THE IMAGE OF THE ENEMY

INTELLIGENCE ANALYSIS OF ADVERSARIES SINCE 1945

PAUL MADDRELL, EDITOR

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THE IMAGE OF THE ENEMY

This book is dedicated to the memory
of the late Professor Ernest R. May,
an outstanding historian and pioneer
in the study of intelligence.

ABBREVIATIONS

BAFT: Bureau of Alcohol, Firearms, and Tobacco (United States)
BND: Bundesnachrichtendienst (West German Federal Intelligence Service)
BNE: Board of National Estimates (United States)
CBW: chemical/biological weapon
CDU/CSU: Christlich-Demokratische Union / Christlich-Soziale Union (Christian Democratic Union / Christian Social Union, West Germany)
CGA-OT: coordinator of government activities in the Occupied Territories (Israel)
CGS: Chief of the General Staff (Pakistan)
CIA: Central Intelligence Agency (United States)
CIMP: Commission of Inquiry on Missing Persons (Pakistan)
Comecon: Council for Mutual Economic Assistance
CPGB: Communist Party of Great Britain
CPSU: Communist Party of the Soviet Union
CSCE: Conference on Security and Cooperation in Europe
CTC: Counterterrorism Center (of the CIA's DO)
DCI: director of Central Intelligence (the director of the CIA who from 1947 to 2005 also presided over the entire US intelligence community and coordinated its work)
DG: Director-General
DGB: Deutscher Gewerkschaftsbund (German Trade Union Confederation, West Germany)
DI: Directorate of Intelligence (of the CIA)
DIA: Defense Intelligence Agency (United States)
DNI: director of National Intelligence (who since 2005 has presided over the entire US intelligence community and coordinated its work)
DO: Directorate of Operations (of the CIA)
EEC: European Economic Community (also known as the EC: European Community)
EIG: Egyptian Islamic Group
EIJ: Egyptian Islamic Jihad

EU: European Union
FBI: Federal Bureau of Investigation (United States)
FDP: Freie Demokratische Partei (Free Democratic Party, West Germany)
FRG: Federal Republic of Germany (otherwise known as West Germany)
FSF: Federal Security Force (Pakistan)
GDR: German Democratic Republic (otherwise known as East Germany)
Gestapo: Secret State Police (of Germany under Nazi rule)
GHQ: General Headquarters (Pakistan)
GRU: Main Intelligence Directorate (of the Soviet army)
GSOTG/GSFG: Group of Soviet Occupation Troops in Germany; later known as the Group of Soviet Forces in Germany
HM: Hizb-ul Mujahideen (Party of Holy Warriors, Pakistan and Kashmir)
HUMINT: human intelligence
HVA: Hauptverwaltung Aufklärung (Main Intelligence Directorate, Ministry for State Security, East Germany)
IB: Intelligence Bureau (Pakistan)
IC: US intelligence community
ICBM: intercontinental ballistic missile
IDF: Israel Defense Forces
IMF: International Monetary Fund
IMINT: imagery intelligence
INLA: Irish National Liberation Army (United Kingdom)
INR: Bureau of Intelligence (of the State Department of the United States)
IRTPA: Intelligence Reform and Terrorism Prevention Act (United States)
ISI: Inter-Services Intelligence Directorate (Pakistan)
JEM: Jaish-e Mohamed (The Army of Mohammed, Pakistan and Kashmir)
JIC: Joint Intelligence Committee (United Kingdom)
KGB: Komitet Gosudarstvennoi Bezopastnosti (Committee for State Security, Soviet Union)
KIT: Key Intelligence Topics (Israel)
LeT: Lashkar-e Toiba (The Army of the Righteous, Pakistan and Kashmir)
LOC: Line of Control (between India and Pakistan)
MAD: mutually assured destruction
MfS/Stasi: Ministerium für Staatssicherheit (Ministry for State Security, East Germany)
M/H: Memorandum for Holders (United States)
MI: Directorate for Military Intelligence (Pakistan)
MID/AMAN: Military Intelligence Directorate (Israel)
MIRV: multiple independently targetable reentry vehicle
Mossad: Institute for Intelligence and Special Duties (Israeli foreign intelligence service)
MQM: Muhajir Qaumi Mahaz (Muhajir Qaumi Movement, Pakistan)

