 in all including both military and civilians. Late in October, however, aerial photography confirmed the presence of organized Soviet combat units, and subsequent intelligence appraisals put the October figure for Soviet personnel in Cuba at about 22,000. Writing about half a year later on the subject, Senate investigators expressed their continuing skepticism of intelligence capabilities on this subject: "Bearing in mind the lack of hard evidence on the question and the substantial underestimation of last fall, we conclude that no one in official United States circles can tell, with any real degree of confidence, how many Russians are now in Cuba . . ." <sup>1</sup>

When order-of-battle intelligence is accurate, it provides information not only on troop strength but also on hardware. The requisite in the calculation is knowledge of the equipment organic to say a Chinese Communist air division or infantry regiment. The identification then of new air divisions and infantry regiments in the Taiwan Strait area adds up, with allowance for under strength units, to so many aircraft and so much ground fire power. If the technical intelligence arms of military intelligence have been on the job in collecting data on performance characteristics—speed, combat radius, and maneuverability of Chinese Communist jet fighters, for example—the information is well in hand for an appraisal of the heightened military threat to Quemoy or Matsu.

The intelligence focus on hardware is increasingly sharp now that military budgets are more and more weighted by the costs of equipment, with budget decisions in the United States greatly affected by additions to fire power and strike power abroad. The sources of intelligence information on hardware are varied. Disabled tanks are captured in the field, whole aircraft are acquired when Communist pilots defect, the speed and height of flying planes are registered on radar, the range and other characteristics of missiles in flight are recorded in telemetry, ships are photographed in foreign ports or on the high seas. The testing, deployment, and use in combat or training operations of new weapons, in other words, generally subjects the weapons to some intelligence surveillance.

<sup>1</sup> U.S., Congress, Senate, Preparedness Investigating Subcommittee of the Committee on Armed Services, *Investigation of the Preparedness Program: Interim Report on the Cuban Military Buildup*, 88th Cong., 1st Sess., 1963, p. 4.

After a certain point, in fact, secrecy becomes so difficult that governments decide the balance of national advantage lies in reaping the propaganda value of some open publicity. May Day displays of new missiles, bombers, and motorized artillery are cases in point. But due care has to be taken against attempts at deception. At one May Day demonstration in the mid-1950's, foreign air attaches in Red Square looked up to see jet bombers of a new type, in the class of the American B-52. One of the Soviet purposes may have been to misdirect American military programming with a message that the new bombers were in the stage of quantity production and deployment. The Soviets were actually moving from bomber into missile production.

As the Russians moved into missiles, the energies of intelligence were bent to uncovering the capabilities of the new weapons systems. The systems involved complexes of missiles, sites, ground electronics, and skilled personnel. For intelligence to understand the missile systems meant for intelligence to acquire data on the performance capabilities of all major components of the systems. A surface-to-air missile system, for example, included radar capable of detecting aircraft up to a certain range; the missile itself was effective up to a certain altitude; a certain amount of time was required between the detection of a target and the missile launch; so many men were required to man the site; so much training was required by the operators and by the maintenance technicians; so much time was needed to disassemble the complex and put it back into operation at another location.

The intelligence task also involved the location of storage areas for missile fuels and of new construction that might be related to missile emplacement. The objective of the intelligence effort was acquisition of enough information to permit tabulations of main characteristics, to enable accurate sketching of principal features, and to facilitate plots of missile sites throughout the Soviet Union. The shape of the Soviet transport net helped narrow the intelligence search. Missiles, fuels, and supporting equipment were massive and could not be moved far from existing arteries of transport. Intelligence looked at all possible routes for missile shipments, asked what types of cars were necessary to carry the weights required, and what routes could accommodate the cars. Vicinities close to the Trans-Siberian Railroad were obvious targets of intelligence investigation. The intelligence search was facilitated by Soviet design requirements at first for overweight warheads, necessitating missiles that were too big to be put easily in concrete underground silos.

The increasing attention to missiles went on, of course, along with a continuing watch over conventional weapons and equipment. Soviet ships were studied for their suitability in Arctic operations. Chinese Communist naval construction was appraised for its bearing on capabilities beyond coastal waters. Transport aircraft capacities were estimated to determine how many transport sorties would be necessary to airlift say a regiment or division. The intelligence surveillance extended across the spectrum of ordnance, signal equipment, quartermaster supplies, and other military categories.

### Doctrine

The collected information on performance capabilities of military equipment is a step toward inferential intelligence judgments about strategy and tactics. The nature of military equipment determines tactical limitations and strategic applications. Asian resources in manpower alongside comparative poverty in equipment virtually dictate recourse to human-sea tactics. Countries like the U.S.S.R., with capabilities in both men and equipment, have a wider range of

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strategies from which to choose, but for them too, the limitations of their equipment shape their strategy and tactics. Does the newest generation of missiles make the hardening of missile sites in the U.S.S.R. more feasible? Or do continuing problems of hardening suggest alternate strategies based on missiles that can roam the highways on trucks, that ride up and down railroads on special cars, that can ply the oceans on surface ships or submarines, that can float along inland waterways on barges? Is the Soviet space program far enough along to generate thinking in the U.S.S.R. about the possibilities of orbiting space stations from which to intercept and destroy missiles in mid-flight?

There is not likely to be full agreement among the military elite of any country about the strategic and tactical implications of the latest technical advances in weapons and military equipment. It would hardly do for military intelligence to mistake its own logic for the prevailing thinking in the U.S.S.R. or Communist China or any other country. More direct approaches to the facts about evolving doctrine abroad are available. One is through observation of training exercises. How was artillery used in support of ground forces in the latest maneuvers? Are combined maneuvers with allies frequent? What emphasis is given in air force training to gunnery, rockets, night flying, close support of ground troops? How much training is given to militia forces? Do border security troops participate in maneuvers along frontiers?

The open literature is also helpful. Soviet articles on Western airborne troops and Soviet claims about the number of parachute jumps made by their troops in a year are indicative of thinking about the uses of tactical surprise. The articles on amphibious warfare in Soviet military publications of recent years are also suggestive, particularly when considered along with the reestablishment of the Soviet marine corps.

Now that debate has been freed from the constraints of "Stalinist military science," there is evidence of considerable intellectual ferment in the U.S.S.R. on the subject of appropriate strategies for the nuclear age. The discussions are not nearly so uninhibited in the U.S.S.R. as in the United States, but enough is said to permit some appraisal of the trend of Soviet thinking on major issues. Are the Soviets committed to nuclear warfare, or do they incline toward a balanced-force structure that allows flexibility of strategy, that reserves the use of nuclear weapons to extraordinary circumstances? What are Soviet attitudes toward the view that nuclear war equates with mutual defeat for the nuclear participants? Are the results of the initial nuclear exchange, in the Russian analysis, sufficient by themselves to decide victor and loser? If not, what role do ground forces play in nuclear war? Can nuclear war be a protracted conflict? What role is envisaged for the various delivery systems—strategic air power as well as missiles? What is the thinking about the future of interceptor planes as more and more surface-to-air missile sites are constructed? How much attention is going to civil defense?

Under Khrushchev, the trend of thinking for a time inclined toward raising the weight of nuclear arms and delivery systems in strategic calculations. His statement to the Supreme Soviet in January 1960 called for retrenchment of standing forces and greater reliance on missile systems; he proposed a one-third reduction in military manpower. Khrushchev may have regarded nuclear preparedness only as insurance against unilateral Soviet defeat, not as assurance of clear-cut Soviet victory. He alluded frequently in speeches to the mutual destructiveness of nuclear war, an emphasis that was in no way congenial to the more militant Chinese.

It seemed to American intelligence that, in addition to the Chinese, the Soviet generals and marshals had their doubts about the Khrushchevian thesis.

At the same session of the Supreme Soviet in 1960 that received Khrushchev's proposal for a third cut in military manpower, Defense Minister Marshal Malinovsky warned of the need for "all" types of forces. The turn toward a more balanced force structure came in 1961, when the Soviets both resumed nuclear testing and suspended their targeted one-third reduction in manpower at the half-way point. The vital necessity of nuclear arms was accepted, but its role was not to be determined by any simplistic criterion of "more rubble for the ruble." The ground forces were obviously important in a non-nuclear war, and even in a nuclear war it would take ground forces to consolidate victory. "Missiles and nuclear weapons are powerful military means," Malinovsky declared at the 22nd Party Congress in October 1961, "but they cannot conquer the territory of another state."

The articles in the volume on military strategy edited by Marshal V. D. Sokolovsky were similarly scrutinized by intelligence for the insights they afforded into evolving doctrine in the Soviet Union. Despite the differences of opinion among Soviet military men, intelligence should be able to uncover the main strains of thought and perhaps determine which viewpoints are currently most influential in the highest quarters. If the authorities are sharply divided, intelligence can often uncover that too. The Sokolovsky study, for example, was fairly suggestive of the Defense Ministry's distaste for pontification on complex matters of military doctrine by some assertive civilian in the patry: "Military doctrine is not thought up and codified by an individual or single group of people; it is formed on the basis of the whole life-experience of a state, and is the result of an extremely complex and protracted historical process of creation and development of state ideas."<sup>2</sup>

### Geographic Intelligence

Geographers in intelligence are mostly concerned with the tangible features of foreign environments. They inventory the location and identity of physical-landscape features like vegetation and of cultural features like settlements. They analyze these features in terms of practical intelligence problems.

The task calls on them often to work with analysts of several intelligence disciplines. The economic intelligence officer, for example, may require the cooperation of geographic intelligence for land-use maps and for studies showing major traffic flow patterns. The political intelligence officer who is going into depth on the subject of the Sino-Indian border dispute may need the assistance of geographic intelligence for information on historical changes in areas of effective administrative jurisdiction, for background information on ethnic characteristics of local populations, for a map showing a line corresponding to the natural watershed of the area. However, geography is so much an element of military appraisals that geographic intelligence is included for explicit attention in this chapter.

Many facts of geography can be found in any good library, and intelligence has its own good map libraries for quick reference. The problem areas are those which have not been mapped in good enough detail for intelligence or which have been mapped by authorities that guard their findings closely. Many maps of the Academy of Sciences and of the Ministry of Geology are sold freely in Soviet bookstores. The Soviet Union does not, however, put most of its post-war topographic sheets on open shelves.

<sup>2</sup> Marshal V. D. Sokolovsky (ed.), *Military Strategy: Soviet Doctrine and Concepts*, with an introduction by Raymond L. Garthoff (New York: Frederick A. Praeger, 1963), p. xvii.

In most cases, however, some information is at hand, and the concern is to avoid repetitions of sad experience when the available geographic intelligence was not brought into military analysis. The ill-fated Flanders offensive was launched by the British in 1917 without due regard to the effect of the autumn rains. The ground reverted to bog, and cross-country movement became a trudge in a quagmire. The loss of 400,000 men made Passchendaele the costliest battle in British military history.

Since so much of warfare is waged on the ground, data on terrain is a major component of geographic intelligence. Information on street patterns and on locations of such vital installations as utilities goes into military judgments of trafficability and defensibility of urban areas. Valleys, basins, hills, cliffs, ridges, lakes, ponds, swamps, marshes, soil composition, all determine what equipment can be used and affect methods of attack or defense. Soft rock enabled the Japanese in World War II to honeycomb their positions in Iwo Jima and Okinawa, slowing down the American "island-hopping" campaign. The coral of some of the South Pacific atolls was excellent construction material for airstrip runways. Drainage patterns may mean problems in excavation and construction. And as Flanders illustrated, intelligence must bring climate into the geographic equation. The Yalu is an obstacle to troop movement in the summer. Chinese forces could cross without bridging when the river froze over in the winter.

For naval and amphibious operation, geographic intelligence supplies hydrographic information—water depth, tides, currents, swell, salinity, temperature. As Tarawa showed, underwater topography can be crucial.<sup>3</sup> At the Inchon landing in the Korean War, knowledge of the extensive mud flats in the harbor was a prerequisite to decisions about the types of landing equipment to use.

The nuclear age has forced geographic intelligence into tasks that demand new levels of precision. A few miles of mapping error in the location of target areas was not a serious handicap to long-range bombing operations in World War II, when pilots could seek out their objectives. Unless some form of terminal guidance is available, today's long-range missiles need more precise plotting of target areas in relation to launching points. The mapping task, drawing on available data in the specialist fields of geodesy and gravimetry, is a collaborative one for geographic intelligence and scientific intelligence.

Notwithstanding this new wine, the need for the old bottles remains. Geographic intelligence requirements during today's uncertain peace and during open conflicts like Vietnam continue to emphasize the foreign environment features of traditional interest. For the most part, all these activities of geographic intelligence are in the service of the middle ranks of government. The occasions are nevertheless not infrequent when the geographic intelligence products serves the needs also of the summit echelon. Intelligence analyses of the geography of the Chinese offshore islands, of the Sino-Indian border, of Kashmir, for example, were at hand when these trouble spots appeared on the agendas of the top policy-making councils. A study of the Ho Chi Minh trail (actually a complex of trails) provided information relating to highest-level decision about the conduct of the war in Vietnam.

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<sup>3</sup> See *supra*, p. 38.



## Chapter 8

# Scientific Intelligence

The bugbear of high commands all during World War II was a spectre of the enemy in possession of the decisive "secret weapon." The dread prospect was a factor in America's strategy to make the defeat of Germany rather than of Japan the objective of first priority. There were other grounds for this strategy also but as Secretary of War Patterson told the American Chemical Society in April 1946, the apprehensions of German scientific prowess constituted as compelling a reason as any. "There was no time to lose in eliminating German science from the war. There was no comparable peril from Japanese science."

### Wartime Scientific Intelligence

The commanding importance of science in the war led to recruitment of the scholarly talents that would enable intelligence to take the full measure of foreign scientific achievement. Long memories went back to the First World War, when the Allies were unprepared for German use of chemical warfare at the Battle of Ypres. Now in World War II, the gnawing anxiety was of still more dire contingencies—that the Germans, for example, might beat out the Americans in development of the atom bomb. Fortunately for the Allies, the findings of scientific intelligence on this particular point were reassuring. The Germans were not near matching the energies of Americans in work on the bomb; and so, the record of German achievement was unimpressive. These findings required an encompassing watch over all the possible input elements into an atom program. The discovery on one occasion, for example, that the Germans were building up stocks of thorium necessitated a thorough check-out, since thorium could go into the building of an atom bomb. The investigation tracked the thorium stockpiling to a German firm which was seeking a no more alarming objective than monopoly profits from the manufacture of thoriated toothpaste.<sup>1</sup>

The Germans were more successful in other scientific endeavors that had military applications. British files at the outset of the war indicated necessary areas for surveillance by scientific intelligence. The files showed, for example, that German development activities were under way on gliding bombs, pilotless aircraft, long-range guns, and rockets. In addition, before the war was many months old, the British found themselves faced with the problem of designing countermeasures against German night bombers, a problem that required scientific intelligence first to uncover the reasons for the extraordinary German success in blind bombing.

On the basis of information from several sources, British scientific intelligence was led to suspect a type of radio signal beam called *Knickebein* (bent leg) by the Germans. The authoritative scientific opinion was that the Germans could not send a beam on the suspected frequency from continental transmitters to

<sup>1</sup> Ladislav Farago, *War of Wits: The Anatomy of Espionage and Intelligence* (New York: Funk and Wagnalls Company, 1954), p. 22.

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follows the bend of the earth's curvature. But scientific intelligence was more suspicious than the received opinion, and the suspicions were confirmed by the findings of British search aircraft sent up to locate the radio signals. At first the German pilots had dropped their bombs at the intersection of two beams on preselected targets. After the British brought up equipment to jam these beams, the Germans switched to a system of only one beam that could tell the pilot how far downrange he was from the transmitter and when to drop his bomb load. British jamming soon interfered with this system also, distorting the German radio beam so that it became too wide for accurate use or injecting premature drop signals so that bombs fell in open countryside away from populated areas.

