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WASHINGTON, D.C. 20505

Senior Review Panel

NIC-04141-85  
16 August 1985

MEMORANDUM FOR: Deputy Director of Central Intelligence

FROM: Senior Review Panel

SUBJECT: Postmortems

1. Your memorandum of 8 August highlights the impact of abrupt policy shifts on the estimative process. The point is well taken, and deserves careful consideration.

2. Our direct response is that we entirely agree that postmortems should be sensitive to the intersections of policy and intelligence and that in the future the Panel will seek more intensively to integrate the chronology of policy formulation and execution into its rear-view intelligence assessments. This reply, while responsive to the issue, does not in our view do sufficient justice to the complexity of the problem and the likelihood of its recurrence.

3. At the outset, it seems to us important to recognize that the system is working generally quite well. None of our surveys has uncovered a significant intelligence failure in the 1980s--a record which contrasts significantly with that of the 1970s. We think this owes chiefly to two circumstances:

a. An improved dialogue on policymaker needs and interests between the NIOs (and their DDO chief counterparts), on the one hand, and State Department colleagues, usually at the Assistant Secretary or DAS level on the other. Such exchanges, when forthcoming and straightforward, provide our people with a good understanding

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not only of the policy, but also of the process by which it has been evolved. Similarly, regular meetings between Agency personnel and other members of the policymaking apparatus at the NSC, DoD, and other senior levels have broadened our understanding of policy, its formulation, and the centers and weight of opposing views. Three critical follow-on assumptions are that the NIOs: (a) are sensitive to signs of policy obsolescence; (b) do not become overly dependent on single institutional arrangements or policy advocates; and (c) share their knowledge on a timely basis with the drafters of Estimates.

b. The inclusion of the DCI in the Cabinet and among the inner circle of the President's advisers. Even though he may be constrained from sharing the full extent of his knowledge, the DCI's intimate familiarity with the process, the methods, the personalities and the conclusions allows him to guide the intelligence process with a sure hand, requiring that pertinent Estimates examine all reasonable courses of action and the likely responses to them. And perceptive NIOs, in turn, guided by shared knowledge of the process of policy formulation and execution have been far better equipped to manage estimative production, develop relevant intelligence advice, explore meaningful alternatives, and assess their likelihood and their impact on US interests.

4. But policy under the best of circumstances is an amorphous commodity, seldom clearly articulated in concise terms, often the product of strongly-held opposing views, and frequently subject to interpretation by its executors. Worse, in times of urgency, policy inevitably tends to become the province of the very few, reducing the paper trail to a bare minimum. Secrecy in the policy process begets confusion, imprecision and false starts. Few people know or understand what is intended and why, and they may be sworn to secrecy. All of which recognizes that there can be no absolute guarantee that abrupt and spur-of-the-moment policy shifts in fast-breaking situations may not on occasions confound the unsuspecting analyst.

5. Such cases may be the exceptions, but they are also likely to be the ones which involve major US interests, attract at some point significant Congressional and public attention, and become, however unfairly, benchmarks for miscellaneous appraisals of Intelligence Community performance. One can think of a half dozen candidates at the present time.

6. We have no panaceas for such circumstances--other than a continued patient effort to increase the sensitivity of all

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concerned to the problem of dramatic policy shifts and the special requirements they levy for our estimative work before the fact and our postmortems afterwards.

7. For the analyst, there must be recognition that there will be fast-moving, high-interest times in which his involvement--or his information--will be sporadic, spotty, or nonexistent on some of the key elements. He has an obvious need to maintain close touch with, and seek guidance from, the NIOs concerned and with the leadership of the Agency. He has an initial requirement to produce Concept Papers and TORs which pose the real intelligence issues, describe an intended approach, and define a range of alternatives. The requirement is not met by a routine listing of a standardized table of contents outline. He has additionally two benchmarks for the possibility of policy shifts of an abrupt and dramatic nature:

a. When US influence and interests in a given situation are major, the locus of crisis management is clearly in the White House, and special Presidential agents replace more conventional channels for dealing with overseas situations.

b. Closely related, but perhaps more as an information inhibitor: When the Secretary of State himself undertakes a direct negotiating or mediating role (Schultz to the Middle East, Haig to a Falklands shuttle, etc.)

No two crises are identical, but either of the above is a reasonably clear signal, and one likely to have been preceded by a considerable run-up period in which there will have been a number of indications that, in your words, "the policy winds are blowing in different directions." It is time for the analyst to shift his gears, recognize the hazards of a status quo bias, overconfidence in the continuity of previous trends, or frozen analytical frameworks. The sooner this occurs the better, for when the force of the gale strikes, current information will almost certainly be sharply circumscribed or cut. Persistence in estimative judgments based mainly on past experience becomes in such circumstances quite hazardous.