NACTA: National Counter Terrorism Authority (Pakistan)
NATO: North Atlantic Treaty Organization
NCTC: National Counterterroism Center (United States)
ESA: Office of Near East and South Asian Analysis (of the CIA)
NFIB: National Foreign Intelligence Board (United States)
NCO: Noncommissioned Officers
NGO: nongovernmental organization
NIC: National Intelligence Council (United States)
NIE: National Intelligence Estimate (United States)
NIO: national intelligence officer (United States)
NSA: National Security Agency (United States)
NSC: National Security Council (United States; also Pakistan)
NVA: Nationale Volksarmee (National People's Army, East Germany)
OECD: Organization for Economic Cooperation and Development
ONE: Office of National Estimates (United States)
Org.: Gehlen Organization (West Germany)
OTA: Office of Terrorism Analysis (of the CIA's CTC)
PA: Palestinian Authority
PDB: President's Daily Brief (United States)
PFIAB: President's Foreign Intelligence Advisory Board (United States)
PGU: First Chief Directorate (of the KGB)
PHOTINT: photographic intelligence
PIRA: Provisional Irish Republican Army (United Kingdom)
PLO: Palestine Liberation Organization
PPP: Pakistan People's Party
RAF: Red Army Faction (West Germany)
RAW: Research and Analysis Wing (India)
RSHA: Reichssicherheitshauptamt (Reich Security Main Office, Nazi Germany)
RUC: Royal Ulster Constabulary (United Kingdom)
RYaN/VRYaN: Nuclear-Missile Attack / Surprise Nuclear-Missile Attack
SALT I: Interim Agreement and Protocol on Limitation of Strategic Offensive Weapons
SALT II: Treaty on the Limitation of Strategic Offensive Arms
SAPMO-BA: Stiftung Archiv der Parteien und Massenorganisationen der DDR im Bundesarchiv (Foundation Archive of the Parties and Mass Organizations of the GDR in the Federal Archive, Germany)
SBZ: Sowjetische Besatzungszone (Soviet Occupation Zone of Germany)
SD: Sicherheitsdienst (Security Service, of the SS, Nazi Germany)
SDI: Strategic Defense Initiative
SED: Sozialistische Einheitspartei Deutschlands (Socialist Unity Party, East Germany)

SEIB: Senior Executive Intelligence Brief (United States)
Shabak / Shin Bet: General Security Service (Israel)
SHAPE: Supreme Headquarters Allied Powers Europe
SIGINT: signals intelligence
SIS: Secret Intelligence Service (United Kingdom)
SNIE: Special National Intelligence Estimate (United States)
SOVA: Office of Soviet Analysis (of the CIA)
SPD: Sozialdemokratische Partei Deutschlands (Social Democratic Party, West Germany)
SS: Schutz Staffel (Protection Staff, Nazi Germany)
SVR: Foreign Intelligence Service (Russia)
S&TI: scientific and technological intelligence
TECHINT: technical intelligence
ULFA: United Liberation Front of Assam (India)
USSR: Union of Soviet Socialist Republics
WB: World Bank
WMD: weapon of mass destruction
ZAIG: Zentrale Auswertungs- und Informationsgruppe (Central Evaluation and Information Group, Ministry for State Security, East Germany)