Britain's scientific intelligence made another contribution to Allied victory by preparing target dossiers of German radar stations. The characteristic transmissions of radar stations can be intercepted; in the spring of 1939, the German Graf Zeppelin had flown over Britain in order to ferret out British radar, but the airship's equipment did not work well. The British were more successful. Their radio bearings of German stations showed the general location of the German radar. Agents or photographic reconnaissance or both could then pinpoint exact locations. By the time of the landings on Normandy, British intelligence had spotted more than 99 percent of the German radar stations on the continent.

Germany's program of missile research was well along in the 1920's. Under Hitler, the Germans began testing at Peenemunde on the Baltic coast. British intelligence tried to stay abreast of the progress at Peenemunde through reports from agents and through aerial photography. But the size of the rockets—about 45 feet long and nearly six feet in diameter—that showed up on the photographs threw off some of the rocket experts in Britain. They thought such a large rocket to be impractical and suggested it was a German hoax. Their experience had been with rockets burning cordite in a steel case, and with this fuel the weight of the large rockets at Peenemunde added up to an impossible 80 tons. Scientific intelligence, however, calculated a much more feasible 12 tons on the basis of reports from agents and prisoners indicating German advances with fuels like liquid oxygen. Examination of a German trial rocket which fell in Sweden in June 1944 also suggested the possibility of liquid oxygen fuel. The intelligence was persuasive enough to set British bombers into action, and their pounding set back the production of German rockets for months.

All the principal victors got their hands on German rocket scientists after the war, and the Russians also intensified intelligence efforts that would contribute to their objective of overtaking American science. The Russian intelligence acquisitions included data on both the atom and hydrogen bombs, high explosives, sonar, radar, and guided missile research. American anxieties about Russian scientific progress were slow to develop. However, Russian explosion of an atom bomb in 1949, the detonation of a hydrogen bomb in 1953, the orbiting of the first earth satellite in 1957, these achievements put Soviet scientific capabilities in better perspective for the American public. The case for a fuller inquiry into Soviet science became clear and accepted. Since American scholarship was handicapped by Soviet security controls, much of the inquiry inevitably fell to the province of scientific intelligence.

#### The Postwar Area of Surveillance

Scientific intelligence is a guard against scientific surprise. The narrow objective requires a broad watch, for the frontier areas of science are in such diverse

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subfields as gravitation, antimatter, plasmas, climate control, molecular biology, control over heredity and growth, computers, brain function, radio astronomy, enzymology, low temperature physics, solar power.

The major area of watch is in the field of foreign weapons and equipment. The scientist brings to the analysis the necessary knowledge of the laws of nature, which apply equally in the U.S.S.R. and the U.S. With a drawing or with photography of a Soviet helicopter before him, he can make deductions from information on overall length, landing gear dimensions, size of rotor blades, cross-sectional areas of various parts of the aircraft. With this start in determining lift and drag characteristics, he may also look at the outward appearance of the helicopter to infer that it is powered by turbine or by reciprocating engine. He will compute the probable weight of the transmission and other parts until he arrives at an estimate of total weight. Allowing then for probable weight of crew and fuel, he proceeds to a determination of payload capacity. The other matters of intelligence interest—rate of climb and range, for example—similarly require many computations, and the help of computers may be enlisted. In this manner, scientific and technical intelligence arrives at its first approximations in determining stage of development, characteristics, and performance capabilities of foreign products and design systems.

Although its scrutiny covers all the sciences, intelligence has criteria for laying on a special watch in areas of likely foreign accomplishment. One criterion for setting up the special watch is the general knowledge that the United States or another country already has a weapon. A large power that does not have the weapon will now proceed to get it and may well succeed in less time than it took the power that first developed the weapon. Once other countries had the atom bomb, there was no doubt in Communist China that the bomb was feasible, and so there was no opposition in Peking (at least not grounds of technical infeasibility) to an all-out effort to build a Chinese bomb.

Another guide is the predictable natural event. Scientific intelligence watches for a Soviet moon shot when earth and lunar orbits make launch conditions most favorable for a moon shot.

Still another indication of imminent achievement is information showing that certain preconditions for achievement are being satisfied. Does the country have or is it producing or is it importing uranium, lithium, beryllium, graphite, heavy water, monel, nickel, stainless steel? Have buildings been observed that have elaborate cooling systems, that are large enough to accommodate heavy shielding, that are at sufficient distance from other installations to permit safe handling of radioactive materials? Are nuclear physicists and other trained personnel available in sufficient number?

The especial difficulty for scientific intelligence is that many of these indicators are difficult to spot in the early phases of research and development. One reason is that the amount of required input materials is much less than it becomes when the country moves on to the production stage. Another reason is that security wraps are more feasible during the early research and development phases than during testing or full-scale production, when products are exposed to a wider view. Yet the requirement on scientific intelligence is for timely determination of the direction of foreign research and development. The United States needs a lead-time of say five, seven, or more years to develop counter systems. It does not get this lead-time if foreign weapons systems are first spotted in the test phase, not to mention the production and deployment stage. The achievement of British scientific intelligence in uncovering German missile developments on Peenemunde was marred by the fact that the Germans

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were already well along in testing and were proceeding on to production. The British acquired enough information to realize the importance of doing what they could to slow down German production, but they did not have enough time to develop a fully effective counter against the missiles apart from capture of the launching sites after D-Day.

The responsibility put on scientific intelligence for the earliest reporting on research and development trends is qualified somewhat in the case of countries that are far behind in levels of achievement. The necessity does not here arise of long lead-time for the United States to develop countermeasures. Yet the political and strategic implications of nuclear proliferation and of Nth-country advances in delivery systems are grave, and scientific intelligence must give early enough knowledge of say Chinese Communist progress with advanced weapons to enable political intelligence and military intelligence to make their timely judgments. Will Communist China's progress have important effects on the attitudes of its Asian neighbors? Are they likely, in apprehension of Communist China's growing capabilities, to move away from defense arrangements with the United States, or will they be even more impressed by the importance of getting under the umbrella of the American nuclear deterrent? Will deployments of the Seventh Fleet have to be altered once it becomes vulnerable to Chinese Communist air-to-surface missiles? As China takes on the trappings of great power status, is Communism carried still further from its character of the 1940's, when the Soviet Union was the only gravitational force to keep the Communist countries in orbit? Will there be increasing pressure to invite the Chinese to international councils on disarmament? Will its scientific progress help Peking build up domestic political capital? If it can adapt a missile to orbit a satellite, will the achievement help appreciably to refurbish a domestic reputation tarnished by poor performance in agriculture and by other economic mis-carriages?

For scientific intelligence on Communist China and every one of the other likely Nth countries, the methodology of scientific intelligence is much the same. If the subject of survey is progress in development of an atom bomb, scientific intelligence has the advantage of dealing with a program that will be costing some hundred millions of dollars—enough to impose some visible economic strains on the smaller or less-developed of these countries. The requirements for critical inputs like electric power and special-purpose pumps are precisely in sectors where most of these countries are poor.

The investigation gets under way with overt or near-overt sources of information possibly providing the starting clues. What countries have been represented in conferences on plutonium metallurgy or other nuclear-related subjects? What purchase inquiries have been received for stainless steel (not necessarily but possibly for an atomic program)? If the country is one with which the United States has diplomatic relations, what attitudes have foreign officials expressed to American diplomats on the subject of acquiring the atom bomb? What articles have appeared in the country's press about the importance of atomic weapons for national prestige or about the necessity of keeping up with the progress of unfriendly neighbors in nuclear technology? What countries refuse to sign the partial test-ban treaty of 1963?

Reports from clandestine sources will be helpful, but it will take some winnowing of chaff. There are now nuclear reactors over the world for use in research on peaceful applications of atomic energy. Despite safeguards against use of these reactors for non-peaceful purposes, the situation invites unsubstantiated rumors and unconfirmed reports.

When the country gets to the point of bomb testing, it probably shows its hand. The network of stations on the lookout for nuclear tests will do the detection. Since secrecy at this stage is so difficult anyway, the testing country will probably make the most of the situation by some prideful and propagandistic flourishing of trumpets in its own press. If the country is determined to maintain secrecy, it does have the recourse of proceeding to build a stockpile of nuclear devices without prior testing. This of course leaves the country in some uncertainty about its own technical capabilities, but a decision to skip the test explosion should probably not be ruled out. There is a rationale for testing by most powers, particularly those which especially value the deterrent role of nuclear arms. The rationale is less compelling for the small country looking for the surprise weapon to use against a hated enemy before he is equipped to retaliate.

### Postwar Case Histories

In 1949, the public got an inkling of America's post-war capabilities in scientific intelligence. The initial evidence of the Soviet Union's first atomic explosion appeared in reports from the stations that monitored the atmosphere for radioactivity.<sup>3</sup> The instance indicated the increasing importance of technical methods of intelligence collection; but since the organization for scientific intelligence was still embryonic, the case did not show scientific intelligence at its best. The ability to inform after the event was helpful enough to American policy planners, but the urgent demand on scientific intelligence was to give as much advance notice as possible of impending developments.

Fifteen years later, when the Chinese Communists exploded their first atom bomb on October 16, 1964, scientific intelligence gave evidence of its improved capabilities. Secretary of State Dean Rusk gave advance notice of the atom test in a public statement. Just seventeen days after his statement, the explosion occurred.

Scientific intelligence does not consider that it comes off with laurels just by predicting correctly that a bomb test is about to occur. Officials want more precise information about the explosive power and other characteristics of the bomb. In the case of the Chinese test, intelligence had to indicate whether a plutonium or U-235 bomb was exploded, since the choice had an important bearing on the stage of nuclear technology in China. All other nuclear powers in their first test had used plutonium, which was easier to produce than U-235. The diffusion process used to produce U-235 made difficult demands for materials able to withstand very corrosive gas, required the installation of tremendous special pumps, and called for extraordinarily large consumption of electric power. It was uncertain, after Khrushchev withdrew the Soviet technicians from China in 1960, that the Chinese had the technical ability to press forward with the production of U-235. The seemingly easier course would have been to follow the plutonium route that other nuclear powers had taken. But examination of the radioactive cloud after the explosion showed that the fissile material used by the Chinese was in fact U-235.

In its watch on Soviet scientific progress, the primary focus of scientific intelligence is no longer on capabilities to produce nuclear bombs but rather on capabilities for "delivering" them in missile warheads. Intelligence had known back in the 1950's that the Russians were experimenting with rockets of medium and intermediate range at Kapustin Yar, not far from the city of Volgograd (the

<sup>3</sup> Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965), p. 66.

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new name for Stalingrad after Khrushchev's denigration of the dead dictator). Later a test area for the missiles of intercontinental range was established at Tyura Tam, near the Aral Sea. Since military and space vehicles in flight report back to base stations by electronic signals, intelligence could by its own telemetry, as well as by other means, keep abreast of Soviet missile progress. It was possible to follow the lengthening trajectory of Soviet flights, with the Soviets themselves later openly confirming some of these trajectories by warning ships during testing periods away from drop zones in the Pacific Ocean.

The usefulness of overt information to confirm other intelligence was again illustrated on May Day of 1965, when the U.S.S.R. displayed for the first time a three-stage solid-fueled intercontinental missile. The new missile was testimony to the determination of the Soviet Union—dependent until recently on liquid-fueled missiles—to catch up with capabilities that the United States had attained with its solid-fueled Minuteman.

The competition between the United States and the Soviet Union for advantage in strategic weaponry will continue as long as the anxieties of each country constrain it to bend so much of its energies to tilting the balance of terror in its favor. Dramatic improvements in missile defenses may be followed by new gear in missiles to penetrate the new defenses. Progress in precision aiming to put missiles right on target may nullify the effectiveness of existing hardening methods. In a century that poses these and other such possibilities, the most vital of security interests is staked on the accuracy and analytical rigor of scientific intelligence.

#### Personnel

The scientific intelligence officer knows his oceanography, if that is the science he is covering, or his solid state physics or his mathematics or his chemistry of toxic warfare or his microbiology. To enumerate the scores of fields that come within the purview of scientific intelligence is to indicate the difficulty of full coverage. The difficulty is compounded by today's personnel scarcities in the job market for trained scientists. Scientific intelligence can, however, call on the assistance of outside technical competence.

Not that outside consultants have any record of near-infallibility. The wartime chief of Britain's scientific intelligence was fond of recurring to the errors of the experts. A favorite story was of the French Academy of Sciences, which in the 18th century ridiculed accounts of meteorites originating in outer space. It was not a trained scientist, but a lawyer named Chladni, who kept pressing the case for outer-space origin. The French Academy was ten years before acknowledging he was right. Allen Dulles cites a parallel case of error by Dr. Vannevar Bush, the distinguished wartime head of the Office of Scientific Research and Development, who wrote in 1949 of high-explosive guided missiles as a "fantastic proposal" for "astronomical" expenditures on a weapon of such inherently low precision as to raise serious questions of its being made to "hit anything at the end of its flight."<sup>4</sup>

However, other scientists closer to the work on missiles than Dr. Bush disagreed with him. The consultant most useful to scientific intelligence speaks from the authority of past working experience in the problem; and from his experience in U.S. programs, he can usually outline with justifiable confidence the main features of comparable foreign programs. The photograph that shows a

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<sup>4</sup> *Ibid.*, pp. 152-153, citing Vannevar Bush, *Modern Arms and Free Men* (New York: Simon and Schuster Inc., 1949).

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building suspected of being part of an atomic reactor installation may well be shown for evaluation to a consultant who is a nuclear engineer in private industry.

The opinion of the expert consultant is an ingredient in and not a substitute for the analysis of scientific intelligence. The experts have the occupational failing of most individuals—the propensity to overweigh the importance of their own experiences when evaluating information. When scientific intelligence feels—as it did in the case of the German rocket fuel—that the information at hand contradicts the bias of the experts it will repose greater confidence in its own than in the consultant's opinion.<sup>5</sup>

The information at hand is a composite of agent reports, propaganda announcements, despatches from attaches who have been allowed to see foreign weapons, aerial photographs, and other sources. The consideration of evidence from such a variety of sources puts the scientific intelligence officer in many cases at a far remove from the experimental and laboratory techniques he learned in his academic schooling. He now goes at this work very much as do the analysts in economic, political, and other social-science fields of intelligence.

This is not to deny that there are areas of scientific intelligence where telemetry and such technical methods of monitoring are so crucial as to make the comparison with social-science analysis less appropriate. But outside these special areas, scientific intelligence depends more on library and other reference sources. The intelligence research, for example, on Communist activity with the cultivation of microorganisms will draw on the report of a refugee university professor from Eastern Europe, on open Russian literature detailing successes in developing nutritive media for keeping virus strains alive, on a Soviet broadcast about advances in microbiological chemistry, on agent information about a certain penicillin plant.

Unfortunately for the method, the originators of source materials are too often men of only limited competence in science. The agent who is also a trained scientist is a rare find. With good guidance from headquarters, the clandestine source who is not a scientist may still do creditable reporting, but he is not likely to be quite the treasure that Klaus Fuchs or Allan Nunn May or Bruno Pontecorvo was for the Russians. Similarly with the open information that is freely available to the American press and the American Foreign Service officer, the best selection and reporting presupposes a reporter who knows some fundamentals of his subject. The precondition is not typically satisfied; neither the American correspondent abroad nor the American Foreign Service officer is likely to have the understanding of natural science as he does of politics and economics, and his newspaper or diplomatic reporting for this reason tends to slight the scientific subjects.

The State Department has gone some distance in recent years toward improving matters. An Office of International Scientific Affairs has been established within the Department, and a score of scientific attaches have been assigned to embassy posts abroad. These attaches, all trained in science, include individuals with reputations in the fields of chemistry, meteorology, physics, geology, physiology, and polar biology. There are still many posts without scientific attaches, but the situation here also is improving as the result of a science curriculum that the Department has set up in its training program for Foreign Service officers.

