

The CIA and the Culture of Failure: U.S. Intelligence from the End of the Cold War

Intelligence in Public Literature

John M. Diamond: Stanford University Press, 2008, 536 p., photos, bibliography, index.

Reviewed by Roger Z. George

Rising above the “gotcha” or the “connect the dots” simplicity of the growing genre of “intelligence-failure” literature, John Diamond’s *The CIA and the Culture of Failure* is one book of the genre worth reading if one is all you choose to read. While the title is off-putting and misleading, Diamond explains it early in a way that compelled this reviewer to see if the author could make his case. The former *Chicago Tribune* and *USA Today* reporter on national security asserts in his introduction that “failure refers not to alleged CIA incompetence, which, though it occurs in cases we will explore, is often overstated by the agency’s critics.” What he explores instead is the product of an “atmosphere of declining confidence in the abilities of U.S. intelligence to do its job.” Hence, the fault lies not only in the Agency’s performance but in US politics since the collapse of the Soviet Union began in 1989.

Diamond spent two years piecing together his story from information

released in the Agency's declassification programs, congressional hearings, commission postmortems, policymaker memoirs, and interviews with former Agency officials. He does not attempt to cover the Agency's entire history or to deal with every issue or controversy in which CIA has been involved since 1991. He says very little, for example, about collection or covert operations. One exception is a chapter on Aldrich Ames in which Diamond tries to demonstrate how Ames put CIA "in Chapter 11," in the words of former Deputy Director of Central Intelligence John McLaughlin. In his many sources, he detects a steady decline in CIA's status and performance.

The book unfolds in a discussion of the CIA's analytic record on the fall of the Soviet Union, which Diamond links to later problems in CIA's analysis on terrorism and Iraq. Like other authors, he acknowledges the shock of the loss of CIA's main target and object of analysis, but unlike other Agency critics, he does not entirely blame the Agency for not predicting the USSR's fall. "In a sense," he writes, "the CIA set itself up for later failures of analysis by its occasionally prescient early 1980s assessments of the pressures toward radical change in the Soviet bloc." He credits CIA for forecasting the risks—including coup plotting—Mikhail Gorbachev ran in trying to right the sinking ship of socialism. However, the Agency never fully appreciated the centrifugal forces at play in Soviet society and consequently could not anticipate or appreciate the far-reaching proposals that Gorbachev was to lay down in the late 1980s.

Rather than leave it at that, Diamond makes an observation few other critics acknowledge, namely, that analysis is not just about prediction. As he puts it:

The scorn heaped on the Agency in the early 1990s—scorn that had a significant and damaging impact on intelligence spending at what we now know was a critical time in the emergence of militant Islam—is based on the dubious assumption that predicting the breakup should have been an easy call.

The Soviet breakup, he notes, involved both a complicated set of events in that society and significant interactions with the United States. Hence, he believes that “getting it right in the case of the Soviet breakup, required foresight about shifts in U.S. and Soviet policy as well as the interaction between those shifts.” Debates raged throughout the Reagan era over the proper way to deal with, if not bring down, the Soviet Union. CIA’s place, according to Diamond, “was somewhere in the middle.” It wrote about structural economic flaws but consistently overestimated Soviet GNP, it accurately gauged many Soviet military programs but undervalued the overall strain defense placed on the economy, and it identified the falling quality of life as a major threat to stability but never questioned Moscow’s ability to control the pressures. Diamond asserts that CIA followed its natural instinct to find a middle course between hawks and doves. The result satisfied no one, and CIA lost its credibility. In the end, “neither the political left nor right in America had a particular interest in defending the CIA against the charge of intelligence failure.”

This description of CIA’s political plight after 1989 sets the stage for the chapters on 9/11 and the Iraq War. In them Diamond asserts that CIA analysis often tacked within the confines of a supercharged political environment in which every estimative misjudgment or mistaken analysis had its predictable and often over-compensating adjustment. In many cases, CIA was judged to be changing its analytic course, flipping assumptions on their heads, or learning the next lesson in a way that guaranteed a future failure. Diamond also notes that much of the fault for this zig-zagging is driven by the shifting priorities and preoccupations of the policymakers CIA serves. “Intelligence reporting, in no small degree, reflects less the views of analysts than the view implied by questions policymakers have asked those analysts to answer.” So, if the first Bush administration showed no interest in Iraq prior its invasion of Kuwait in 1990, CIA was prone not to focus on it or to develop good sources; likewise when “containment” was thought to be working against Iraq during the Clinton administration, there was little incentive for CIA to develop sources or focus on what was not known about Baghdad’s WMD programs. Along the way, Diamond applauds CIA for getting many things right and for trying to warn inattentive policymakers.

Stepping back from the argument itself, Diamond’s account of the CIA’s post-1989 analytic record deftly describes the interaction of intelligence with policy, making it a far more sophisticated and well-sourced treatment than many published critiques. Even though the *Culture of Failure* does not presume to be comprehensive in examining the many issues CIA has had

on its plate since 1989, those who actually worked on the issues will have to admire Diamond's attention to detail, his meticulous sequencing of events, and his placement of events into their political contexts. No doubt, practitioners aware of still-classified material will quibble with some details or inferences and conclusions, but most will still find the volume a handy update to Christopher Andrew's book, *For the President's Eyes Only*, which does not cover the Clinton and George W. Bush administrations.