CONTENTS

Introduction

Achieving Objective, Policy-Relevant Intelligence

PAUL MADDRELL

THIRTY YEARS HAVE PASSED since Ernest May published his influential collection *Knowing One's Enemies*, which examined how well intelligence services and policymakers assessed intelligence on their adversaries before the outbreak of the two world wars. Since the Second World War all the Great Powers have understood the importance of intelligence to their security. During the Cold War immense intelligence communities in both East and West, spending unprecedented sums of money, collected vast quantities of intelligence and reported on it to their political leaderships. *Knowing One's Enemies* was published when the Cold War was still being waged; indeed, the editor's aim was to draw lessons from history that might help prevent a third world war.[1] Since the waging of the Cold War relied so heavily on intelligence, the time has come to consider how well this intelligence was analyzed by analysts and understood by policymakers.

Moreover, international relations since 1945 have been plagued both by interstate conflicts and by terrorist challenges to the state. The Cold War was only one instance—though one global in its reach—of a bitter interstate conflict that presented policymakers and intelligence analysts with the difficult problem of both understanding and fighting their foe. Understanding one's enemy calls for a cooler head and a more objective point of view than fighting spirit allows. Pakistan's military rulers and Israel's political leaders—both natural fighters—have often been more aggressive than was reasonable in the light of the intelligence available to them, as this book demonstrates.

The world over, terrorist foes have proved to be a particularly persistent threat to state security. The State of Israel was born as the Cold War was beginning, yet Israel has still not defeated its terrorist enemies and has anticipated terrorist attacks better than it has foreseen the development of Palestinian opinion. The

independent states of Pakistan and India were also born as the Cold War was starting, but the conflict between them, particularly over Kashmir, continues to this day. It fuses nuclear, conventional military, political, and terrorist dangers in a way reminiscent of the Cold War. This collection shows that Pakistan's rulers and intelligence agencies have often displayed a poor understanding of India. The grievances of Northern Ireland's republican movement against the United Kingdom predated the Cold War and gave rise to a decades-long campaign of terrorist violence that is still not quite over. The grievances of Salafi jihadist terrorists against the United States are of more recent date but will evidently threaten the United States and Americans throughout the world for a long time to come.

The intelligence dimension of the Cold War was an example of a broader phenomenon of interstate hostility; its lessons apply to many other cases. Today's terrorist threats present challenges different from interstate rivalry with which policymakers and intelligence agencies will continue to struggle—chiefly terrorism's propensity to develop very quickly, the obscurity of both the intentions and capabilities of terrorist networks (powerful states' capabilities are not so obscure), the networks' changing relationship with a wider community, their appeal to young people capable of rapid and often undetectable radicalization, and the fact that policymakers rarely have direct dealings with them.[2]

Two Key Issues: Analytical Error and the Reception of Intelligence by Policymakers

As far as analysts are concerned, the key issue that persistently arises is how to prevent analytical error and so maintain policymakers' confidence in the analysts' reports. The efforts of the US intelligence community (IC) to avoid mistakes long predated May's book. The end of the Cold War spurred a further wave of reform. The collapse of the Soviet Union and Soviet Bloc in 1989–91, confounding expectations of only a few years previously, and analysts' discovery after the Gulf War of 1991 of their underestimation of Saddam Hussein's project to develop an Iraqi atomic bomb encouraged the Central Intelligence Agency (CIA) in 1993–94 to review the analytical methods of its Directorate of Intelligence (DI). Analysts tried to make their analyses more convincing and transparent. Misjudgments in the late 1990s, such as the DI's failure to warn of India's nuclear tests in 1998, increased concern that US intelligence analysts made avoidable mistakes and were too unimaginative. They made false assumptions, relied too much on slender evidence, failed to consider sufficiently alternative interpretations of the conduct and intentions of foreign states, and often assumed that they would behave as the United States did. The attention that

analyses receive from the congressional oversight committees and, when leaks occur, from the media as well may also encourage excessive caution.[3]