These scientific attaches and Foreign Service officers have not of course been posted abroad to engage in clandestine intelligence collection but rather to assist ambassadors in a 20th century diplomacy that finds itself increasingly involved in questions of science—collaboration in Antarctic research, education of foreign

<sup>5</sup> See *supra*, p. 72.

scientists in the United States, cultural exchanges between American and foreign scientists, "brain drains" of foreign scientists to the United States, encouragement of research and development in desalination of sea water and in other such lines of investigation that may pay off in ameliorating problems of water shortage. The information that is reported is a by-product of diplomacy, and the scope of inquiry and reporting is limited by the proprieties of acceptable diplomatic conduct. Within this limitation, the recent scientific additions to embassy staffs have given a new dimension to diplomatic reporting, with spill-over benefits for the many intelligence research studies that incorporate a high proportion of overt information.

### Arms Control and Intelligence

The lessons of history keep the eye of intelligence always cocked for the menace of new hostilities, but intelligence has also another sort of role to play today if Man's future is to be longer than all his past. The establishment of the Arms Control and Disarmament Agency in 1961 attested to widespread American hopes that arrangements were devisable for preserving the national security of all disarming countries during the long and difficult transition period to a disarmed world. One condition of these arrangements was the confidence of each country that others were not evading terms of agreements. A second condition was the confidence of each country that the surveillance to insure against evasion did not also work to endanger national security by exposing possible areas of defense vulnerability.

While both conditions were necessary, they could in many circumstances also be contradictory, and agreements that ignored the elements of contradiction could end by exacerbating rather than relieving international tensions. If a complete ban on nuclear testing, for example, required on-site inspections, the case was strong—given the known sensitivities of the Communists—for turning temporarily, as the United States and Soviet Union in fact did, to a more limited objective. A comprehensive test ban might well have been followed by post-agreement arguments over access and by the imposition of administrative delays on inspectors, in the end setting back rather than advancing the cause of disarmament.

The partial test ban was possible because available methods of verifying atmospheric tests made on-site inspection superfluous. Despite remarkable advances being made in seismology and other technical means of surveillance, on-site inspection arrangements are still necessary to substantiate underground testing. The record thus indicates how crucial are the resources of intelligence for progress in arms control. Whatever form future progress takes, it will continue to depend in important measure on the capabilities of Soviet and American scientific intelligence to monitor mutual performance.



Part IV  
INTELLIGENCE COLLECTION

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## Chapter 9

# Open and Secret Sources

"It has been estimated that about 90 percent of CIA's work is no more secret than a Carnegie library, and the bulk of its work lies simply in correlating factual information that is lying around for anyone to pick up."<sup>1</sup> Statements of this sort, found not only in the press but in past remarks of intelligence officials, do perhaps a little injustice today to the secret input. Without secret sources of information, human and technical, intelligence could not be nearly so well informed as it is about the location of Soviet missile sites, the deployments of Chinese military forces, and the particulars of foreign research in military applications of nuclear energy. There was no substitute for the secret intelligence which impelled President Kennedy to his grave decisions in the Cuban missile crisis.

### The Overt Sources

There is nevertheless no disputing the fact that the clues from overt information often constitute the most valuable part of the intelligence analyst's evidence. The overt input assumes especial importance when the analyst is making his broad estimates of national character, will, and prospects. The estimator comes to such a task with materials drawn in large measure from his industrious reading of the daily press and his close acquaintance with the published research of American scholarship. And the estimator often comes away from such a task with the admission that his sources of secret intelligence in this case afforded him no special advantage over other experts in guessing the future. The point impressed Roberta Wohlstetter more than once in her research on the performance of intelligence before Pearl Harbor: ". . . in comparing the top-secret intelligence evaluations of enemy intentions with estimates in the contemporary press, one is struck by the relative soundness of the less privileged judgments. It is hard not to conclude that general knowledgeability in the world of international affairs, and close observation of overt developments, are the most useful ingredients in making such estimates."<sup>2</sup>

Intelligence services of all the major powers are attentive to overt information. Reports published in the United States after World War II gave results of American wartime research in radar and kept the Soviets from blind alleys in atomic research. Publications like *Aviation Week and Space Technology* are rich veins of the kind of ore that American intelligence does not find in Soviet open literature. American newspapers publish maps of U.S. missile sites, existing and projected. The maps supplement what a foreign intelligence service can learn by keeping up with competitive bidding for construction contracts on

<sup>1</sup> *Richmond News Leader*, March 30, 1953, cited in U.S., *Congressional Record*, March 10, 1954, pp. 2814-15.

<sup>2</sup> Roberta Wohlstetter, *Pearl Harbor: Warning and Decision* (Stanford, Cal.: Stanford University Press, 1962), p. 169.

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missile bases and by reading the news of labor disputes at missile sites. Topographic maps of the entire United States can be bought from the U.S. Geological Survey. Data on harbor and airfields are sold without restriction by the Government Printing Office. Road maps with detail that would be prized by any military command are available free in almost every American gasoline filling station. A small fee will purchase patent data from the U.S. Patent Office.

If there are no compulsions in the U.S.S.R. to be quite so openhanded with information, the Soviets still consider their scientific progress to require a marked departure from Stalinist obsessions with security safeguards. Up to Stalin's last days, Soviet security laws effectively checked the flow of scientific periodicals to the United States. At the 20th Party Congress in 1956, Bulganin called for a relaxation of security "to allow freer exchange of scientific information and opinion." By comparison with the trickle in Stalin's day, the allowable flow of information abroad became a flood tide, despite the well-publicized attention of American intelligence to overt information. Even the Communist countries cannot do their work under such prohibitions as governed the Swedes two hundred years ago, when they began to compile their registers of population and vital statistics but considered the data as unpublishable state secrets. There are too many considerations of propaganda use and too many requirements of social communication to permit modern societies to do their business under hermetic seal. When statistics published one year by Communist governments are omitted the next, the probable reason is the embarrassment caused by deteriorating performance, not the intention to confuse foreign intelligence.

The American intelligence library has of course its files on the U.S.S.R.'s *Pravda* and *Izvestia*, of Communist China's *Jen Min Jih Pao*, of North Vietnam's *Nhan Dan*, of the principal daily newspapers from all the foreign capitals where the United States has a major intelligence interest. Provincial newspapers are also on file, although some Communist countries attempt to prevent their circulation abroad. The important periodicals—Peking's *Red Flag* and Moscow's *Red Star*, for example—are other essentials of the library's acquisition program. While there are analysts who prefer to read these sources in the original, they can draw also on the translation services that publish English-language versions for general circulation. The U.S. Consulate General in Hong Kong makes extensive translations of the Chinese Communist press. The *Current Digest of the Soviet Press*, published weekly by the Joint Committee on Slavic Studies in New York, has extensive excerpts from the important articles that have appeared in recent Soviet newspapers. The U.S. Commerce Department's *Technical Translations* presents lists of translated articles from Soviet periodicals.

A convenient approach to the mass is through short abstracts of the long articles, and here again intelligence takes advantage of services set up for other markets. The professional abstracting societies publish such useful aids as the *Chemical Abstracts*, *Excerpta Medica*, and *Biological Abstracts*. The *Referativnyy Zhurnal*, the abstract journal published in the Soviet Union, is also available in intelligence libraries. In addition to the abstracts, review articles are helpful economizers of the intelligence analyst's time. The review articles in the *Foreign Science Bulletin*, published each month by the U.S. Library of Congress, survey the recent Russian literature in lasers, photosynthesis, microwaves, and other scientific fields.

The total inflow is too much to be read as it arrives, and a good part of the task is simply to index the material for easy reference when needed on a particular project. For indexing as for translation, intelligence can subscribe to the same services that are accessible to American scholarship at large. The Library

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of Congress regularly publishes indexes of its Russian and East European accessions, both books and magazine articles. The Soviet Union publishes its own indexes of bibliographies, including a bibliography of Soviet bibliographies. One of the Russian indexes, published every week, lists all the books and pamphlets published in the U.S.S.R., whether in Russian or other languages. The weekly indexes are cumulated in both quarterly and annual volumes. The Russians also publish a weekly bibliography of periodical articles published in the U.S.S.R. Still another Russian index lists the newspaper articles published in the Soviet Union.

The drawback of these open sources is in time lapse. At the very best, the articles and statistics published in the open literature are seen in headquarters a few days after they are printed in the Soviet Union. Sometimes the interval is a matter of weeks or months. The delay is no handicap to the intelligence researcher surveying a problem in depth, but it does reduce the usefulness of the information for the current intelligence analyst, who works with the journalist's focus on the very latest developments. For current intelligence as for modern journalism, wireless is the indispensable channel of information. The most timely of overt data are transmitted in the radio broadcasts which governments make at all hours of the day and night to domestic and foreign audiences. The methods for monitoring foreign broadcasts are strictly speaking technical and could appropriately be reviewed in the next chapter. However, they are so above-board that radio broadcasts are most conveniently considered here together with the other forms of overt intelligence. Governments make no secret of their facilities for listening to foreign broadcasts. On August 30, 1961, the White House informed assembled reporters that intercepts of Soviet news agency broadcasts in Central Asia indicated the imminent resumption of nuclear weapons testing by the U.S.S.R.

The British BBC was the pioneer in the field. Its program of monitoring foreign broadcasts was organized in 1939, primarily to assure the speedy coverage in Britain of the most newsworthy speeches by national leaders. During the war years of the 1940's, the British attention to the broadcasts brought dividends in intelligence. When the Federal Communications Commission in the United States also began to monitor foreign broadcasts during the war, America too became active in the new field of "propaganda analysis."

A noteworthy feature about this field, as it developed during and after the War, is that so many contributors were in the collection organization monitoring the broadcasts, rather than in the segments of intelligence charged primarily with the analysis function. One reason is that the radio monitors had more to do from the outset than just transcribe the broadcasts; their comparative counts of broadcast hours every week and other such elements of bookkeeping became natural points of departure in analysis. A more important reason lies in the nature of organizations, which want to justify their being and growth. Like other intelligence collectors, the radio monitors were eager to impress with the value of their activity, and so the radio monitoring organizations became hospitable centers for the intelligence officers who glimpsed the potential in propaganda analysis.

The experience offers an instructive lesson in principles of effective intelligence management. The lesson is the value of analytical competence in collection organizations. There are some fields of collection—discussed in the following chapter—where the first product is so technical in form that there is no alternative to preliminary interpretation in the collection organization before dissemination to the intelligence community. But even where the product needs no extensive processing into English-language formats, the special knowledge

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that the collectors have of their product ought to be incorporated into final intelligence analysis. The collection organizations have their biases, of course, but the analysis sections of intelligence will put up their instinctive guards against overselling by the collectors. In the net balance, the effect of encouraging the collection organization to make its own commentaries is to ensure the analyst's attention to important points he would otherwise miss.

### Content Analysis of Open Materials

In World War II, the main interest of propaganda analysts lay in the question of Germany's strategic intentions. The early years of propaganda study yielded no remarkable results, but in 1943 the British analysts put themselves on record with the estimate that Germany expected to have a new weapon developed for use against Britain by early 1944. Documents captured after the war did in fact disclose that this was the German expectation at the time. British propaganda analysts also correctly inferred that Germany would not launch an offensive on the eastern front in 1943, when this possibility was one of the important questions in conjecture within allied military councils. The wartime experience left a core of intelligence officers who were impressed with the possibilities of equivalent gains from the study of Communist propaganda.

As the methodology evolved, it became clear that propaganda was not the exclusive province of the study. The range of survey was in fact the entire spectrum of overt communications; and while the overlay of official propaganda was exceptionally large in Communist societies, it did not extend across the whole spectrum. There was the popular literature, which could be sometimes at variance with the official propaganda line and could be suggestive of emergent trends to a discerning intelligence. The newer term of content analysis is more connotative of the area of surveillance, which encompasses broadcasts, newspapers, periodicals, public speeches, books, state treaties, and other overt texts.

The easiest part of the method is the tabulation of quantitative indicators—the frequency count of broadcasts on a particular theme, for example. The most effective of authoritarian governments are the most attentive to necessities for public support; they whip up popular sentiment if they are to make war or initiate massive programs of farm collectivization or harry intellectuals. The prerequisite for action is the broadside of propaganda statements, and the number of such statements is recorded for its value as a rough indicator of official policy.

It is the attention to qualitative indicators, however—the study of nuance and cue—that has become the distinguishing feature of content analysis. In April 1965, the U.S.S.R. and Communist China signed their annual trade agreement. The TASS announcement said both sides “showed a desire” to expand trade and a “wish” to hold talks on further exchanges of goods. By contrast, all of the announcements covering China's 1965 trade agreements with East European countries, except Bulgaria, had explicitly mentioned plans for increased trade. The inference of intelligence analysts was that the downward trend in Sino-Soviet trade would continue, that the trade figures would reveal no auguries of rapprochement between the U.S.S.R. and China.

The TASS announcement on the 1965 trade agreement is one of the clearer illustrations of subsurface meaning that is hidden from those who are strangers to an idiom. The content analyst's close attention to text and context has been the butt of some banter about modern “overanalysis” and “kremlinology,” but his method has in fact a close kinship to the kinds of practical judgments that have been made in government councils for centuries. The drafting of aide-memoires, for example, has always been a painstaking effort to convey shades of

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meaning, and the diplomatic official has rarely felt he could depend on a first reading of an international communication to understand all its innuendo.

Nevertheless, many persons were a long time being persuaded that radio broadcasts and other overt information deserved the sort of analysis that was given to diplomatic communications. The words that went into the diplomatic message were carefully weighed in the writing, and it followed that they ought to be as carefully weighed in the reading. Braggadocio and bombast, on the other hand, were the hallmarks of propaganda, and the proper role of analysis in this field was considered to be more in discounting the exaggeration than in penetrating the subtleties of wording.

Yet even the task of discounting exaggeration required the analysts to study the manner of speech in order to infer substantive content. The economic intelligence officer was early with a rigorous approach to this problem, for the boastful claim of economic achievement was the stock in trade of Communist regimes. One of the major functions of economic intelligence became the interpretation of publicly-announced Communist percentages to determine numerical absolutes. The analysis required much reading between lines to determine base periods on which the percentages were based and to surface other pertinent elements of the statistics. Still, this experience was far from making the fully persuasive case for content analysis; the economist very rarely found himself leaning on overt sources to reach conclusions which seemed outlandish to many elements of the intelligence community. The testing period of content analysis came in the 1950's, when its advocates seemed to overemphasize evidences of Sino-Soviet differences while the general prepossession in America was to respect the solidarity of the alliance.

The case for content analysis was not helped by the fact that the Communist controversy was debated in a jargon that was so foreign to the ears of the average American. "The Communist parties believe that under present circumstances the most formidable danger is revisionism, that is to say, right-wing opportunism which, as a manifestation of bourgeois ideology, paralyzes the revolutionary energy of the working class and seeks the preservation or the restoration of capitalism." Sentences like these from the Declaration of Communist Parties meeting in Moscow in 1957, as well as later references to revisionism, dogmatism, adventurism, and capitulationism, seemed to be framed in a context of philosophical disputation that many people considered to be unrelated to basic issues of state relations. The content analyst was regarded as something of a scholastic, whose exclusive focus on an ideological debate led him to unwarranted conclusions about the extent of divergency at the level of governmental relations.

There were of course contradictions in the evidence to confuse the analysts. All through the 1950's, the Chinese were effusive in acknowledgements of indebtedness for the "selfless aid" of the Soviet Union. Soviet sputniks, Soviet military might, Soviet economic growth, Soviet leadership of the Communist camp, all were hailed by Radio Peking. The espousals of Communist solidarity were fervent.