8. The best remedies now at hand would appear to be avoidance of single-outcome projections, a greater willingness to try alternative scenarios, and more recourse to the sort of speculative "What if?" papers we have found useful and thought-provoking whenever they have been attempted. (Parenthetically, and not only for urgent cases, we hope the DDI and the VC/NIC will encourage greater use of such speculative pieces.) The aim is not to second guess the policymaker but to confront him in

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time with intelligence advice before he acts--whether he thinks he needs it or not.

9. For the post-mortician, we think he should continue to see his task as the production of essentially in-house products, directed at "lessons to be learned." We believe there are a few specific additions to his process which should go a considerable way towards meeting your concerns:

a. A new effort to reconstruct the policy process with precise chronological benchmarks. To do so will require interviewing available senior levels of the policymaking process, as well as the NIOs and drafters of the Estimates involved, in order to answer, as precisely as possible, one vital question: "Who knew what and when?" Without unambiguous answers, the attempt to correlate the estimate process with policy formulation and execution becomes exceedingly problematic.

b. A clearer record of the extent to which antecedents to policy shifts have been made known in advance, subsequently, or not at all, to the analysts responsible for the preparation of intelligence advice.

c. An increased emphasis on what drafters have done to cope with, or compensate for, uncertainty or exclusion from advance knowledge of significant policy shifts. This would mean a closer examination of the presence or absence of analyses of critical variables, the use of alternative scenarios, and the extent of attempts to develop "What if" implications for US policy.

10. The foregoing observations make no pretense of being able to provide all the answers, but we believe that at the least, they will add an important and revealing dimension to future postmortems. In these comments, we have to a considerable extent worked the problem backwards--a sort of reverse engineering on postmortems. What stands out at the end most clearly is that the Community--at all levels--should position itself by close and amiably relentless contact to persuade policymakers that seeking the Community's advice before decisions are taken is a more rewarding practice than reading its retroactive appraisals. This means, among other things, validating the quality and the dependability of Agency and Community assessments, demonstrating a capacity to protect and limit access to information, and manifesting a quick-response capability. (Such considerations account for a number of our crotchets: short, readable papers, accelerated preparation, and

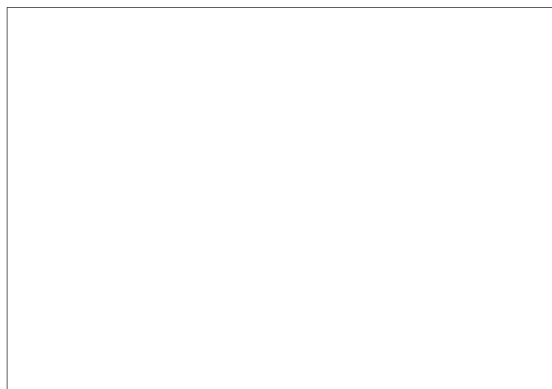
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a campaign to restore the SNIE art form to its original purpose: rapid response to specific critical issues.) However done, there needs to be developed a more telling conviction that a policymaking process which excludes its intelligence arm at crucial points is a high-risk, disaster-prone business.

11 We would welcome your reaction to these thoughts.



William Leonhart



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cc: DCI  
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8 August 1985

MEMORANDUM FOR: Ambassador William Leonhart, Senior Review Panel

FROM: Deputy Director of Central Intelligence

SUBJECT: Postmortems

1. In looking at some of the postmortems to see how intelligence alerted policymakers to unfolding events, I read with interest your observations on Iran and the fall of the Shah as well as Nicaragua centering around the Sandinistas taking over Somoza. Each subject was treated from an intelligence standpoint alone. In the case of the Shah, we did note in some publications the unraveling nature of events happening in Iran. The assessment was that the Shah could hang in there, this undoubtedly prompted by the history of 1953 events. In Nicaragua, we assessed Somoza as having a 50/50 chance of hanging in there and one could judge that our intelligence missed the boat.

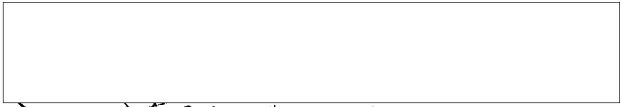
2. What is missing in the postmortems, however, is the role that US policy shifts played in altering the course of events dramatically far beyond any prognosis for intelligence to predict.

3. In Iran, the judgment was when things really got tough, the Shah would call out the military much as he did in 1953 and squash Khomeini and the dissident movement. In Iran, the analysts could not predict that the US Government would end up sending General Huyser on a mission to quell the military from any involvement. In Nicaragua, no one predicted that the US policy would shift from supporting Somoza to the point where we cut off all aid and assistance and took effort diplomatically to undermine the Somoza rule.

4. I guess my bottom line is that I feel that postmortems must take into account the shifts of policy which cannot be predicted by the intelligence analyst and somehow point out that the failures were really not intelligence but the results of the policy winds blowing in different directions.

5. I would like your comments on how we might tackle this illusive factor in future postmortems.

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 John N. McMahon
cc: DCI  
DDI

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