Al-Qaeda's attacks on the World Trade Center and the Pentagon in September 2001 and the IC's gross overestimation of Iraq's weapon of mass destruction (WMD) capabilities in 2002–3 led to further reform of intelligence analysis. The attacks heightened awareness of how easily and naturally misjudgment arises from human beings' cognitive shortcomings and encouraged the use of analytical techniques designed to compensate for them. The 9/11 Commission was critical of a lack of imagination on the part of analysts and poor sharing of intelligence among agencies.[4] Proper analytical standards were set out in the Intelligence Reform and Terrorism Prevention Act of 2004 (IRTPA). The IC now stresses even more than before that analysis is a task that should be performed collaboratively, so that alternatives to a leading hypothesis are considered. Analysis is structured, thoroughly footnoted, and made transparent so that it is open to criticism.[5] Collaborative analysis is intended to guard against "groupthink" by ensuring that alternative interpretations are thoroughly considered.[6] All this may amount to no more than a heightened emphasis on cooperation and the need to consider alternatives. It is open to the objection that, faced with a mass of ambiguous and often contradictory information, every analyst needs a mental model to make sense of it.[7] Attempting to undermine these mental models may either be impossible or may lead to analyses too indecisive to be useful. Moreover, collaboration depends on groups and so may encourage, rather than undermine, groupthink.

There has been much research into the causes of mistakes in analysis. Richards Heuer's *Psychology of Intelligence Analysis*, published in 1999, has proved influential in prompting efforts to develop better analytical methods. Heuer's findings, which chiefly concern intelligence analysts and rely heavily on cognitive psychology, confirm those of May, which relate to both policymakers and analysts and are based on the historical record. The two men stress the same flaws in human beings' cognitive processes: the tendency to make evidence more coherent and rational than it is; the tendency to overestimate one's enemy, considering him to be more rational than he is; and the tendency of the human mind to look more for evidence that confirms existing beliefs than evidence that conflicts with them. Both men regard the chief cause of misjudgment to be the application of inappropriate mindsets, or mental models, to the evidence (May uses the term "presumptions").[8] Both men stress the need to keep presumptions under review. Both point to the consistent failure, on the part of both policymakers and analysts, to see a situation as the target state sees it.[9] Robert Jervis reached the same conclusions about policymakers in his book *Perception and Misperception in International Politics*.[10]

Another persistent issue is the failure of policymakers to understand or make use of intelligence. The present collection addresses this issue as well. Richard

Betts has argued that the main instances of surprise result from the failure of policymakers, not analysts, to understand intelligence. "Intelligence failure is political and psychological more often than organizational," he wrote in a famous article in 1978.[11] However, he did not in that article examine instances of this, nor has anyone yet undertaken a thorough study of the Cold War looking to see how well policymakers understood intelligence. This collection does that and finds much support for Betts's argument.

Raymond Garthoff, opening the collection, shows how Soviet leaders during the Cold War were more swayed by their ideological convictions about the United States, their contacts with American presidents, pressure from bureaucratic interests, and their own traits of character than by intelligence. Indeed, the Soviet political system discouraged any proper analysis of the United States. Turning to the United States, Ben Fischer demonstrates that the authors of National Intelligence Estimates, in the last twenty years of the Cold War, set themselves high standards of objectivity in their analysis of the Soviet Union's international behavior but lacked much-needed information and tended to "mirror-image" Soviet policy in ways that reflected American policy.

The division of Germany contributed to the outbreak of the Cold War; the country's reunification helped to end it. How well the leaderships of the two German states understood intelligence on one another is, therefore, an important theme of Cold War history. Paul Maddrell examines both the analysis—or, more accurately, the communist substitute for it, which was mere reporting—of intelligence on West Germany by the East German Stasi's foreign intelligence service, the Main Intelligence Directorate (Hauptverwaltung Aufklärung, or HVA), and the reception of that intelligence by East Germany's communist leaders.[12] Matthias Uhl then studies analysis of intelligence on the German Democratic Republic (GDR) and the Soviet Bloc by the West German Federal Intelligence Service (Bundesnachrichtendienst, or BND) in four key Cold War crises. All four chapters rely on important new sources, chiefly declassified records.