But does Diamond's core thesis, his quasi-deterministic view of CIA's "culture of failure," hold up on full reading? I am not convinced. First, like many books in the "failure" genre, this one suffers from hindsight bias. The author finds that certain events—once all the facts are known—seem so much clearer than they could have been at the time.^[1] No analyst, and perhaps only a few senior Intelligence Community managers, could possibly have had the "bigger picture" in mind when formulating hypotheses about the Soviet Union, Bin Laden, or Iraq. Analysts stay in their lanes, and, for reasons of analytic integrity, tend not to put themselves in the policymakers' position of understanding how their analyses will affect policy or how their analyses will be perceived by a particular policymaker. To blame analysts for tailoring their work to fit what policymakers might think is acceptable or credible is unfair, attributing to them insight most are unlikely to have. In any case, the thesis cannot explain why CIA and the Intelligence Community could get the Iraq WMD story so wrong but got its assessments of an alleged al-Qaeda-Iraq linkage and a post-Saddam Iraq so right. Uneven analytic expertise and rigor is a likelier explanation.^[2]

Second, Diamond seems to imply that "lessons learned" from one analytic experience are transmitted seamlessly to other analytic units. His argument that the Agency's damaged reputation after the fall of the Berlin Wall haunted its terrorism analysis and later its analysis of Iraq WMD may sound plausible in the abstract, but is too simplistic. Very few analysts and managers who lived through the Reagan-era intelligence-policy disputes over the Soviet Union were working the terrorism or Iraq issues. So, somehow this "culture of failure" had to be transplanted in the younger generation of analysts who came to populate the DI in the 1990s. Yet, there is no evidence in the book that any terrorism analyst or weapons analyst had such lessons in mind when they examined their particular targets. Moreover, both in-house and outside critiques of the Agency's performance on the Iraq WMD issue fault analysts for not having learned earlier lessons—that is, they committed the same sort of cognitive errors made by earlier analysts during the Cuban Missile Crisis, 1973 Middle East

War, the 1979 Iran Revolution, and indeed the fall of the Soviet Union. So, how can Diamond conclude that a past era had such a dramatic impact on a more recent one?

Third, despite Diamond's claim that prediction is not the sole metric of the Agency's performance, virtually all of his book seems to focus on whether the Agency's forecasts were more correct than not. Again, this simplifies the role of analysis to a game of odds-making. Like other critics, he dismisses or plays down the role of uncertainty in the analytic process; that is, analysts often must warn policymakers less about the certainty of a bad outcome and more about the uncertainty surrounding any judgment about the future. This is unsatisfying for policymakers but essential if analysts are to provide objective and transparent judgments. If, in 1987, CIA had predicted the end of the Soviet Union by the end of the decade, would anyone have listened? Exactly such a prediction was made regarding the breakup of Yugoslavia in 1990—which he does not examine—and had almost no impact on the first Bush administration. Analytic certitude does not guarantee an impact on policy, but raising the possibility of deeper change, as CIA did in its many analyses of the Soviet Union, at least prepares policymakers to hedge bets in dealing with uncertain futures. Had Diamond considered this uncertainty factor, he might well have arrived at different conclusions regarding the agency's performance or continued relevance. Indeed, he might have shifted more responsibility to the policymakers' side of the score sheet.

Fourth and finally, one wishes a seasoned journalist who has followed national security and intelligence policy for more than 20 years would have made an effort to address the media's contribution to the post-9/11 political environment. Was not the media part of the zeitgeist in which CIA became the whipping boy for failed policies? And in his discussion of the Iraq WMD story, should Diamond not have at least mentioned how readily prominent journalists bought into the mindset that Saddam had WMD and was cleverer than we all thought?^[3] If he is correct in arguing that analysts felt the burden of declining credibility over the years since 1989, at least part of that culture of failure was being transmitted by a press that found it appealing to focus on the Agency's failings more than its successes. Unlike this book, which acknowledges the difficulty of assessing the full record, the media have painted intelligence in black and white—either tainted by politicization or irrelevant to critical national decisions, when the truth lies elsewhere.

Despite these flaws, the book makes an important contribution by

highlighting the inherently inseparable nature of policy and the intelligence work behind it. Neither operates in a vacuum, and policymakers and intelligence officers work better when they understand and acknowledge the impact they have on each other. Wisely, Diamond states, “there is no bright line between success and failure, no column of intelligence activities on one side labeled ‘successes’ and another on the other side labeled ‘failures.’” Thankfully, Diamond offers no over-simplified silver bullet as a solution to this intelligence-policy problem. Nor does he offer much hope for improvement for the future. Indeed, he acknowledges that the themes he examines—“the politicization of intelligence, the error-prone nature of the business, the tendency of bureaucracies to stumble into new kinds of failure while striving to avoid repeating past mistakes”—are not unique to the period after the Soviet Union or to intelligence. More somberly, he sees and expects the gap between policy and intelligence to widen. In providing this judgment, he performs the useful function of cautioning future administrations that they need to work on making this relationship as transparent and collaborative as possible. His message is that using the CIA to justify future actions, or excuse past mistakes, inevitably makes the Agency less effective and ultimately can undermine the nation’s security.

Footnotes

[1] Diamond notes the second-guessing game that scholars play with analysis once more is known. He writes: “Given the huge volume of CIA analysis of the Soviet Union now available to the public through declassification, it is easy for a scholar to find examples of intelligence analysis that make the Agency look either brilliant or foolish, depending on the scholar’s predisposition.” (89)

[2] Diamond notes that CIA basically stood its ground on the lack of persuasive evidence for al-Qaeda links to Saddam and wrote two very prescient Intelligence Community assessments on the domestic and regional consequences of Saddam’s fall. (417–19)

[3] The *New York Times* acknowledged the media could have done a better job in challenging the prevailing view of Saddam and might have challenged journalists, especially Judith Miller and Michael Gordon, to

scrutinize their own work, which was based on insider information. See “The Times and Iraq,” *New York Times*, 26 May 2004.

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