It is precisely when the evidence is so contradictory that content analysis should make its worthiest contributions. A few years later, the Sino-Soviet polemic was no longer veiled. China was then excoriating Khrushchev by name, not just reproaching him by animadversions on the erroneous views of "some people." And after his fall from power, the Chinese Communist party newspaper was explicit in its denunciation of "Khrushchev's successors" in Moscow, who were "out and out appeasers . . . plotting to sell out the basic interests of the

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people of Vietnam." When debate comes to this pass, it takes no great skills in the painstaking examination of language to appreciate the state to which governmental relations have deteriorated. The task of intelligence by content analysis is to inform long before the modes of overt expression have reached this level of explicitness.

This task required the analyst following the Sino-Soviet dispute to have had some prior immersion in Marxist studies, for allusions in party polemics to apostasies of Bernstein and Kautsky and to other departures from the faith had meaning primarily for the reader who had more than a passing acquaintance with the 19th and 20th century history of socialism. The task further required the unremitting reading of the current Communist journals; only by so keeping *au courant* could the analyst perceive that doctrinal formulations criticized by the Peking press as "Yugoslav revisionism" were in fact Chinese paraphrases of positions that had only recently been expounded in Soviet articles.

The constant attention to the current literature was also necessary for quick perception of the significant omissions. Pravda's deletions of whole paragraphs when reprinting Chinese editorials with seeming approval were as instructive on the points at issue between the two countries as were the wordy elaborations of doctrinal position. The close scrutiny of the literature also uncovered fleeting notes of the controversy in ostensibly nonpolemical speeches. When China's economic planner Li Fu-chun in 1957 said, "We should rely on our own strength as far as possible," and when his colleague in economic affairs Po I-po spoke of diminishing China's "reliance upon foreign countries," content analysts drew their inferences about Chinese disenchantment with Soviet economic aid.

As the doctrinal debate between the Chinese and the Russians proceeded, content analysts began to tabulate all the points of ideological difference between the disputants. The analysts showed that Moscow deplored world war for the ruin it would bring to all centers of civilization, while Peking deplored the fear of world war; that Moscow argued from the viewpoint of local wars entailing dangers of becoming world wars, while Peking argued for the inevitability of local wars; that Moscow editorialized in favor of disarmament negotiations, while Peking warned about negotiations weakening revolutionary drive; that Moscow saw gains for the Communists in advocating the line of peaceful coexistence, while Peking favored revolutionary struggle. This attentiveness to points of ideology inspired some criticism that content analysts neglected the overriding importance of basic national interest in international affairs. Critics argued that the sober calculus of national advantage and not considerations of ideological principle would determine the course of state relations.

This criticism was beside the point. The point was that the two allies were quarreling. In an earlier generation, the literature of the polemic between Stalin and Trotsky had similarly elaborated the ideological points of difference, rather than the contending personal ambitions for supreme leadership. In democratic societies as well, parties draft political planks to suggest principled opposition to each other when the rivalries are based on other grounds. Husbands and wives squabble while concealing the fundamental causes of grievance from each other and from themselves. The eavesdropping neighbor overhears given reasons rather than real reasons. But he does learn that the face of harmony put on the marriage in public is a sham, and the decibels of the wrangling do tell him if the marriage is mending or worsening. The content analyst in the Sino-Soviet dispute was the neighbor with his ear to the wall, and his principal achievement was not so much to discover what the U.S.S.R. and Communist China were basically quarreling about as to perceive so quickly that the two governments



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were quarreling. After the existence of the dispute became widely accepted, there was no lack of scholarship in and out of the intelligence community assessing the basic divergencies of national interest between the U.S.S.R. and China. There were several theses, each plausible and each arguable. Useful as it would have been to have certain knowledge on this point, policymaking in the United States was still the better for early information that the U.S.S.R. and China were at daggers drawn.

Recent books and articles in the West must have struck home to Communists everywhere the uses of content analysis in foreign scholarship and journalism. The Communists are not, however, moving to conceal their discourses. Appeals for support abroad require rivals to keep taking to the air waves and other media of journalism. The explanation to domestic audiences is also deemed essential. These ends of influencing foreign and domestic opinion are so important to the Communists that the amount of overt materials for intelligence scrutiny keeps going up. Intelligence places its major reliance on content analysis for the exploitation of these materials.

### Diplomatic Collection

In January 1941, Ambassador Grew in Tokyo forwarded the following information to Washington:

My Peruvian colleague told a member of my staff that he had heard from many sources including a Japanese source that the Japanese military forces planned, in the event of trouble with the United States, to attempt a surprise mass attack on Pearl Harbor using all of their military facilities. He added that although the project seemed fantastic the fact that he had heard it from many sources prompted him to pass it on.<sup>8</sup>

Ambassador Grew himself discounted this intelligence, but the information was of such vital import for America's national security that he felt compelled to inform Washington.

The diplomat plays this role of intelligence collector with severe restraints on his activity. He is the accredited representative of the American government abroad, and he is expected to report on developments that he considers to have an important bearing on American foreign policy. The foreign government to which he is accredited respects his exercise of this reporting function with one major proviso—that he does not go to lengths which can be characterized as espionage.

This means that the diplomat is not himself to act clandestinely or on false pretenses and is not to direct operations which require others to act clandestinely or on false pretenses. Like the American newspaper reporter in a foreign capital, the diplomat is free to report public gossip and other overt data, as well as the information that foreign governments give him in confidence. By virtue of his position, he can include a larger component of confidential information in his reporting than can the newspaper reporter. For the diplomat is a party in negotiations, and he naturally reports the exchanges that take place in negotiations. He is also frequently informed on occasions of points of view that foreign governments want communicated to the United States. The diplomat's rectitude in behavior thus still leaves him a wide scope for legitimate reporting, and the diplomatic report is one of the valued inputs to an American intelligence which strives to exploit all sources of information, overt and covert alike.

<sup>8</sup> U.S., Department of State, *Foreign Relations of the United States, Diplomatic Papers, 1941, Volume IV (The Far East)*, p. 17.

One of the especial virtues of the diplomatic report is that its author combines in one person the talents for both collection and analysis. There are no peculiar problems of collection "trade-craft" in diplomacy that separate collection and analysis as distinct specialties. The diplomatic report is only in rare instances the transmittal primarily of data for later evaluation and synthesis at headquarters. The commendations in the Foreign Service go to diplomatic reports that transmit information with interpretive commentary and occasionally with recommendations for courses of action:

The Department is primarily responsible, in the intelligence field, for providing the Government with evaluated and integrated information on political, sociological, and (with a few exceptions) economic conditions in foreign countries. Most of the underlying information is obtained from a broad variety of overt sources. The Foreign Service gathers most of these materials and also has the duty of collecting scientific and technical information. Among all sources, the one that continues to be of central value to INR is the reporting by Foreign Service officers from field posts, particularly those penetrating and comprehensive analyses of conditions abroad which the posts are sending in more frequently than ever before. These analyses round out the picture conveyed by the factfinding type of work and notably facilitate the correlation of embassy reports with other sources.<sup>4</sup>

America's ambassador to Japan gave an account in 1963 of embassy reporting from Tokyo which is illustrative of organization and procedures generally. The political and economic sections of the embassy bore the responsibility for the bulk of substantive reporting on Japanese affairs. There were 33 Americans in the political section, assisted by 23 Japanese. The economic section had 25 Americans and another 25 Japanese. The numbers, while they include clerical personnel, are large enough to suggest the analytical competence on Japanese developments that is assembled in Tokyo to support the ambassador and to keep Washington up to date.

His staff, Ambassador Reischauer estimated, spent from a fourth to a half of its time in the research and writing of reports to Washington. The research depended heavily on public contact with informed Japanese.

You take the man that is our contact man with the Government Party. He is constantly trying to learn as much as he can about the leaders of this Government Party, what they are thinking. He is talking with them all the time. And every once in a while, when he thinks he has enough information to be of value to Washington, he writes it up as a report.<sup>5</sup>

One or two of the Senators who listened to the ambassador wondered about the necessity of all the paper. Ambassador Reischauer seemed to admit to a careerist, self-publicizing, publish-or-perish motivation for some of the reporting by Foreign Service officers, who were "eager to write . . . because it is their way of presenting the thing they have discovered to the rest of us there, as well as back in Washington." Nevertheless, he considered the Foreign Service re-

<sup>4</sup> Allan Evans and R. D. Gatewood, "Intelligence and Research: Sentinel and Scholar in Foreign Relations," *The Department of State Bulletin* (June 27, 1960), pp. 1025-1026.

<sup>5</sup> U.S., Congress, Senate, Committee on Government Operations, *Administration of National Security*, Hearings before the Subcommittee on National Security Staffing and Operations, 88th Cong., 1st Sess., 1963, Part 3, pp. 205-206.

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porting to be on balance a valuable stimulus to critical thought and effective diplomacy.

. . . that is the reason I am very happy when I find some of our best officers writing long-term thinkpieces. What is happening in Japanese politics? We have had some very good papers of that sort.

. . . I did a paper last summer myself, trying to think through the whole thing, what we were really dealing with in roughly a 10-year period.

And one of our chief political officers did an extremely good analytical piece on the nature of the development of Japanese parties . . . what we were going to have to deal with in the future.<sup>6</sup>

In addition, the ambassador found the Foreign Service reporting was apparently responsive to some very insistent consumer demand. "In almost every case where there has been a real attempt to cut down on this flow, there is somebody back in Washington that screams in agony when it does not come in any more."<sup>7</sup> The loudest screams, the ambassador indicated, were from the "people down at the research level." The reference was presumably to the analysts in INR, the Department's Bureau of Intelligence and Research. The intelligence interest is to get all the information possible, and the intelligence viewpoint is that economies in diplomatic collection are all too likely to violate the economics of information collection. The least expensive information is the least covert, and it is a false saving that narrows the overt channels only to force intelligence into more expensive collection.

Fortunately for the intelligence community, the information needs of other government agencies have also brought pressures to widen the purview of embassy reporting. These agencies sometimes post their own people to American embassies abroad. The military attache is the long-established prototype of such civilian analogues as the Treasury attache and others. Their attention is almost wholly to overt information—the latest balance-of-payments figures released by the Central Bank, for example. Like the Foreign Service officers, the attaches give more than bare-bones facts for headquarters evaluation. They are substantive experts who are reflective about the facts and can transmit analysis that is often the most influential factor shaping the intelligence judgment in headquarters.

### Clandestine Collection

In clandestine collection, on the other hand, the emphasis is on reporting the facts, with much more reliance on headquarters for interpretive analysis. The secret agent is employed for his special access to certain information. The overriding purpose in his hire is his procurement of the information. In the typical case, his position affords him only a narrow angle of observation. The agent placed in one of the counties of China's Kwangsi province can report on railroad traffic and malnutrition in his area but not on conditions elsewhere. He can hardly attempt more than his factual contribution to the mosaic on China that headquarters builds up from a variety of sources.

There are broader perspectives in the upper echelons of the collection organization, but abilities at this level too relate primarily to skills of agent handling and techniques of evading discovery. Sometimes these abilities are combined with substantive scholarship in one man, but his training is generally so predominantly oriented toward ingenuities of safeguard against detection as to

<sup>6</sup> *Ibid.*, pp. 205-206.

<sup>7</sup> *Ibid.*, p. 204.

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give him a quite specialized competency. He inclines in most instances to accept the division of labor that puts on others in intelligence the burdens of data assembly and final analysis.

This is not to say that there are water-tight walls between the analysis and clandestine collection functions. In the crisis situation, the collector in the field may be asked to give his own interpretation of events. His cables to Washington then become more than transmittals of agent reporting. They become part of a large analytical input that is solicited from embassy officials and other Americans abroad who have a claim to expert opinion as on-the-scene observers.

In everyday reporting, the collectors are sparing with their own analytical viewpoints, but they do contribute the crucial first element of analysis—knowledgeability about degrees of reliability and margins of error in source materials. The identity of agents is such sensitive information that it is never disclosed in the disseminations to the intelligence community, except for general statements that the information comes from, say, a “middle-ranking official in the Rural Work Department of the Party.” The analysts are thus very much dependent on the intelligence officers in collection for the important preliminary analysis that goes into evaluation of sources. Usually only the collection organization is in a position to estimate whether the agent source is really in a position to get the information to which he claims access. Only the collection organization has the full record of the agent’s past reporting and can say whether he is a well-tested source or still relatively untried.

The collectors again touch the region of analysis when they make their choices about the reports which are deserving of dissemination to the intelligence community. The bureaucratic interest of the collection organization is to market as much of its merchandise as possible. However, there is much of trivia in agent reporting, and the collectors do have to consign a large proportion of the reporting to the category of “no-dissem”—that is, not worthy of dissemination. This judgment of the collection organization about the worthiness of its product is essentially an analytical judgment.

The judgment about dissemination can be especially important when the occasion calls not merely for distribution to analysis sections of the intelligence community but for direct transmission to the top echelon of government. A country’s leader can be much influenced in this way by reports received directly from the clandestine collection service without analytical commentary. In March 1941, Churchill gave orders that raw reports suggesting the possibility of a German attack on Russia be given him directly without evaluation.<sup>8</sup>

The intelligence analysts, for their part, tend to caution in their appraisals of covertly-collected information. The ultimate sources in espionage are foreign nationals, and analysts rarely get enough assurance about the real loyalties of agents to remove all doubts about clandestine reports. There have been agents whose primary purpose it was to stay on a payroll and who could fabricate such plausible information on the basis of overt news as to elude discovery for years. There have been rings organized to finance emigre causes and influence American policy through the operation of “paper mills” that compounded mixtures of valid secret information, overt data, and propaganda. There have been spies passing information deliberately planted by foreign governments to deceive and confuse. The instances of false or misleading information are so numerous that analysts approach the clandestine report with more reserve than they do products from other methods of intelligence collection.

<sup>8</sup> Ladislav Farago, *War of Wits: The Anatomy of Espionage and Intelligence* (New York: Funk & Wagnalls Company, 1954), pp. 90-91.

The working rule is to take the clandestine report with a large grain of salt until confirming reports or other corroborative evidence is in hand. Even corroboration may be suspect, since foreign governments can contrive false confirmations by planting the same information with several sources or by technical methods of deception. In World War I, for example, the Germans were properly prudent about a chart of Russian mine fields and coastal defenses acquired by the agent Anna of Lubau. The Germans carefully sent out minesweepers, which confirmed that the channel indicated as clear on the chart was in fact free of mines. The gun flashes that the German naval officers saw on shore also jibed with the shore defense positions given on the chart. When a strong force of German ships moved in the next day, however, they moved in to defeat. The chart was a plant, the Russians sowed their mines in the channel right after the German minesweepers completed their investigation; the gun positions on shore were dummies far from the actual locations of the Russian gun batteries.

The difficulty of evaluating bona fides notwithstanding, analysts are appreciative of the occasions when clandestine collection is exceptionally valuable. Accredited representatives in some countries cannot have contacts with opposition groups. It falls then on the clandestine services to find sources of information in the opposition. Intelligence does not always forewarn of government overturns abroad, but when it does, the success is generally attributable to clandestine reporting.

These and most other accomplishments of clandestine collection are of course known only in circles that are privileged to secret information. One of the accomplishments that has been publicized was the acquisition of Khrushchev's secret speech to the Party in 1956 denigrating Stalin. Western journalists had gotten wind of the speech, but the Communist would not release a verbatim text. When clandestine collection finally acquired the text, it found a document that gave indications of marking a veritable watershed in Soviet political development. Allen Dulles wrote of the acquisition as "one of the major coups of my tour of duty in intelligence."<sup>9</sup>

Major coups do not naturally characterize the bulk of clandestine collection activity. There are agents, like those who procured Khrushchev's secret speech, who are well enough placed to obtain information that is directly responsive to a major headquarters interest, but the more typical collection "asset" forwards pieces of a jigsaw puzzle rather than whole pictures. He can be asked how many railroad cars are passing through a certain location every day; he can be directed to observe the ingot deliveries to a metal fabricating plant; he can be told to report the number of workers going through the factory gates every morning and evening; he can be requested to relate the main themes of political indoctrination lectures to civil servants in one of the offices of the Foreign Trade Ministry; he can be instructed to identify unit designations of recent troop arrivals in his locality. There is little point in asking such an agent to duplicate Hollywood heroics and uncover information from the topmost echelon of the foreign government. The prodigious successes of the fiction spy notwithstanding, clandestine intelligence most of the time contributes bits and pieces—valuable only as part of an aggregate from which headquarters analysis infers the large picture.