Alongside the Cold War ran bitter regional conflicts in Israel-Palestine, the Indian subcontinent, and Northern Ireland. Two of these continue to this day; the communal strife in Northern Ireland also continues, though in less grave a form. The time has also come to consider how well these threats—chiefly terrorist ones—have been understood. Eunan O'Halpin analyzes the attitudes of British policymakers to the Troubles in Northern Ireland in their early years, including their attitude toward intelligence. Tamir Libel and Shlomo Shpiro consider both the Israeli intelligence community's understanding of Palestinian terrorism since 1948 and Israeli leaders' reception of intelligence. Julian Richards concentrates on policymakers, examining the mentality of Pakistan's military rulers and the Inter-Services Intelligence Directorate since the state's foundation in 1947. Finally, Mark Stout turns attention back to intelligence

analysis as he studies the understanding of Al-Qaeda and jihadist terrorism that has developed in the US intelligence community since 1989.

The present collection is timely because historians have much better access to the records of many intelligence services than they did thirty years ago, though they still have no access to the archives of others.[13] The collection exploits important sources that have become available only since the Cold War ended. It breaks new ground in the case studies it employs, many of which are very difficult to research into and are little discussed in the academic literature. The need for a study of intelligence analysis since 1945 is great, since leading writers on intelligence bemoan how small the academic literature on analysis is.[14] The existing literature also concentrates, as far as the Cold War is concerned, on case studies of analytical error, the outstanding ones being American analysts' failure to warn of the deployment of Soviet nuclear missiles in Cuba in 1962 and various instances of surprise attack, such as North Korea's invasion of South Korea in June 1950 and the outbreak of the Yom Kippur War in October 1973.[15] The present collection also answers calls for a comparative study of the performance of the intelligence communities of East and West.[16]

The collection goes beyond the works of Jervis, May, and Heuer in stressing the role of ideology in generating misperceptions of other states (Jervis and Heuer were concerned with the influence of cognitive psychology on perceptions, while ideology was a minor theme of May's book). While histories of the Cold War abound with discussions of the influence of ideology on the decision making of the two sides' leaders, its interaction with intelligence is a neglected topic.[17] Owing to the size of the subjects they consider and sometimes severe restrictions on access to government records, all nine authors in this collection have been selective in their approach to their chosen topics.

"Politicization"

Intelligence estimates have to consider both an enemy's capabilities and his intentions (or "proclivities," as Ernest May more generally described them). May suggested three tests of an intelligence estimate's quality. First, in relation to both matters it should ask the right questions, which he defined as "the questions, right answers to which could be useful guides to action." The most important estimates needed to ask the big questions, on which key presumptions depended. Second, estimates should be accurate. Third, they should reach conclusions acceptable to policymakers since they would be useless if they could not influence their readers.[18]

The main point the collection makes is that since 1945, most of the intelligence agencies discussed here—though not all—have tried to produce assessments that meet all three of these criteria. The intelligence services of

communist states did not ask the right questions because they were not allowed to.

The collection makes clear time and again that the character of a government inevitably affects the nature and quality of its intelligence agencies' reporting. It is necessary to distinguish here between intelligence analysis in most Western states, where analysts are expected to be objective, and communist states, whose intelligence agencies were not permitted to report objectively.