<sup>9</sup> Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965), p. 80.

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## Chapter 10

# Technical Collection

To begin with a clarification of terms, this chapter will not detail the variety of technical aids with which clandestine collection services can equip secret agents. The devices are varied, and a few have been publicized. In June 1960, Ambassador Lodge stood up in the United Nations to give proof of how the Russians had concealed tiny transmitters in the U.S. Embassy at Moscow and thereby overheard American conversations. In its broad definition, technical collection includes such audio surveillance, but there is a narrower use of the term that distinguishes it more sharply from traditional forms of espionage.

In this narrower sense, technical collection is characterized by the use of equipment which is situated at ever increasing distances from the targets of observation. This factor of distance raises questions about concepts of espionage. Nuclear explosions in the atmosphere or under water can be detected far from the site of the event by acoustic instruments, by hydracoustic equipment, and by devices for sampling radioactive debris. In the case of nuclear explosions under ground or under waters not linked hydracoustically with the oceans, seismic instruments are reliable detectors even at distances of several thousand miles, although there are still problems of possible confusion with the signals generated by earthquakes. On October 8, 1965, a new American station in southern Montana clearly detected a Soviet underground nuclear explosion near Semipalatinsk in Soviet Central Asia. The Montana station is America's newest, designed to monitor explosions against the confusing background of seismic "noise" and hopefully to be a milestone toward a detection network that can separate all earthquake signals from the indicators of nuclear explosions.

### Changing Soviet Attitudes

During test-ban treaty negotiations, the Soviet argument against on-site inspections of nuclear explosions explicitly asserts that other methods of detection are adequate. It is implicit in the Soviet logic that detection from the territory of the surveillant country is legitimate, not in the category of espionage. Moscow apparently condones at least this limited Western surveillance over its nuclear activities.

The Soviet attitude is not quite so determinate on the subject of intelligence collection from outer space. For the formal record, the Soviet position is to condemn reconnaissance by means of orbiting satellites. In 1962, the American delegate to the U.N.'s Committee on the Peaceful Uses of Outer Space drew this contrast between the Soviet view and the U.S. position:

The Soviet draft seeks to deny the use of outer space for observation and photography, despite the fact that at least one of its astronauts has taken photographs over the United States without the slightest objection on our part. Such observation and photography from outer space are fully compatible with international law and the Charter and can provide an important safeguard for peace and security against the threat posed by a closed society.<sup>1</sup>

<sup>1</sup>F. B. Schick, "Aerospace in the Nuclear Age," *The Bulletin of the Atomic Scientists* (December 1963), pp. 48-49.

The American argument was in line of descent from President Eisenhower's "open skies" proposal. The essence of the proposal, as the President put it to the Russians in July 1955, was an international system of mutually supervised overflights, which involved first of all the exchange of blueprints showing the locations of military establishments in each country.

Next, to provide within our countries facilities for aerial photography to the other country—we to provide you the facilities within our country, ample facilities for aerial reconnaissance, where you can make all the pictures you choose and take them to your country to study, you to provide exactly the same facilities for us and we to make these examinations, and by this step to convince the world that we are providing as between ourselves against the possibility of great surprise attack . . .<sup>2</sup>

Khrushchev characterized the proposal as an attempt to legalize espionage.

The year 1955 was pre-Sputnik, and the U.S.S.R. took its position on overhead reconnaissance in the context of the pre-Sputnik technology. The high contracting parties to the Convention of Paris of 1919 had specified that each power "has complete and exclusive sovereignty over the airspace above its territory." The U.S.S.R. was not a party, but the principle was incorporated in international law and consolidated in international custom.

The advent of the space age complicated the Russian position. By May 1964, Khrushchev had come around to the logic that the moral turpitude of U-2 overflights might not apply to Soviet space satellites. He suggested the termination of U.S. airplane reconnaissance over Cuba; the job, after all, could be done equally well by satellites, and he offered to prove this statement by supplying President Johnson with photographs from space taken by the Soviets.<sup>3</sup>

The signs of Soviet shift may well reflect the sort of working realism that has modified Moscow's attitudes on modern journalism. Persons who can read today have access to international news for which intelligence services would have paid well in another time. Now and then the Communists will choose to regard this kind of information as privileged and to expel a Western journalist for his initiative in news-gathering. By and large, however, the Western newsman in a Communist country has an easier time of it than he used to have.

Soviet realism lies in recognition of the fact that the legitimacy of statutes is impugned when they presume to proscribe an activity that is in fact beyond their reach. The Soviet Government might prefer to withhold the information that foreigners obtain by monitoring nuclear explosions, but its only choice is to come to terms with the fact that it cannot keep covert what forces of change have made overt. This is not to say that governments will reconcile themselves quickly to each of the new technical forms of intelligence collection; they will move faster whenever the contribution of each intelligence collection method to preservation rather than upset of the power balance is as clear as it is in the case of nuclear test detection. In the meantime, signs of rethinking and of movement from the traditional espionage concepts are discernible.

### Photo Intelligence

The discernible signs do not appear in every field of photo intelligence, and it is necessary therefore at the outset of this section to make explicit its

<sup>2</sup> *The New York Times*, July 22, 1955, p. 3.

<sup>3</sup> Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965), pp. 67-68.



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limited arc of survey. This arc does not take in ground-level photographs— overtly or covertly collected—that make up the important graphics libraries of intelligence organizations. The photograph of the man is one of the first requirements of biographic intelligence. The photo of terrain is a valued contribution to military intelligence, which must be ready to answer sudden requests for topographic information on strange places.

The discussion in this section is limited to the subject of overhead photo reconnaissance, for the technological advance in this field is such that it may one day become, like scientific monitoring of nuclear tests, invulnerable to hindrance from counterespionage. As yet, photo intelligence does not make claims of moral justification that are as persuasive to world opinion as nuclear test detection. However, America's "open skies" proposal did direct attention to the moral purposes that mutual intelligence surveillance from the skies would serve.

These purposes are of course not nearly so well served by unilateral surveillance, which can disturb the peace by provoking punitive retaliation. One of President Truman's first concerns in July 1950 on the outbreak of the Korean conflict was that it might detonate a general war. He was sensitive enough about the danger to veto Air Force suggestions for high-altitude photo missions over Dairen, Port Arthur, Vladivostok, and other Soviet territory or spheres of influence.<sup>4</sup>

President Eisenhower's decision to approve the U-2 reconnaissance deep into Russian airspace was made in the 1950's after the Korean War. The President was no less sensitive than his predecessor to the element of provocation. But the signs of the late 1950's seemed reassuring; despite the overflights, progress continued toward detente between the two governments.

Changing circumstances thus modify the calculations of risk and compensating advantage. The circumstance that will most differentiate calculations in the future from those of the past may be the increasing capability of future technology to conduct overhead reconnaissance without intruding into foreign airspace. The rate of technological development in the field of long-distance photography has been remarkable even for an age of accelerated scientific development. The United States detailed some features of the impressive advance in the "open skies" publicity of 1955.

The Russian shoot-down of Gary Powers' U-2 plane on May 1, 1960 afforded the general public additional insights into the burgeoning capabilities of photo intelligence. In the days that followed, both the Russian and American authorities displayed prints of U-2 photography. When he passed out the pictures taken from the Powers' plane to a session of the Supreme Soviet, Khrushchev claimed that "our cameras produce better, sharper pictures, so that in this respect we acquired very little . . ."<sup>5</sup> The Russian press reported laughter in the audience, and one cannot be sure whether Khrushchev was speaking with candor or with his humorist's license for stretching the truth. He had spoken more modestly on an earlier occasion: "Americans have all the secrets of photography and we have all the secrets of rockets. We should exchange."<sup>6</sup>

By the time of the Cuban missile crisis in 1962, when American officials again displayed U-2 photographs to the public, the world was well into the

<sup>4</sup> Harry S. Truman, *Memoirs: Volume II, Years of Trial and Hope* (Garden City, N.Y.: Doubleday and Company, 1956), pp. 346-347.

<sup>5</sup> Amrom Katz, *The Soviets and the U-2 Photos—An Hourstic Argument* Memorandum RM-3584 (Santa Monica, Calif.: The RAND Corporation, March 1963), p. 15. See also *The York Times*, May 8, 1960, p. 24.

<sup>6</sup> J. S. Butz, Jr., "The Need to Know," *Air Force Magazine* (January 1963), p. 70.

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space age and thinking seriously about the feasibility of photography from earth satellites. A Congressional report in 1959 had taken note of the eventual value of spaceborne reconnaissance for intelligence and had discussed the problem of cameras suitable for satellites.<sup>7</sup> A UN-sponsored conference of experts had expressed optimism about the potential uses of satellite photography for deterring surprise attacks. It should be possible, the conference report noted, to detect from earth satellites "missile launch pads under certain conditions, as well as the location and gross characteristics of all major airfields. . . It will be possible to detect large moving ships at sea due to their conspicuous wakes."<sup>8</sup>

The published technical literature on improvements in film resolution quality, in conjunction with progress in lengthening camera focal lengths, is indicative of the remarkable advances in long-distance photography since World War II. The camera will never be an X-ray instrument to probe inside of structures and reveal factionalism in politburos, unruliness among intelligentsia, and purposes of foreign policy maneuver. Photography of the future, however, could be highly informative about the external outlines of facilities that attest to military readiness, economic strength, and scientific capability. It could show sizes of atomic reactor installations, dimensions of airfields, numbers of missile sites, production capacities of steel plants, clusters of military barracks, extensions of railroad track, deployments of armored vehicles, movement of naval squadrons, presence of fighter aircraft, construction of port facilities, deck cargoes on merchant ships, ravages of natural disaster, state of activity at shipyards, massing of armed forces, location of important factories. It could map the world and render irrelevant all the secretiveness of some governments about terrain and topography. As technological advance made obsolete many fortress walls of an earlier time, overhead photography could come to antiquate some walls of secrecy that governments today regard as necessary for state security.

### Signal Intelligence

In signal intelligence, as with overhead photography, the future potential can be glimpsed from the past record. The open literature on signal intelligence is fullest on the subject of communications intercept, that is, the information obtained by tuning in on voice and telegraphic communication carried over lines or wireless. For the most part, it is the wireless communication that is vulnerable to intercepts. This means that the collection of communications intelligence can be generally done from home or friendly territory, without trespass across boundaries.

The task is much more than one of listening in. At the opening of World War I, German intelligence had a windfall of readable intercepts when the Russians sent many of their military orders "in the clear" or in a very simple code. Every major government today, however, operates its communications under strict security rules. The most important messages are encoded. Cryptography will break a few codes, not all. Capture of code books in wartime can help. When the codes are acquired by one means or another, intelligence is more informed than it could be by a thousand agents. America's naval victory over Japan at Midway six months after Pearl Harbor was attributable in large part to American possession of the Japanese naval code. The American shootdown of the airplane carrying the chief of the Japanese naval fleet in 1943 was made possible by a radio intercept which revealed the itinerary the Japanese

<sup>7</sup> U.S., Congress, House, Select Committee on Astronautics and Space Exploration, *Space Handbook: Astronautics and Its Applications, Staff Report*, 85th Cong., 2nd Sess., 1959, p. 172.

<sup>8</sup> United Nations, General Assembly, *Report of the Conference of Experts for the Study of Possible Measures Which Might Be Helpful in Preventing Surprise Attack and for the Preparation of a Report thereon to Governments*; A/4078, S/4145, 5 January 1959, Annex 6, p. 3.

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admiral would follow on an inspection trip. The United States moved a step closer to its declaration of war against Germany in World War I after the British passed to Washington their intercept of the Zimmerman message; the message transmitted the German foreign minister's suggestion to the Mexican government that it could get back its "lost territory in Texas, New Mexico, and Arizona."

If codes were the only communication disguises that intelligence had to penetrate, its task would be difficult enough. But there are other techniques for concealing messages from unwanted listeners. During World War I, one of the German radio broadcast stations used to follow its regular evening broadcast with a rapid succession of gibberish signals. The British monitors could make nothing of the signals until one day the officers aboard a monitor ship in the Mediterranean took to amusing themselves by playing back a record of the German squeaks. When an officer who put the record on the phonograph forgot to wind it, the screech became a distinguishable sequence of transmission groups, easily readable because it happened to be in an old German army cipher that the British already held.

A point previously made—that the line between collection and analysis is often a blurred one—is especially worth repeating here. The interpretation of radio beeps is a job for the technical specialist who is to be found in the collection organization. Garbles are not infrequent in reception of the signals. The collection organization is the best equipped to make the technical judgments about reliability of evidence and often to suggest the lines of analysis that the evidence will support.

Little need be added in this discussion to what is abundantly clear from the public record—that the family of electronic intercept includes many forms of data other than voice and telegraphic communication. The electronic signals that emanate from Soviet missiles in flight and from orbiting earth satellites are picked up not only in Soviet ground stations but at other installations with the necessary receiving equipment. Technology in our age is so increasingly a matter of remote control and guidance that such opportunities for signal intercept keep going up at rates of geometric progression.

There is a story of the American Secretary of State who was outraged on taking office in 1929 to learn of the electronic facilities to which his department had access for reading intercepts of foreign messages.<sup>9</sup> His view of the proprieties did not prevail against the advances of the electronic age. Today, Britain's observatory at Jodrell Bank can intercept pictures of the moon radioed back from Soviet Luna space probes without inspiring charges of espionage. And there is little questioning of the necessity for an arc of electronic eyes and ears across North America to guard the continent against surprise attack. The observation activity, not involving infringement on foreign territory, is openly acknowledged by the responsible observers and more or less accepted with shoulder shrugs by the observed. The most hopeful aspect of the change in attitudes is that it may incline nations to inquire more earnestly into the prospective uses of technical surveillance for relaxing international tensions. The partial test-ban treaty, whose underpinning is the confidence of the United States and the Soviet Union in their technical detection capabilities, breaks a path to the future possibilities.<sup>10</sup> In the meantime, intelligence will incorporate the latest technologies to collect an ever rising proportion of its information by technical methods.

<sup>9</sup> Herbert O. Yardley, *The American Black Chamber* (Indianapolis: The Bobbs-Merrill Company, 1931), p. 370.

<sup>10</sup> See *supra*, p. 78.

Part V  
INTELLIGENCE IN THE DEMOCRATIC SOCIETY

## Chapter 11

### Roles and Image

The work of intelligence projects two public images. One is the image of intellect and knowledge. The other is of secret-agent activity. The focus of this inquiry has been on the first rather than the second—the intellectual contributions of intelligence analysis rather than the field of secret action. However, the reputation of headquarters analysis is affected by its organizational link to other activities, and the nexus deserves discussion.

In the deliberations that preceded the establishment of the CIA in 1947, there was one point of unanimous agreement: no intelligence organization in America could have so many spheres of assigned responsibility as to give it virtually Gestapo powers. The *Chicago Tribune* and the *Washington Times Herald* raised the specter in 1944, when they published General Donovan's proposal to President Roosevelt for a peacetime intelligence agency. The language of the headlines and editorials ran to such phrases as "superspy system" and "bigger and better spying" and "police state." Members of Congress echoed the journalism with their own rhetoric about a "super-Gestapo." A year later, President Truman, sensitive to all political overtones, told his Director of the Bureau of the Budget that it was "very important to this country to have a sound well-organized intelligence system" and then added the proviso that "this country wanted no Gestapo under any guise or for any reason."<sup>1</sup>

The anxieties were grounded in the historical record of tyrannies served by all-purpose secret services. Since domestic conspiracy was the only recourse against tyrant governments, these regimes needed their efficient internal security arms to combat the conspirators. Since the conspiratorial groups included emigres aligned with others operating from foreign bases, the security arm found itself in foreign operations. Thus did Cromwell's internal security service get into foreign intelligence, and thus did the Okhrana of the Russian czars despatch agents to infiltrate emigre groups abroad, both to spy on them and to sabotage their operations.