In the former, a mild form of "politicization" is natural since analysts have to make their information acceptable to policymakers. To do so, they have to show that their conclusions are significant for policymaking. The more significant their analyses become the more they will be seen as "politicized" by groups within the decision-making process. The simple fact of significance for policy can cause an analysis to be seen as "politicized." As this collection shows, analysts are also influenced to some extent by the views, policies, and military doctrines of the decision makers they serve, as well as by the interests of the government of which they are a part. Seeing relations with the target state from the policymakers' viewpoint, analysts can come to share their mindset (or part of it). Lawrence Freedman calls this a shared "adversary image," which he defines as "a set of coherent views over what can reasonably be expected" from an adversary.[19] He made the point about the relationship between the US government and its intelligence analysts, but it also applies to the communist regimes. Teamwork tends naturally toward groupthink. It may be a subconscious process. Since the military prizes teamwork and hierarchy so much, the pressure toward groupthink is particularly strong in military intelligence organizations. Analysts, whether civilian or military, do not want to present intelligence that policymakers will reject out of hand because it conflicts with the rationale for existing policies. This collection demonstrates that policymakers have a persistent tendency to discount intelligence they receive. They do so because it conflicts with fixed assumptions about their enemies, personal experience, or the rationale for policy. They also do so because they regard the intelligence analyses as reflecting bureaucratic self-interest or as ways of influencing them to pursue particular policies.

Analysts are also prone to the same cognitive errors as policymakers. The most important of these, as writers such as May, Jervis, and Heuer have explained, are the tendency to regard one's enemy as more rational and centralized than he is and a tendency to overestimate rather than underestimate him.

In these circumstances, "politicization" is a misnomer. "Governmentalization" might be a better term. What really takes place is that policy and the government's thinking color intelligence as the latter seeks to make itself relevant to the former. This can occur without the analysts' objectivity being compromised.[20] It falls far short of deliberate distortion of intelligence so that it supports a particular policy. The most strident allegations of politicization have

been made about analyses that related to political issues of the highest importance, such as Soviet strategic objectives (in the mid-1970s) and whether Iraq, in 2001–3, represented a threat to the United States.[21]

More was unacceptable to communist leaders than to those of democratic states. Their intelligence agencies could therefore not report objectively; politicization became severe. Communist leaders had difficulty tolerating information that criticized their policies or challenged their legitimacy. Criticism could not be constructive; it was deeply subversive since it implied that Marxism-Leninism was wrong and not as "scientific" as it claimed to be. They could not even tolerate independent thinking. Consequently, analysis was degraded to mere reporting of intelligence. The communist intelligence services did not achieve the independent thinking expected of American analysts. Raymond Garthoff demonstrates that the reporting of the principal Soviet foreign intelligence service, the First Chief Directorate of the KGB (Komitet Gosudarstvennoi Bezopastnosti, or Committee for State Security), was deliberately cautious and intended to give no support for policy change. Information that the Soviet leader would not like was withheld from him. As leader, Leonid Brezhnev was supplied with flattering exaggerations of the impact of his speeches. The intelligence provided served the interests of the intelligence agencies concerned and of their ally, the military-industrial complex. The military intelligence supplied consistently made the case for further weapons development and high defense spending. Mikhail Gorbachev was so incensed by this biased and self-serving intelligence that he rebuked his intelligence chiefs for submitting it to him and discounted their reports.

Paul Maddrell shows that, in the GDR's case, the HVA was more willing than the KGB to supply unpalatable information to the regime's leaders. However, this information was reported as having been spoken by West German politicians or contained in West German government reports; the HVA refrained from providing its own analysis of foreign developments. The information it supplied was largely factual in character, and the leaders were left free to disregard it or impose their own analysis. They usually did one or the other. The HVA made no attempt to challenge their misperceptions, which were often severely deluded. Indeed, the HVA's own reporting on foreign economic developments was distorted by a crude, mistaken Marxist understanding of economics that can only have encouraged the leaders' belief that the Western economies had profound problems and communism would ultimately triumph.

Intelligence "analysts" in communist states were not analysts at all but newsmen. They did not try to achieve an understanding of foreign events independent of that of the communist regimes they served. Nor, as a rule, did they make forecasts or prepare long-term analyses of trends. Instead, they summarized incoming information. In American terminology, they provided current intelligence (even though they were well-suited to providing estimative intelligence