In Hitler's Germany and Stalin's Russia, the agencies of repression were empowered to engage in both foreign and domestic operations. The amalgamation of functions in the same organization subjected citizens at home to the same standards of operational action that were applied against foreign enemies. The system was in keeping with the form of government, which disdained to guarantee any private areas of immunity from the reach of state authority.

In the United States after World War II, the general aversion to creation of a unified police-intelligence complex defeated hopes in some quarters that the FBI would become the agency for peacetime intelligence operations. The

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<sup>1</sup> Harry S. Truman, *Years of Decision* (New York: Doubleday & Co., Inc., 1955), p. 98, quoted in Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965 printing), p. 43.

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FBI's credentials were widely conceded—among them its experience in the conduct of foreign intelligence operations in the Western Hemisphere during the war. The best judgments in Washington, however, were intent on drawing the line between internal security operations and foreign intelligence. The 1947 Act creating the Central Intelligence Agency was explicit on the point that the new organization had “no police, subpoena, law-enforcement powers, or internal security functions.”

### Intelligence and Covert Action

So the sentiment of the country led to division of the jurisdictional areas between internal security and foreign intelligence. Another jurisdictional issue relates to field operations of intelligence that go beyond mere fact-gathering. In World War I, the contacts of Lawrence of Arabia in the Middle East were not only his sources of intelligence but his instruments also for inciting insurrection against the Turkish government. In World War II, the OSS teams that parachuted into France to gather tactical intelligence did their best work if they undertook concomitant engagements to organize, train, and supply local guerrillas. As an undercover agency, OSS was also a convenient choice for certain psychological warfare assignments.

The objectors to such arrangements for organizational integration of intelligence collection and other secret operations fall into two groups. One simply takes exception to U.S. Government involvement in covert political and paramilitary action. The point of view is principled but not persuasive to a majority that has always shied from proposals for unilateral disarmament. The majority view draws on precedents that go back to the earliest days of the Republic. The very first Congress in 1790, when it legislated on “the means of intercourse between the United States and foreign nations,” gave the President the authority to make certain expenditures which, in his judgment, would not have to be made public.<sup>2</sup>

The second class of objector concedes the necessity of covert political and paramilitary action but argues for organizational separation from intelligence. When he briefed President Kennedy before the Bay of Pigs, Allen Dulles had in effect to wear two hats, one as an informed authority on Cuban capabilities and another as the head of an organization that had engaged its prestige in a particular plan for overthrowing Castro. Did the responsibilities for planning the attack entail some loss of personal objectivity about Cuban capabilities?

Senator Pell of Rhode Island would answer in the affirmative:

My own personal view is that a complete, fair assessment would show that the United States would have, on balance, gained greatly as the result of its intelligence collection and assessment activities. But . . . when decisions to carry out operational activities have gone sour, the reason for clouded judgments has simply been that the same group assesses the intelligence and then proceeds to carry out the operation.<sup>3</sup>

The Senator was restating a judgment which Walter Lippman, writing on intelligence, had made four decades before:

The only institutional safeguard is to separate as absolutely as it is possible to do so the staff which executes from the staff which investigates. The two should be parallel but quite distinct bodies of men, recruited dif-

<sup>2</sup> James D. Richardson (comp.), *A Compilation of the Messages and Papers of the Presidents: 1789-1897* (Washington: U.S. Government Printing Office, 1897), Vol. IV, p. 433.

<sup>3</sup> U.S., *Congressional Record*, October 9, 1963, p. 18143.

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ferently, paid if possible from separate funds, responsible to different heads,  
intrinsically uninterested in each other's personal success.<sup>4</sup>

Senator Pell suggested a study drawing on experience "in other countries where intelligence and operational activities are lodged with separate organizational entities . . ." The British in World War II did in fact set up a separate Special Operations Executive for such activities as guerrilla-support. There were instances when the British organizations tripped over each other's cloaks and daggers, but there were mishaps also under the more unified operations of America's OSS. It is a moot point that the war experiences argue especially for splitting the functions or keeping them together.

It is a certain point, however, that organizational division would have to allow for very vague boundaries of jurisdiction. An agent can both inform and manipulate. If he is in a position to do both, is he to do only one? Or, if he is to do both, is he to be handled by two different organizations? The latter recourse invites more complications in undercover work than solutions. The former invites other managerial absurdities. Frogmen can reconnoiter and they can employ their talents at demolition. It would be nonsense to incur the risks of sending in a second team of frogmen to do demolition if the reconnoitering team were already in place. The intelligence professional can argue from a host of analagous cases. The findings of the board of inquiry that President Kennedy established after the Bay of Pigs decided him in favor of union rather than division of functions.

The searching critic who argues for organizational change tends also to concede the logic of existing arrangements once he has thought deeply about the subject. "Unfortunately," Mayor Lindsay (then Congressman) regretfully put it in 1963, "the people in the most favorable position to collect clandestine information are often also the people best placed to engage in subversive political activities."<sup>5</sup> He reflected on the point again the following year: the problem, he said, "eludes organizational formulas."<sup>6</sup>

If the balance of pros and cons favors the organizational union of intelligence and special operations, the Bay of Pigs still carries its instructive lessons. One which makes its hindsight impression on intelligence analysts is that the operation might well have called on the collaborative procedures of national intelligence. The merit of these procedures is in their tendency to correct for the bias arising from the undue proximity of one of the intelligence organizations to a particular policy interest. If the government is engaged in a major undertaking involving special operations, this undertaking could benefit from the same sort of collective intelligence evaluation that is given to other government operations. Before the event, this would mean an intelligence estimate of probable effects. After the event, further estimates may be called for to evaluate the results. The published evidence, however, is that such intelligence evaluation was not incorporated into the planning for the Bay of Pigs.<sup>7</sup>

<sup>4</sup> Walter Lippman, *Public Opinion* (New York: The Macmillan Company, 1922), p. 384, cited in Sherman Kent, *Strategic Intelligence for American World Policy* (Princeton, N.J.: Princeton University Press, 1949), p. 200.

<sup>5</sup> U.S., *Congressional Record*, August 15, 1963, p. 14263.

<sup>6</sup> John V. Lindsay, "An Inquiry Into the Darkness of the Cloak, The Sharpness of the Dagger," *Esquire* (March 1964), p. 107.

<sup>7</sup> Arthur M. Schlesinger, Jr., *A Thousand Days: John F. Kennedy in the White House* (Boston: Houghton Mifflin Company, 1965), p. 248.

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Analysis and Collection

There still remains to consider a scheme for reorganization that would respect the arguments for union of clandestine collection and special operations. This is the scheme that would separate research and analysis on the one hand from all undercover activities on the other. During the hearings on the legislation that set up the Central Intelligence Agency, there was considerable sentiment for giving the Agency research and analysis functions only.

This sentiment persists in some quarters. The concern is that the information collection responsibilities of intelligence, no less than its other secret action responsibilities, can make it the advocate of an operation which has policy implications. "The decision to seek information by clandestine means," editorialized the *Washington Post* on February 20, 1963, "often is, in itself, a policy decision." The *Post* went on to observe that "the U-2 episode in the Soviet Union is only the most dramatic illustration of the impact of intelligence activities on policy."

The point is apt, but it has still to be weighed against the advantages of organizational union--the facilitation of communication necessary to make clandestine collection quickly responsive to the requirements of analysts, the assistance that proximity to the analysts offers the collectors in evaluation of the clandestine reports, the invariable necessity for close analysis-collection teamwork in manning the round-the-clock task forces that are set up to monitor crisis situations.

The subject is further complicated by the fact that collection and analysis are not organically separable, however earnestly the attempt is made to separate them organizationally. The diplomat has license to make lengthy analysis of his collected data. In technical collection, the lines between data-reduction and analysis are blurred. And the clandestine collector has to decide at the least which of his reports are worth disseminating. There is no escaping reliance on the collectors for some interpretation.

It is also deserving of note that intelligence in the United States is already an enterprise in which several agencies participate. How much further splitting of intelligence is possible without carrying the fragmentation process to a point of diminishing returns? There are other ways to keep analysis honest than to separate it from collection. The present arrangements rely on the checks and balances of the community system--the procedures for consultation in the U.S. Intelligence Board and other intelligence forums.

This is a guard against the particular bias of any one agency in the intelligence community. Admittedly, it is less effective a guard against a bias that is distinctive to the community as a whole. While the collectors may be the most ardent promoters of their wares, the intensity of its interest in these wares can dispose intelligence generally to belittle protocol embarrassments and other possible policy ramifications of collection activity. The Hoover Commission was rather approving of this intelligence bias:

. . . among some of those responsible for implementation of our foreign policy by diplomacy and negotiation, there seems to exist an abhorrence to anything that might lead to diplomatic or even protocol complications . . . This negative attitude, usually at the desk level, at times has stifled initiative and action in the collection of intelligence. Some of these efforts, if permitted to proceed properly, might have brought direct and immediate results and made positive contributions to the national welfare that would have



The Commission's barbs at the diplomats were probably inspired by the insatiable hunger of intelligence to get all the facts it is possible to get. This is not a hunger, be it noted, that is diminished by separating analysis from collection. Intelligence analysts value hard information uncovered by overhead reconnaissance, no matter what agency is charged with the reconnaissance responsibility. The analyst is always laying requirements on collection that are impelled by his urgent need to know more. The felt need to know more is the overriding intelligence bias, and a restructuring within the community will not correct for this bias, which derives from the innate character of the intelligence interest. If intelligence has to be checked in its ingrained enthusiasms, it must be by outside judgment.

More extended discussion on the arrangements for outside review of intelligence is reserved for the next and final chapter. This advance word about outside review is injected only for its bearing on the subject here under discussion—the alertness of the organization whose absorbing interest is information to the possible policy consequences of information collection. The instructive case history is a recent contretemps of overt collection, not because examples in clandestine collection are lacking, but because an authoritative inquiry has made public many of the facts about Project Camelot. This aborted research study was designed to help build a generalized model of a developing society:

On the one hand, Project Camelot was intended to assist in identifying the forerunners of social breakdown and the resultant opportunity for Communist penetration and possible takeover; on the other hand, it was also expected to produce basic information which would furnish some guidelines with respect to actions that might be taken by or with the indigenous governments to foster constructive change within a framework of relative order and stability.<sup>9</sup>

The research design of Project Camelot provided for extensive field work that would hopefully conclude with a valuable contribution to the open literature on social forces in the developing countries. The organization that contracted to do the research for the U.S. Army was the Special Operations Research Office (SORO) of American University. The project was still in early preparatory stage in the summer of 1965 when a SORO representative traveling in Chile made inquiries to determine if that country ought to be covered in the research program. A left-wing Chilean newspaper distorted this display of interest in Chilean social problems to promote a political tempest. The U.S. Army was persuaded that Camelot could go forward now only with a running backfire that would debar any fruitful field research. Reluctantly, the Army cancelled the project.

Project Camelot is one of many overt research programs on foreign areas and international problems sponsored by the government. An interagency group chaired by a State Department intelligence representative, the Foreign Area Research Coordination Group, has kept tabs on projects of this sort. The surveillance did not originally carry with it any powers of veto over an agency's

<sup>8</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Intelligence Activities: A Report to the Congress*, Washington, 1955, pp. 68-69.

<sup>9</sup> U.S., Congress, House, Committee on Foreign Affairs, Subcommittee on International Organizations and Movements, *Behavioral Sciences and the National Security*, 89th Cong., 1st Sess., 1965, p. 3R.

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decision to undertake a particular line of research; the purpose rather was coordination of research efforts in the government and avoidance of duplication.

The Camelot furor, however, struck home the desirability of stronger controls. Probing of any sort abroad touched on sensitivities of foreigners. The activity was therefore one of especial interest to the State Department, not only to State intelligence but also to officials charged with administering policy. These officials were chagrined after the event to find that the American ambassador in Chile had been uninformed about Camelot and had felt compelled in his cables home to protest his lack of knowledge. The general feeling in Washington was that State policy officials should keep fully informed about projects like Camelot. In July 1965, the Secretary of Defense directed that "all studies done in or for the Department of Defense, the conduct of which may affect the relations of the United States with foreign governments, are to be cleared with the office of the Assistant Secretary of Defense (International Security Affairs) before they are initiated."<sup>10</sup> This clearance ensured review and control at the Defense Department's major contact point with State.

President Johnson gave further sanction to State's powers of review in a letter he wrote Dean Rusk in August:

Many agencies of the Government are sponsoring social science research which focuses on foreign areas and peoples and thus relates to the foreign policy of the United States. Some of it involves residence and travel in foreign countries and communication with foreign nationals. As we have recently learned, it can raise problems affecting the conduct of our foreign policy.

For that reason I am determined that no Government sponsorship of foreign area research should be undertaken which in the judgment of the Secretary of State would adversely affect United States foreign relations. . .<sup>11</sup>

The direct consequence of the President's letter was the establishment within the State Department of the Foreign Research Council. The Council, on which both intelligence and policy officials of the Department were represented, was to exercise powers of supervision which, in effect, gave State a veto power over any Government-sponsored research project on a foreign area.

In his testimony before Congress, Secretary Rusk indicated some of the considerations which would govern State's new checkrein powers. He had brought with him to State some nine years of experience with a private foundation that supported research all over the world. "We found, for example, in Latin America that whereas research in medicine and public health and agriculture and the physical sciences was readily received and created no problems, research that moved into the social sciences and humanities field, even for a private agency with no Government connections whatever, was a matter of considerable sensitivity."<sup>12</sup>

He thought that the United States Government had a responsibility to consider the impact of its research activities on the already difficult position of American scholarship at large:

We are aware that large and highly visible official U.S. projects probing into delicate social and political matters may, unless they are carefully planned to take full account of foreign sensibilities, help to create or increase hos-

<sup>10</sup> *Ibid.*, p. 7R.

<sup>11</sup> *Ibid.*, p. 107.

<sup>12</sup> *Ibid.*, p. 111.

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tivity not only toward researchers identified with the U.S. Government but also toward American scholars who are completely unconnected with Government agencies. We must take care that official sponsorship of research does not increase the difficulties of independent American scholars who are doing or plan to do private research abroad.<sup>13</sup>

The sensitivity of foreigners, the Secretary suggested, was related to the particular agency which sponsored the research. "I think there is still a somewhat greater level of sensitivity if the Armed Forces are involved in such research . . ."<sup>14</sup>

The moral of Project Camelot is that the agency which is most desirous of having research done cannot safely be the only one to make the judgment about getting it under way. Secretary Rusk was clear on this point:

There cannot be a satisfactory answer unless we in our Department have a chance to look into the impact of such research projects on foreign policy and have a chance to take them up with other governments to see whether special problems of that sort exist. Because if the problems do exist, then it is just unfeasible to suppose the research can proceed. The very possibility evaporates. Unless the way can be cleared for successful conclusion, successful execution of such research, then we may be faced with the fact that there are some questions on which we would like to have answers, but we can't just get them this way.<sup>15</sup>

### The Intelligence Personality

The government organization is created by law and administrative regulation, but these do not alone shape their offspring. A word is in order about the political drives of the intelligence personality. Enough has been written about the Himmlers and Berias of totalitarian societies to raise questions about the intelligence environment and about the type of personality it attracts. The intelligence-security complex in these societies houses a special sort of elite. Its high officials and rank and file are persons who pass especially severe tests of ideological commitment. They are the most reliable of political reliables, allowing for the few defections that demonstrate the inevitability of error creeping into human appraisal. They are by and large uncritical agents of the totalitarian power structure, with a presumptive professional prejudice against any liberalizing trend that might diminish them in function and prestige.

The biography of Peter Deriabin suggests the personality profile of the type of man sought out for service in Soviet security and intelligence under Stalin.<sup>16</sup> Deriabin entered this field at the age of 23. He brought with him a distinguished record as a front-line officer during World War II. He was a member of the Communist Party. He had been in his teens a member of the Komsomol, the party's youth organization, and he was before that a Young Pioneer. He had a record as a propaganda activist for the faith. He was, in short, an exemplar of Soviet society, with seemingly the desired rigidity of attitude to keep him hostile to any unconventional view.

Much of the misgiving about security and intelligence functions in democratic societies derives from surmises that the very character of the activities requires the recruitment of Deriabin counterparts. A few mutations (the real-

<sup>13</sup> *Ibid.*, p. 109.

<sup>14</sup> *Ibid.*, p. 112.

<sup>15</sup> *Ibid.*, pp. 113-114.

<sup>16</sup> Peter Deriabin and Frank Gibney, *The Secret World* (Garden City, N.Y.: Doubleday & Company, Inc., 1959), 334 pp.

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life Deriabin eventually broke away to the West) may appear in the natural selection process, but the breed by and large is allegedly one with a perspective that grossly overestimates threats to national security. This is not the invariable stereotype of the intelligence officer; it is certainly not the one that Senator Joseph McCarthy drew in the 1950's when he charged Communist infiltration into the CIA. But it is the image represented in recent commentary. "What worries a good many people is the likelihood that CIA personnel practices, geared to a narrow view of national security needs, tend to produce a staff representing a very limited and partisan range of the political spectrum."<sup>17</sup>

There is no persuasive way to dispel this impression, since the public record of intelligence analyses—both of those which turned out right and of those which proved wrong—is thin. What there is of the public record, does not suggest subservience to any particular partisan bias. An intelligence report that highlighted the dangers of population growth in the developing countries was published in 1959, at a time when the thesis carried a higher political charge than it would today.<sup>18</sup> The estimate in 1962 that Khrushchev would not put offensive missiles in Cuba was outside the sector of political opinion which is prone to anticipate every possible villainy from the Communists. The partisans of this political sector would also have been irritated by the projection in 1964 of a worsening trend in South Vietnam, although others could also have taken honest objection.<sup>19</sup> The early perception of the Sino-Soviet rift clashed with a widespread antipathy in America to any subtlety that seemed to make distinction between "good" and "bad" Communists.

The disclosure by intelligence of lowered economic growth rates in the Soviet Union was initially received with unsympathetic reserve by many fair-minded students, who were concerned about keeping analysis untouched by anti-Communist propaganda.<sup>20</sup> Subsequent evidence of Soviet economic problems perhaps persuaded many of the skeptics that the intelligence assessment was close to the mark, not a cold-war flimflam.

Conceding that the intelligence analyst at headquarters is not especially to be faulted for his political leanings, one may still ask about the officers in clandestine operations. Congressman Lindsay's impression in 1963 seemed to be that the clandestine operators are so politically unperceptive a lot that they cannot comprehend the liabilities America incurs by cooperating with reactionary groups.

... one of the things that went wrong with the abortive Cuban invasion . . . was that much of the CIA personnel responsible for the operation consisted of the sort of people who could not distinguish between the reactionary and the democratic elements in the anti-Castro camp, between the opponents of Castro who were acceptable to the Cuban people and those who, as former supporters of Batista, were anathema to them. . . I have a hunch that CIA recruitment policy has had an effect on CIA's performance.<sup>21</sup>

The analyst and the operator may differ in political temperament, not because of recruitment policy but because the occupations are so different. If

<sup>17</sup> Letter to the Editor, *The New York Times*, May 14, 1966, p. 30.

<sup>18</sup> U.S. Department of State, Bureau of Intelligence and Research, *World Population Trends and Problems*, July 23, 1959. (Unclassified.) See also *supra*, p. 58.

<sup>19</sup> *The New York Times*, August 23, 1964, p. 1.

<sup>20</sup> *Ibid*, January 10, 1964, p. 1.

<sup>21</sup> U.S., *Congressional Record*, August 15, 1963, p. 14269.

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there are comparatively fewer left-wingers in banking than in teaching, it is not because banks give different loyalty tests before hiring than do schools but because individuals from the left are much less attracted to banking careers. Individuals who are attracted to clandestine operations probably tend to be more outgoing and physical in their interests than the analysts. The difference in personality may be associated with some difference of political complexion, but the exceptions are so numerous as to make the generalization suspect.

If this discussion betrays a certain defensiveness on behalf of the intelligence personality in America, it is not to criticize debate about the place of intelligence in the democratic society. The nature of the activity will always be an area of legitimate concern, for it is activity which is necessarily placed outside the range of full public scrutiny and review. Congress has never been comfortable about areas of executive privilege to which it was debarred access, and it recurrently contemplates proposals for greater surveillance over intelligence. The final chapter turns to this issue, which is at the center of most of the recent thoughtful discussion about intelligence roles consistent with the country's democratic tradition.

## Chapter 12

### Surveillance Over Intelligence

In the year 1801, Congress instituted an inquiry into "the unauthorized disbursement of public money" in the executive branch. Secretary of the Treasury Wolcott reared his back.

Is it then seriously asserted that in the War and Navy Departments—establishments which from their nature presuppose an actual or probable state of war, which are designed to protect our country against enemies—that the precise object of every expenditure must be published? Upon what principle are our Generals and Commanders to be deprived of powers which are sanctioned by universal usage and expressly recognized as lawful by all writers of the Law of Nations? If one of our Naval Commanders now in the Mediterranean should expend a few hundred dollars for intelligence respecting the force of his enemy or the measures meditated by him, ought the present Administration to disallow the charge, or publish the source from which the intelligence was derived? <sup>1</sup>

The question was rhetorical, making a point which was already respected in legislation of the day. Congress characteristically appropriated special funds for "contingent expenses" of the State, War, and Navy Departments. The rule was to require only Presidential certification of amounts spent. No detail was demanded with respect to the specific object of expenditure.

In this tradition, the National War Agency Appropriation Act of 1945 provided OSS with a \$35 million fund, from which disbursements could be made on "the certificate of the Director of the Office of Strategic Services . . . such certificate . . . deemed a sufficient voucher for the amount therein certified." Similarly, the legislation setting up the CIA gave the Director of Central Intelligence authority to make disbursements "without regard to the provisions of law and regulations relating to the expenditure of Government funds," although he could not of course spend more than the amounts appropriated to his Agency by Congress. The Director was particularly free from restraints in the case of expenditures of "a confidential, extraordinary or emergency nature." In such case, his own certifying voucher was to constitute sufficient authority for the expenditure.

The record thus attests to Congressional consideration for the needs of intelligence to enjoy certain exemptions in its financial accounting. The record also attests to some anxieties about exemption giving rise to abuse. In 1842, Secretary of State Daniel Webster negotiated an agreement with the British representative Lord Ashburton on the long-disputed boundary between Maine and Canada. Secretary Webster then spent money out of a \$17,000 "secret

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<sup>1</sup>Fred Wilbur Powell (comp.), *Control of Federal Expenditures: A Documentary History 1775-1894* (Washington: Institute for Government Record of the Brookings Institution, 1939), p. 329.

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service" fund to elicit favorable comment on the agreement from the Maine press.<sup>2</sup> In the next administration of President Polk, Congress requested an accounting of these secret expenditures. The President turned down the request. He acknowledged the "correct public feeling throughout the country against secrecy of any kind in the administration of Government." He pointed, nevertheless, to the privileged character of certain funds appropriated by Congress. These funds, he noted, were used to employ "individuals for the purpose of obtaining information or rendering other important services who could never be prevailed upon to act if they had the least apprehension that their names or their agency would in any contingency be divulged."<sup>3</sup>

The noteworthy feature of this particular case was the extraordinary purpose of the secret expenditure. It was not to elicit foreign intelligence or to conduct a covert operation abroad but rather to manipulate domestic opinion. Today, intelligence is categorically debarred from any such domestic operation. No law or regulation is self-enforcing, however, and intelligence is made subject to surveillance arrangements in both the legislative and executive branches of government.

### Congressional Surveillance

Some of the present arrangements for surveillance were specified in 1953 by the Deputy Director of Central Intelligence. Before what Congressional committees, Senator Mansfield of Montana had asked, do CIA representatives appear on Agency business? The Deputy Director's letter of reply gave a fairly long list: Armed Services, Foreign Affairs, Government Operations, and Un-American Activities in the House; Armed Services, Government Operations, and Judiciary in the Senate. In addition, the Joint Committee on Atomic Energy was kept regularly advised of CIA activities in the atomic energy field. Certain members of the House and Senate Appropriations Committees, the letter also noted, received detailed briefings on the various aspects of CIA work at the annual review of CIA's budget requirements.<sup>4</sup>

The main surveillance responsibilities in Congress devolve on four subcommittees drawn from the Armed Services and Appropriations Committees of the House and the Senate. Members of these subcommittees are privileged to receive information that is not made available to other members of Congress. Is this situation of limited oversight peculiar to intelligence? In form at least, the situation is somewhat different for other subcommittees, whose findings are more open to review and challenge in their parent committees or in Congress as a whole. In practice, the situation is not so different; what is passed up to Congress and then passed by Congress reflects generally the subcommittee viewpoint. Subcommittees of the House Appropriations Committee, for example, hold their hearings often in "executive session," and the decisions of these subcommittees are seldom changed, either in the Appropriations Committee or on the House floor.

Since subcommittees can and do bring weight to bear, Congress cannot be faulted for failure to create the institutional arrangements for bringing off adequate surveillance over intelligence activities. Yet the charge is frequent that the surveillance has been less than adequate. By way of defense, Senator Salton-

<sup>2</sup> Richard N. Current, "Webster's Propaganda and the Ashburton Treaty," *Mississippi Valley Historical Review*, Vol. XXXIV, No. 2 (September 1947), p. 189.

<sup>3</sup> James D. Richardson (comp), *A Compilation of the Messages and Papers of the Presidents, 1789-1897* (Washington: U.S. Government Printing Office, 1897), Vol. IV, pp. 434-435.

<sup>4</sup> U.S., *Congressional Record*, March 10, 1953, p. 2988.

staff of Massachusetts suggested in 1956 that responsible Congressional oversight in the case of intelligence simply had to be self-limiting: ". . . it is a question of our reluctance, if you will, to seek information and knowledge on subjects which I personally, as a Member of Congress and citizen, would rather not have, unless I believed it to be my responsibility to have it, because it might involve the lives of American citizens."<sup>5</sup> The Senator's quite proper point was that Congressional overseers should not be getting into such matters of sensitive detail as say the identity of agents.

The evidence of recent press reports is that the subcommittees' surveillance over intelligence today is more embracing and interrogative than it used to be and that the Director of Central Intelligence is responsive to subcommittee requests for information. The responsiveness derives from the confidence that the information will not go beyond the subcommittee chambers. Were Congress as a body to request the information, the executive branch would look to the historical precedents on the subject of executive privilege.

The precedents date from the eighteenth century. The position of President Washington's Administration, when the House of Representatives requested information about the disastrous military expedition in 1792 under Major General St. Clair against the Northwest Indian tribes, was that "the Executive ought to communicate such papers as the public good would permit and ought to refuse those the disclosure of which would injure the public."<sup>6</sup> In our own time, President Eisenhower stood on ground of executive privilege when he denied Senator Joseph McCarthy access to Army files in 1954. President Kennedy also invoked the doctrine in 1962, when he forbade the release by the Department of Defense of information desired by Senators investigating the Department's censorship of public speeches by military officers.

The courts are sympathetic to executive concerns about sensitive information. The Supreme Court's ruling is that "even the most compelling necessity cannot overcome the claim of privilege if the court is ultimately satisfied that military secrets are at stake."<sup>7</sup> This judicial principle, like most, is no unfailing guide to the verdict in any particular litigation involving intelligence. In general, the courts will not compel the Government to give information if it is not a party to the suit. If the Government is a party, the courts consider claims of privilege more carefully. However, if the Government is prosecutor in a criminal case, it must accept the priority of a defendant's claim to personal liberty over the doctrine of executive privilege. The Government may find itself with no choice between disclosure and dropping the case.

The precedents then are well-established; the executive branch can set limits on disclosure. Since Presidential discretion in intelligence matters is so determining, an integral part of the surveillance question is the effectiveness of the watchdog procedures that have been set up within the executive branch itself.

### Executive Surveillance

Intelligence in America up to World War II was a service that placed low on the bureaucratic totem pole. State had no intelligence analysis service at all as a distinctive organization, and military intelligence was a staff function subordinated to operational command. The wartime OSS represented intelligence

<sup>5</sup> U.S., *Congressional Record*, April 9, 1956, p. 5924.

<sup>6</sup> Joseph P. Harris, *Congressional Control of Administration* (Washington: The Brookings Institution, 1964), p. 251, citing *Papers of Thomas Jefferson*, Vol. I (1950 ed.), pp. 189-190.

<sup>7</sup> U.S. v. Reynolds 345 US 1 (1952).



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for the first time at the level of an independent agency, although it operated under the Joint Chiefs of Staff.

The legislation of 1947 setting up the CIA firmly established intelligence at the independent agency level, subject, however, to the reviewing authority of the National Security Council. The NSC had other tasks besides the supervision of intelligence, and in its performance of these other tasks, the Council conceived its role as limited strictly to advising the President. Only in intelligence did the NSC technically have more than an advisory role; for the 1947 Act devolved on the Council members a corporate responsibility for the organization and coordination of intelligence activities.

The NSC began early to discharge this responsibility. It issued its first directives on the organization and coordination of intelligence in December 1947. The following month, it initiated a general survey of intelligence activities, drawing on the services of outside consultants (one of whom, Allen Dulles, was later to become Director of Central Intelligence). These energetic beginnings were auguries of an attentive surveillance over intelligence. The evidence, however, is that the NSC was so much more concerned with substantive policy issues of the day that it deferred to the judgment of the intelligence professionals when it came to consider questions of intelligence procedures and organization. Writing in 1952, the Council's Executive Secretary alluded to the NSC intelligence directives, issued "usually on the recommendation of the Director of Central Intelligence and the Intelligence Advisory Committee."<sup>8</sup>

Over the years, there has been some evolution of procedures for executive surveillance over intelligence by agencies other than the NSC. One of the notable recommendations of the Hoover Commission's Task Force which investigated intelligence in 1954 was for a "watchdog commission" composed of both members of Congress and "other public spirited citizens commanding the utmost national respect and confidence."<sup>9</sup>

The full Hoover Commission, in its 1955 report, modified this recommendation by splitting it into its twin parts. Instead of one supervising agency, the Commission recommended two, a Congressional watchdog committee and a committee in the executive branch reporting to the President. The reaction of the Eisenhower Administration to the suggestion of a new Congressional watchdog was cold, but it did accept the idea of a board of review within the executive branch. In February 1956, the President's Board of Consultants on Foreign Intelligence Activities was formally established. The first chairman of the eight-man board was Dr. James R. Killian, President of the Massachusetts Institute of Technology. The President requested that the board meet for several days not less than once every six months.

The board lapsed into inactivity after President Eisenhower left office. President Kennedy reactivated it after the Bay of Pigs, renaming it the President's Foreign Intelligence Advisory Board. Like his predecessor, President Kennedy envisaged periodic rather than standing review, and the members of the board have not given anything approaching their full time to oversight of intelligence.

<sup>8</sup> James S. Lay, Jr., "National Security Council's Role in the U.S. Security and Peace Program," *World Affairs*, Summer, 1952, reprinted in U.S., Congress, Senate, Committee on Government Operations, Subcommittee on National Policy Machinery, *Organizing for National Security*, Vol. 2, p. 157. The Intelligence Advisory Committee is now known as the United States Intelligence Board. See *supra*, p. 4.

<sup>9</sup> U.S., Commission on Organization of the Executive Branch of the Government, *Intelligence Activities: A Report to the Congress*, Part II, Task Force Report on Intelligence Activities in the Federal Government, May 1955, p. 71.

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Like the directors of a corporation who convene periodically, they can interrogate management sharply and regard with skepticism. Their dissatisfactions can be a prod to improved performance, reorganizations, and personnel changes. But they are informed only well enough to raise questions about broad programs. They necessarily allow a long leash to those who make the operational decisions. The shorter leashes are held elsewhere in the executive branch.

For example, the authority granted the Director of Central Intelligence to disburse certain funds on his own voucher is far from a license for profligate expenditures. The disbursements are still subject to the accounting controls of CIA's own auditors. No intelligence officer can make unjustifiable outlays without making himself liable to the same claims for refund that would be levied against him if his books were subject to examination by the General Accounting Office.

Whatever its comparative freedom from external audits of expenditures, the CIA is subject to the usual executive checkreins when it comes to getting its funds. The ordeal of the budget cycle is the same in intelligence as elsewhere, always involving the tearless screening of proposals by the Bureau of the Budget. The one difference is that the CIA's budget does not become a matter of public record; but the Bureau does know the figures, does weigh them against the needs or claims of other government agencies, and does exert the usual pressure for cutbacks in order to keep the total submitted by the President to Congress within bounds.

Even before a Congressional subcommittee sees the CIA budget, there is a review by the Bureau of the Budget, which must approve the amount set aside for CIA, and this, of course, includes Presidential approval. Then the budget is considered by the subcommittees of the Appropriations Committees of the House and of the Senate, as is the case with other executive departments and agencies. The only difference in the case of the CIA is that the amount of its budget is not publicly disclosed, except to these subcommittees.

. . . This subcommittee is entitled to see everything it wishes to see with regard to the CIA budget and to have as much explanation of expenditures, past and present, as it desires.<sup>10</sup>

The appropriation of funds constitutes only the most general authorization for an intelligence program. The established procedures currently require the CIA to submit to a project-by-project check by a special group of top officials from State and other offices. This group meets often enough to be informed on operational problems, and it thus gives more than the broad oversight for which the President's Foreign Intelligence Advisory Board was set up. So the CIA does not have such independent powers of decision that it can present the government with *faits accomplis*. The President does not wake up one morning to learn by surprise of a CIA-financed caravel on the high seas approaching the Bay of Pigs. When there are failures, post-mortems do establish blameworthy reasons but do not substantiate common impressions of intelligence acting on its own.

The reference is to recent not distant history. Clandestine intelligence has always pinned diplomacy on the horns of dilemma. On the one hand, the diplomat wants to be able to disavow any involvement in clandestine operations; on the other hand, he knows that his ignorance of intelligence operations can expose

<sup>10</sup> Allen Dulles, *The Craft of Intelligence* (New York: The New American Library, 1965), pp. 242-243.

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him to even greater embarrassments than his involvement. Until fairly recent years, the dilemma was one which he had little chance of resolving himself; intelligence could conduct its operations so that the ambassador would not have enough knowledge to interpose his veto when he thought the diplomatic interest dictated suppression of intelligence ardor. In this respect, American intelligence was following the European precedents. An illustrative case is of British intelligence during World War II, when it shipped high explosives in plastic form to its operatives in neutral Sweden for possible use in sabotaging Swedish iron ore shipments to Germany. The British Minister to Sweden was not informed, although the explosives and detonators were transported in diplomatic bags by an officer travelling on a diplomatic courier's passport. Nor was the Minister informed that the material was being stored in the cellar right under his office in the legation building. The intelligence attitude was that "if he had had any inkling of what he was sitting on top of, the accustomed even flow of his despatches to the Foreign Office might have been somewhat disturbed."<sup>11</sup>

Depending on his perspective, one could be either amused or outraged by this sort of dissimulation, but the alternative of directly implicating the diplomat by making him privy to the operation did not commend itself either. The course that did commend itself to many thoughtful people was to enforce apartheid between clandestine intelligence and diplomacy. American Senators articulated the principal in 1960: "The conduct of diplomacy must be insulated from sensitive intelligence operations. Intelligence is a source of information for diplomacy—not a part of it."<sup>12</sup>

The proposition as thus stated seemed to urge close liaison between intelligence analysis and diplomacy but strict separation between diplomacy and secret operations. The difficulty with the doctrine was the scope it gave for uncoordinated activities in the area of foreign policy. Recent administrations in Washington have been at pains to eliminate possibilities of confusion. The President, McGeorge Bundy wrote in 1961 to Senator Jackson, did not wish "any question to arise as to the clear authority and responsibility of the Secretary of State, not only in his own Department, and not only in such large-scale related areas as foreign aid and information policy, but also as the agent of coordination in all our major policies toward other nations."<sup>13</sup>

President Johnson went even farther to underline State's primacy. On March 4, 1966, he designated the Secretary of State as his agent not only for coordination but also for direction and supervision of overseas activities (excluding military operations under area military commands). To assist the Secretary of State in interdepartmental matters, "including those of the Intelligence Community," a Senior Interdepartmental Group (SIG) was set up under the chairmanship of the Under Secretary of State.<sup>14</sup> Other members of SIG were to include the Deputy Secretary of Defense, the Administrator of AID, the Director of Central Intelligence, the Chairman of the Joint Chiefs of Staff, the Director of USIA, and the Special Assistant to the President for National Security Affairs.

<sup>11</sup> H. Montgomery Hyde, *Room 3603: The Story of the British Intelligence Center in New York During World War II* (New York: Farrar, Straus and Company, 1962), pp. 21-22.

<sup>12</sup> Committee on Government Operations, *op. cit.*, p. 483.

<sup>13</sup> U.S., Senate, Committee on Government Operations, Subcommittee on National Security Staffing and Operations, *Administration of National Security: Basic Issues*, 88th Cong., 1st Sess., 1963, p. 6.

<sup>14</sup> U.S., Congress, Senate, Committee on Government Operations, Subcommittee on National Security and International Operations, *The Secretary of State and the Problem of Coordination: New Duties and Procedures of March 4, 1966*, 89th Cong., 2nd Sess., 1966, p. 5.

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SIG, it was made clear, was not to be another interagency committee which could act only on the basis of consensus judgment. Rather, the Under Secretary of State, acting as "Executive Chairman," had the deciding voice, although other agencies had the right of appeal to higher authority. Under the SIG, counterpart bodies were set up at regional levels—for each region an Interdepartmental Regional Group (IRG). Like the Under Secretary on SIG, the respective Assistant Secretaries of State were to act with the powers of decision of Executive Chairmen. Other representatives on each IRG were to be from Defense, AID, CIA, the Joint Chiefs of Staff, USIA, and the White House or National Security Staff.

Control is a complex process in the large organization. The most that surveillance of the sort here described can amount to is what might be called off-line control. The controlling authority can approve a project, but it cannot preclude errors of judgement in the execution of operations. The authority does not have the online control capabilities that enable the central computer in an automated factory to take immediate cognizance of every development in the production process and to feed back adjustments before minuscule errors become serious. This degree of computer control is no more possible today in intelligence than in other areas of human behavior. The closest approach to on-line control over certain intelligence activities requires that the controlling authority be nearer than Washington to the scene of action. The scene is abroad, the highest authority abroad is the ambassador, and the noteworthy development of recent years has been his acquisition of checkrein powers over intelligence activity in his geographic bailiwick.

One of the charters for his authority is President Kennedy's letter of May 29, 1961 to all American ambassadors abroad:

You are in charge of the entire U.S. Diplomatic Mission, and I shall expect you to supervise all of its operations. The Mission includes not only the personnel of the Department of State and the Foreign Service, but also the representative of all other U.S. agencies which have programs or activities in (name of country). I shall give you full support and backing in carrying out your assignment.<sup>15</sup>

The only American government personnel not falling under the ambassador's authority were "United States military forces operating in the field where such forces are under the command of a United States area military commander." With respect to all other personnel, it was their responsibility "to keep you fully informed of their views and activities and to abide by your decisions unless in some particular instance you and they are notified to the contrary."

Personnel did retain both the right of communication with their own agencies in Washington and the right of appeal for review of the ambassador's decisions. Yet the principle of the ambassador's right to knowledge was established. Each ambassador had to decide for himself how energetically he was to exercise the right. He presumably did not want to get into the level of detail that would make him in effect the working executive in charge of the operations of every agency represented at his Mission. On the other hand, he had to know when to step in to safeguard the diplomatic interest.

The principle of ambassadorial primacy can be circumvented if the ambassador is irresolute and pliant. However, few ambassadors rise to their eminent positions with records indicating infirmity of will or purpose. The ambassador can be mistaken but he is not unassertive. He evidently encounters resistance

<sup>15</sup> U.S., Congress, Senate, Committee on Government Operations, Subcommittee on National Security Staffing and Operations, *Administration of National Security: Selected Papers*, 87th Cong., 2nd Sess., 1962, p. 9.

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to his increased authority, but he is much more in command of affairs than he used to be.

Very few of the ambassadors reported problems of coordination at their posts; those that did had usually encountered some difficulty with respect to either military or foreign-assistance personnel . . . On the whole, however, the replies . . . showed that coordination in the field was good . . .<sup>16</sup>

### The Joint Committee Idea

In April 1965, a team of New York Times newsmen authored a series of five articles on the CIA. The agency, the journalists found, was "under far more stringent political and budgetary control than most of its critics know or concede."<sup>17</sup> Yet the most earnest affirmations of informed opinion cannot fully persuade when so few can witness the operation of the control machinery. The necessity for open discussion in the democratic society is one of the horns of the American dilemma. Security is the other. There is no resolving the dilemma, but there is presumably a best possible solution that comes closest to satisfying the democratic ideal. The joint Congressional committee idea is a proposed solution that has been introduced in every session of Congress for more than a decade.

The proposal goes back even further. In April 1948 (the new Central Intelligence Agency was still in its first year), Congressman Devitt of Wisconsin took the floor to propose an 18-member joint committee, nine from each House of Congress, which was to be charged with responsibility for the continuing study of the programs and activities of CIA and other intelligence organizations in the government. The Congressman acknowledged the especially sensitive nature of intelligence, but he suggested that atomic energy, over which Congress had already set up a joint committee, was no less sensitive a field.

Support for the idea spread in the 1950's. Senator Mansfield was a prime mover, introducing joint committee proposals in the 1953 and succeeding sessions. In his remarks on the floor, the Senator acknowledged that intelligence organizations of other countries were not subject to legislative oversight, but he did not believe that intelligence activities by the United States ought to escape the American system of checks and balances. Like Congressman Devitt, Senator Mansfield and his supporters cited the surveillance over the AEC by Congress through its Joint Committee on Atomic Energy as the desirable precedent.

The Hoover Commission's 1955 report attracted new support to the proposal for a joint committee. The Commission's recommendation was that "the Congress consider creating a Joint Congressional Committee on Foreign Intelligence, similar to the Joint Committee on Atomic Energy."<sup>18</sup>

The proposal finally came to a vote in 1956. Senator Mansfield's resolution for a Joint Committee on Foreign Intelligence, co-sponsored by 34 other Senators, proposed a committee drawn from six members of each House. President Eisenhower was opposed, and ten of the co-sponsors switched sides. On April 11, 1956, the resolution was voted down 27 to 59. All Presidents since then have opposed joint committee proposals, and they never got out of committee again.

<sup>16</sup> U.S., Congress, Senate, Committee on Government Operations, Subcommittee on National Security Staffing and Operations, *The Ambassador and the Problem of Coordination*, 88th Cong., 1st Sess., 1963, p. 37.

<sup>17</sup> *The New York Times*, April 25, 1966, p. 20.

<sup>18</sup> U.S., Commission on Organization of the Executive Branch of the Government, *op. cit.*, Part I, p. 2.

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The Kennedy record on the issue shows how position affects perspective. In 1956, Senator Kennedy voted for the Mansfield Resolution. In 1963, President Kennedy took the opposite view when asked how he felt about the idea:

I think the present committee—there is one in both the House and Senate which maintains very close liaison with the CIA—is best . . . They meet frequently with Mr. McCone . . . I am well satisfied with the present arrangements.<sup>19</sup>

The President did not elaborate on the reason for his change of mind. Looking at matters from the inside, he could certainly see in operation the controls over CIA which he had not seen before. He had, moreover, probably taken on with his higher office the conviction, so natural to its incumbents, that there was as much solicitude for the American freedoms in the White House as in the Capitol. He almost certainly had acquired a deeper respect for the principle of executive privilege in sensitive areas of administration.

Within the Intelligence Community, opinion is not—as common impression mistakenly conceives it to be—monolithic in its opposition to the joint committee idea. The prevailing view of many years in the community was that existing arrangements were working well, and that if critics knew how well, they would be much less critical. One of the currents of thinking today is that image may be as important as substance: not only must the controls over intelligence be working, but American public opinion must believe they are working. Allen Dulles, never an enthusiast for establishing a joint committee, is most recently of the mind that its establishment might be worthwhile now to “quiet public fears.”<sup>20</sup>

The intelligence professional in America is tinged with a certain envy of his British counterpart, who is shielded from mischievous publicity by the workings of an effective party discipline. The government is in office by virtue of its majority in Parliament, and this majority in Britain does not challenge the government without jeopardizing its own tenure. The characteristic parameters of the political behavior system are parliamentary supremacy in form and disciplined parliamentary support of the executive in reality. In this situation, intelligence can indulge its “passion for anonymity,” secure under the wing of executive protection against external inquisition.

In America, however, the prudent dictates of anonymity do not invariably prevail against political pressures for open debate. Members of the President's own party may press even more ardently than the opposition for a new form of legislative oversight. The American political system being what it is, intelligence in the United States does not so much seek to escape legislative oversight as to find common ground with its advocates.

The terrain of this common ground must be sure, in the intelligence view, to include one feature as fundamental: Congressional surveillance must not equate to surveillance by all the members of the Congress. This is a requirement that Congress has in fact always respected in the very sensitive areas of national security. During World War II, Congress as a body appropriated the funds for the Manhattan Project to build the atom bomb, but only a handful of Senators and Congressmen were “witting” about the project. It is a requirement, moreover, that Congress still respects when it allows the Joint Committee on Atomic Energy to act as its agent for supervision over the AEC. If the tradition is

<sup>19</sup> *The New York Times*, October 10, 1963, p. 18.

<sup>20</sup> *The New York Times*, April 25, 1966, p. 20.

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followed, any new pattern of Congressional surveillance over intelligence need not mean an enlargement in the number of Senators and Congressmen who now exercise the surveillance responsibilities. Whatever the pattern of oversight, there is no escaping the necessity to keep secrets secret.

One of the apothegms much quoted in discussions of legislative oversight is that secret knowledge is secret power. The thought deserves our closing examination. Knowledge is secret which is restricted to a small group. Yet in an age of science and specialization, restriction of access is the characteristic also of much knowledge that is not secret in the common meaning of the word. The knowledge is secret in a working sense because the fields of learning today are many and are comprehended only in their relatively small circles of experts. Under the circumstances, the opinions of government experts—in intelligence and in other fields—can be exceptionally influential in shaping the decisions of those who govern. In this situation, the concern to keep intelligence honest, so to speak, is really part of a broader concern to keep American legislation and policy in all areas from becoming mere ratification of specialist biases. The intelligence profession, made all the more introspective by its understanding of foreign political systems, is alert to this flaw line of specialization in the modern democratic structure. Since the field of intelligence is so sensitive, the intelligence professionals caution that surgical skill and care must go into the fashioning of any counterweight controls. Their cautions are bound up with their acceptance of the principle that balancing mechanisms in our political life are necessary to contend with the increasing segmentation of knowledge in our age.

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